
**PUBLIC CONSULTATION ON PROPOSED
AMENDMENTS TO SINGAPORE
TELECOMMUNICATIONS LIMITED'S
REFERENCE INTERCONNECTION OFFER:
HANDOVER OF TAIL LOCAL LEASED
CIRCUITS AT G.703 INTERFACE
STANDARD**

**Submission by the StarHub Ltd to the Info-
communications Development Authority of Singapore**

22 November 2005

Contact Details :	StarHub Ltd 51 Cuppage Road #07-00 StarHub Centre Singapore 229469 Phone +65 6825 5000 Fax +65 6721 5004 Tim Goodchild Email timothy@starhub.com
-------------------	--

General

StarHub applauds IDA's decision to require SingTel to make available the G.703 interface for handover of tail local leased circuits ("TLLC") by SingTel to Requesting Licensees ("RL") under Schedule 7B of SingTel's Reference Interconnection Offer ("RIO").

StarHub also appreciates the opportunity to comment on SingTel's proposed changes and is pleased to provide our input in the following sections.

Non-compliance with IDA's 19 October 2005 Direction

StarHub submits that SingTel has not fully complied with IDA's 19 October 2005 Direction ("Provision of Tail Local Leased Circuits at G.703 Interface Standard") ("Direction"). IDA's Direction requires SingTel to offer the G.703 standard interface as an alternative to the V.35 interface standard. However, SingTel has failed to do so in its proposed amendments. SingTel has only offered the G.703 standard in cases where a Requesting Licensee ("RL") orders a Point-to-Multipoint ("PTMP") circuit.

StarHub submits that this does not comply with the Direction and that it is unnecessarily restrictive on RLs. Clearly, SingTel's proposal to only make available the G.703 interface for PTMP circuits will not fully resolve the issues which led to IDA's Direction, as operators will still be forced to operate with a V.35 interface for PTP circuits (with all the inefficient muxing, demuxing and higher costs that this would involve).

RLs must be given the option to order Point-to-Point ("PTP") TLLC at the G.703 interface. StarHub therefore submits that SingTel should be required to modify Schedule 7B so as to make available to RLs the option of G.703 standard interface for both PTP and PTMP circuits.

Point-to-Multipoint Circuits: B-end (Clause 1.5(b), Annex 7B-1, Annex 7B-4)

SingTel is only offering B-end trunks at 1984 kbps for PTMP circuits. StarHub submits that this is unnecessarily restrictive and inefficient. It is typical and more efficient for operators to utilize trunk circuits that are of higher speeds so that more child circuits can be groomed onto the same trunk. StarHub therefore submits that SingTel should be required to offer B-end circuits of between 1984 kbps to 155 Mbps (inclusive).

StarHub submits that this will ensure that RLs can be more efficient in the utilization of capacity, and therefore offer more competitive services to end users.

Unclear Drafting (Clause 1.6)

There appears to be a drafting error in Clause 1.6 and therefore the intent of this Clause is unclear. It appears that this Clause is intended to limit SingTel's obligation to offer the G.703 interface, for TLLCs at speeds of between 64 kbps and 1024 kbps, to PTMP circuits. As

stated above, StarHub believes that this is a failure by SingTel to comply with IDA's Direction, and that this Clause should therefore be deleted in its entirety.

Delivery (Clause 4.2)

Clause 4.2 gives SingTel the right to impose a deferment fee depending on whether SingTel has "commenced installation work". However, the Schedule does not specify when SingTel will actually commence such installation work. As the commencement of installation work is a key date to determine whether SingTel will accept or reject a request for deferment, StarHub believes that it is important for this date to be specified so as to avoid any dispute in relation to the operability of this Clause.

SingTel's Responsibility (Clause 4.6)

StarHub would propose that, in addition to the responsibilities listed in this Clause, SingTel should also be required to carry out testing of the circuits (both trunk and child circuits) before handing over the circuits to RLs.

For avoidance of doubt, the trunk circuits will only need to be tested once during the initial handover and will not need to be tested each time a child circuit is added.

StarHub's request is based on the fact that the handover of TLLC between two networks is more complicated. This is especially so as different customers will be using the same trunk and therefore if errors/faults occur, fault identification can be more difficult as other customers could be affected as well. It is therefore more practical for SingTel to test the circuits at its end to ensure that there are no faults/errors before handover to RLs.

Upon successful completion of testing, SingTel should be required to send a test report to the RLs.

Change of Interface Standard (Clause 5.4)

SingTel is proposing to treat a request for change of interface standard as a request for deactivation. StarHub submits that this should not be the case.

It is not uncommon for end users to change equipment and therefore require a change of interface standard. StarHub further submits that the change in interface standard is a simple process and does not entail the scale or resources that a change in bandwidth requires. Further, no re-provisioning work is required for a change in interface standards. It is therefore unfair to treat a change of interface standard similar to a change in bandwidth.

StarHub therefore submits that SingTel should be required to treat such requests as routine changes and not be allowed to impose any charge for a change in interface standard.

StarHub further submits that the monthly fees paid to SingTel for this the TLLC will adequately compensate SingTel for such changes. StarHub would note that the incidence of such requests will not be high as end users are not likely to change their equipment frequently.

Finally, the change in interface standard should be carried out with minimum service disruption.

Charges (Schedule 9)

B-end 1984 kbps Link

StarHub submits that SingTel's proposed charges for the B-end 1984 kbps link is extremely high and if accepted could make the use of PTMP circuits by RLs uneconomical.

StarHub also submits that SingTel's proposed charges are very much higher than the cost of equipment (the majority of which is likely the cost of the Tellabs equipment) and resources SingTel would incur in providing this service.

For example, assuming that a RL orders 8 x 1984 kbps trunks (conservative estimate) from SingTel, it will be required to pay SingTel an annual fee of \$182,400 (\$1,900 x 8 circuits x 12 months). If we again assume that the equipment deployed by SingTel is depreciated over 5 years (again a conservative estimate as industry standard can be up to 8 years), then the total payment to SingTel is \$912,000 (\$182,400 x 5 years).

StarHub believes that this amount is significantly higher than the amount that SingTel would have invested in equipment to provide this service. StarHub would therefore propose that the B-end 1984 kbps link should be provided free of charge and that RLs be only liable to pay SingTel the grooming charge. We also note that SingTel has not provided any justifications for the proposed charges.

Further, given the high charges proposed by SingTel (for PTMP circuits), it is imperative that IDA require SingTel to offer the G.703 interface for PTP circuits. SingTel should also be required to provide additional speeds as B-end links of up to 155 Mbps (as earlier proposed).

Installation Charges

StarHub would note that SingTel's proposed installation charges for PTP and PTMP circuits are twice the amount charged by SingTel under its retail services for similar speeds. StarHub submits that such unilateral attempts by SingTel to inflate the costs of TLLCs must be rejected.

Conclusion

StarHub believes that SingTel's proposed modifications to Schedule 7B of the RIO do not comply with IDA's Direction. StarHub has also proposed changes to the Schedule to include requirements for testing and alternative speeds for B-end links for PTMP circuits. Finally, StarHub submits that SingTel proposed charges for the B-end 1984 kbps link is out of line with the costs SingTel would actually incur, and must be rejected. Further, SingTel has attempted to inflate the costs of TLLCs by proposing to impose installation charges that are twice that which SingTel charges its retail customers. We would request that IDA carry out a thorough audit of SingTel's proposed charges in order to determine the relevant charges.