

20 March 2006

Mr Andrew Haire
Assistant Director-General (Telecoms)
Info-communications Development Authority of Singapore

Dear Mr Haire

RECONSIDERATION REQUEST OF THE IDA DIRECTION DATED 8 MARCH 2006 IN RELATION TO MODIFICATION OF SINGTEL'S REFERENCE INTERCONNECTION OFFER PURSUANT TO SECTION 69(1) OF THE TELECOMMUNICATIONS ACT 1999 (CAP 323) AND SUB-SECTION 11.9.1(a)(i) OF THE CODE OF PRACTICE FOR COMPETITION IN THE PROVISION OF TELECOMMUNICATIONS SERVICES 2005

1. Singapore Telecommunications Limited (**SingTel**) refers to the direction issued by the Info-communications Development Authority of Singapore (**IDA**) on 8 March 2006 (**Direction**) requiring SingTel to propose modifications to its Reference Interconnection Offer (**RIO**).
2. SingTel has carefully reviewed the Direction and requests the IDA reconsider certain aspects of the Direction pursuant to section 69(1) of the Telecommunications Act (Cap. 323) (**Act**) and sub-section 11.9.1(a)(i) of the Code of Practice for Competition in the provision of Telecommunication Services 2005 (**Code**).
3. Also relevant to SingTel's request for the IDA to reconsider certain aspects of the Direction is the Minister's decision in SingTel's appeal against the IDA's decision of 8 August 2005 issued on 9 February 2006 (**Minister's Decision**).
4. Section 69(1) of the Act and sub-section 11.9.1(a)(i) of the Code provides that a Licensee that is aggrieved by a direction may, within 14 days of the date of the direction, request that the IDA reconsider its direction (**Reconsideration Request**). SingTel is a Licensee and is aggrieved by the Direction.

Page 1 of 4

5. In addition to the request for reconsideration, SingTel requests that the IDA stay the requirement for SingTel to provide the IDA with a conformed version of the RIO within 30 days of the Direction. Sub-section 11.9.4 of the Code permits the IDA to stay the effectiveness of a direction, having regard to the following factors:
 - (a) the merits of the Reconsideration Request;
 - (b) whether the potential harm to any person outweighs the benefits of allowing the direction to go into effect;
 - (c) the public interest.

6. The following reasons support a stay of the Direction pending the IDA's consideration of the Reconsideration Request:
 - (a) SingTel has significant concerns. All of SingTel's concerns are fully justified in the attached document. The justification for each of the concerns requested for the IDA's reconsideration illustrates the merits of the Reconsideration Request. For example, as the IDA would not doubt appreciate, the Minister has decided that SingTel should comply with the IDA's Decision on Reconsideration dated 8 August 2005 except where varied by the Minister's Decision. In this Reconsideration Request, SingTel requests that the IDA reconsider paragraph 7 of the Direction as it is inconsistent with the Minister's Decision. It is important that the IDA provide a stay of the Direction pending the IDA's consideration of the Reconsideration Request so that SingTel would not provide a version of the RIO which is not in compliance with the Minister's Decision;
 - (b) providing the IDA with a conformed copy of the RIO under the current circumstances is likely to impose an unnecessary and considerable administrative burden on SingTel, with significant costs to SingTel of doing so. For example, the Direction requires SingTel to provide certain information to a Requesting Licensee under the application procedure within one (1) business day, and other information within four (4)

business days under Clause 3 of Schedule 4C. These requirements are impractical and infeasible. For example, SingTel's work order system does not cater for a four (4) day reporting of progress report. A significant modification to the work order system would be necessary, which has not been included in SingTel's One-Time System Set-Up Charge under Schedule 9. SingTel has provided the IDA with an alternative proposal and, depending on whether the IDA accepts SingTel's proposal in whole or in part, SingTel would have to make the relevant amendments to Schedule 4C, possibly to other Schedules (such as Schedule 9), as well as to its work order system. The benefits of making the changes at this stage are minimal;

- (c) SingTel understands the need for the IDA to expeditiously conclude the review of the modification of the RIO to provide for Tail Local Leased Circuits as an Interconnection Related Service. To address this, for clauses where SingTel is not seeking reconsideration, SingTel has made the necessary modifications. In addition, the procedures in the Schedule 4C must also be feasible and practical. As an example, SingTel is seeking reconsideration of the Requesting Licensee's role in the installation and fault reporting procedures in Schedule 4C. It is in the Requesting Licensee's interests that the terms and conditions for installation and fault reporting are clear and unambiguous, thereby minimising the possibility of misunderstandings and disputes during the provision of the IRS Tail Circuit Service. Therefore it is in the public interest that the RIO is properly and carefully drafted; and
- (d) Finally, there is no harm done by a stay because the requirement to provide IRS Tail Circuit Service does not commence until 15 April 2006, so the IDA has time to consider the Reconsideration Request.



7. In light of the above, SingTel looks forward to the IDA's reconsideration of the matters in the Reconsideration Request and grant SingTel a stay of the requirement to comply with the Direction. Please do not hesitate to contact us if you have any queries or clarifications.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Sean Slattery', with a long horizontal stroke extending to the right.

Sean Slattery
Vice President
Regulatory & Interconnect Strategy
Singapore Telecommunications Ltd
Company Registration No.: 199201624D

encl.