PUBLIC CONSULTATION ON PROPOSED AMENDMENTS TO SINGAPORE TELECOMMUNICATIONS LIMITED'S ("SINGTEL") REFERENCE INTERCONNECTION OFFER ("RIO") – PROVISION OF TAIL LOCAL LEASED CIRCUITS ("TLLC") AS AN INTERCONNECTION RELATED SERVICE ("IRS")

Submission by the StarHub Ltd to the Infocommunications Development Authority of Singapore

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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 appreciates the opportunity to provide our comments and feedback on SingTel's Proposed Amendments to the RIO in relation to TLLC.

Given the importance of TLLCs as a means of reaching customers and providing competitive services, it is critical for IDA to ensure that this Schedule is operationally feasible.

We are pleased to provide our comments in the following sections.

### IDA must take previous comments into account

StarHub notes that the proposed terms in Schedule 4C for the provision of TLLC are largely similar to those proposed by SingTel in IDA's previous consultation dated 8 November 2005 ("Proposed Amendments to SingTel's RIO: Handover of Tail Local Leased Circuits at G.703 Interface Standard"). Therefore, StarHub would urge IDA to take into account the comments provided by the industry in the 8 November 2005 consultation as we believe that those comments are relevant to this consultation paper.

StarHub would highlight in particular:

- SingTel's non-compliance with IDA's 19 October 2005 Direction which requires SingTel to offer the G.703 standard interface as an alternative to the V.35 interface standard;
- SingTel's unilateral attempt to introduce an unnecessary B-end link which makes the service uneconomical;
- c) SingTel's offer of the B-end link at only 1984kbps which is unnecessarily restrictive.

### **Tariffs are Unavailable for Comment**

StarHub notes that even as this late stage, the tariffs for Schedule 4C have not been made available for public comment. As the tariffs form a crucial input for operators to evaluate their business case for the use of this service, we believe that IDA should make available the tariffs for public comment as soon as possible. As the Schedule is due to come into effect on 15 April 2006, it already leaves little time for IDA to carry out a proper public consultation. Given the importance of this service, StarHub submits that the industry and public must be given adequate time to evaluate the proposed tariffs and to provide feedback to IDA. We therefore believe that IDA should be prepared to extend the validity of the present Schedules 7A and 7B and to delay the start date of Schedule 4C until a proper consultation process is completed.

## Schedules 7B and 4C must be "synchronised"

Come April 2006, Requesting Licensees ("RL") will need to order non-CBD Local Leased Circuits under Schedule 7B and CBD Local Leased Circuits under Schedule 4C, using different application forms. StarHub submits that this gives rise to confusion and that there is no good justification for two separate forms and processes.

Clearly, RLs should be allowed to submit their requests using a single form. The only difference will be the charges applicable to the different TLLCs depending on whether the TLLC are within the CBD-proxy region or not. This can easily be identified by SingTel and does not justify requiring RLs to use separate forms.

StarHub therefore submits that RLs should be allowed to fill in the same form to order TLLCs under Schedule 4C and 7B. StarHub believes that this will streamline the ordering process, reduce confusion and therefore ensure timely provision of services to end-users.

### 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") ("IDA's 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 IDA's 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, and therefore 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 be required to modify Schedule 4C 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 1.7(b), Annex 4C-1, Annex 4C-5)

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 will can be more efficient in the utilization of capacity and therefore offer more competitive services to end users.

### **Express Service has been excluded**

While Express Provisioning is available under both Schedules 7A and 7B, we note that SingTel has left out Express Provisioning in Schedule 4C. StarHub submits that IDA must require SingTel to re-instate the process for RLs to request for Express Provisioning. Further, StarHub submits that SingTel must commit to definitive timelines for the provision of the express service.

In this regard, StarHub submits that SingTel must commit to specific timeframes for commencement of discussions and acceptance of request. StarHub believes that, as drafted, the Express Provisioning process in Schedules 7A and 7B gives room for SingTel to delay.

Without a specific timeframe by which SingTel must commence discussions and accept a RL's request for express provisioning, there is a possibility of SingTel delaying the service. For example, if SingTel does not commence discussions with the RL immediately or accepts a RL's request only on the 10<sup>th</sup> business day (from date of request), the requested circuit will only be activated on the 13<sup>th</sup> business day. This can hardly be considered as "Express Provisioning" and it will not be reasonable for RLs to pay SingTel the Express Provisioning charges of twice the normal Installation Charges.

StarHub therefore submits that a strict process must be implemented in order to avoid such situations and potential disputes.

### Wrong Reference to Annexures

StarHub notes that, as drafted, there appear to be some errors in references made to the various Annexures. For example, Clause 1.6 wrongly refers to Annex 4C-6 instead of Annex 4C-7 and Clause 2.1 wrongly refers to Annex 4C-2 instead of Annex 4C-3. StarHub would request that SingTel correct all such errors in the final version.

### **Detailed Comments**

### Clause 1.8

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.

## Clauses 3.2(a) and (b)

StarHub notes that although IDA has previously rejected SingTel's proposal to reserve capacity for itself and its Customers and for operational and maintenance, SingTel has again attempted to include such a Clause. StarHub submits that, consistent with IDA's previous decision, these Clauses should be deleted. Further, StarHub submits that it is not possible for SingTel to project its requirements 1 year ahead thus giving rise to a likelihood for SingTel to "over-reserve" capacity and therefore deny RLs their right to order this service.

#### Clause 3.3

StarHub notes that, as drafted, SingTel can take up to 10 Business Days to notify RLs of any rejection of the TCAR. This is the case even if rejections are for reasons of:

- a) The TCAR is not in the prescribed form (Clause 3.3(d))
- b) the TCAR does not contain all the required information (Clause 3.3(e))
- c) the information in the TCAR is incorrect or inaccurate (Clause 3.3(g))

StarHub submits that there should be shorter response timeframes for SingTel to notify RLs of such rejection so as not to cause undue delay in providing services to end-users.

StarHub further submits that, under such circumstances, SingTel should be required to notify RLs within 2 Business Days of receipt of the TCAR. This will ensure that there is no undue delay in provision of services to end-users.

### Clause 3.5

StarHub notes that SingTel is proposing to impose a Project Study Charge in addition to the Application Charge. StarHub submits that there is no justification for RLs to pay the Project Study Charge especially if the Project Study has not been completed. SingTel's attempt to impose the Project Study Charge for cancellation of requests prior to completion of Project Study should therefore be rejected.

### 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.

### Clause 4.5(a)

StarHub submits that there is no reason to require officers of the RLs to be present at the A-end and B-end sites for the installation of the tail circuits. StarHub further notes that there is no such requirement in Schedule 7 and this has not posed any problems. SingTel has failed to demonstrate that such a presence is necessary. SingTel's proposal will only increase the RL's cost and increase administrative burden as RLs will need to submit physical access requests and pay escort charges.

If IDA accepts SingTel's proposal, then StarHub submits that there should be no need for submission of physical access requests nor a requirement to pay SingTel escort or other charges. This is especially since SingTel's personnel will need to be present to carry out the installation works, and there is therefore no justification for RLs to pay escort charges for such personnel. SingTel will already be compensated through the other charges payable for provision of the tail circuit service.

### Clauses 4.5(d)

The term "SingTel's network interface points" should be clearly defined. StarHub also requests that SingTel provide a diagram to illustrate how both networks will interface and the responsibilities of each party.

# 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 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.

### 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 unreasonable 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.

#### Clause 5.5

The provisioning of new Tie Cables should not take 15 Business Days, as Clause 5.5 suggests, as it entails a simple process. StarHub submits that any tail circuits to be provisioned with new tie cables should be carried out by SingTel within 5 Business Days of request. We do not believe that SingTel takes 15 Business Days to provision Tie Cables for the services it provides to its own retail customers.

# Clause 7(f)

There is no requirement for officers of RLs to be present during any fault reporting procedure. StarHub notes that there is no such requirement in Schedule 7. StarHub further submits that as per industry practice, each network operator will carry out its own checks to determine the cause of the fault. Once RLs have determined that the fault lies in SingTel's network, it is up to SingTel to determine the cause of the fault within its network and this should not require the presence of any representatives from RLs.

SingTel's imposition of this requirement is an attempt at increasing the cost of RLs and may also cause delays in resolving the fault as RLs will need to submit physical access requests in order to access SingTel's exchanges.

## Clause 7(j)

SingTel appears to be requiring RLs to maintain SingTel's equipment. This is not acceptable. Clearly, it is SingTel's responsibility to maintain its own equipment including, but not limited to, power points, electricity and other facilities provided by SingTel. This responsibility cannot be pushed to RLs.

Further, any maintenance required by SingTel, to be carried out by RLs, must be subject to reasonable notice.

### Clause 15.3(d)

StarHub submits that there is no justification to impose an Application Charge for migration of circuits. Migration of circuits does not require the same evaluation process as a new request and is clearly much simpler as there is no need for physical migration of the circuit.

#### Annex 4C-6

The flowchart should be amended as there is no need the RL's personnel to be present. Further, the last box should be labeled as "End" and not "Start".

#### Conclusion

StarHub appreciates the opportunity to comment on SingTel's proposed Schedule 4C. However, as the majority of the proposed terms as similar to IDA's recently concluded consultation on the Handover of TLLC using the G.703 interface standard, StarHub would strongly urge IDA to take those comments into account in its decision.

StarHub also submits that IDA should make available the tariffs for Schedule 4C as soon as possible. The tariffs are an important factor in assisting RLs in the formulation of their business case and more importantly, for their ability to provide services to end-users. Further, as Schedule 4C is meant to be the key solution to facilitate competition in the local leased circuit market, it is important for industry players to be given the opportunity to properly evaluate the tariffs and to provide feedback to IDA.