

SCHEDULE

1. This schedule sets out IDA's Decision on Reconsideration and the grounds for IDA's decision. In arriving at its Decision on Reconsideration, IDA carefully reconsidered whether the directed requirements that SingTel raised in its Reconsideration Request is wholly consistent with the Minister's Decision.

Minister's Decision

2. The Minister's Decision provided that:
 - "a. *SingTel is to comply with IDA's [8 August 2005] Decision on Reconsideration except as varied in (i) and (ii) below:*
 - (i) *SingTel is not required to provide Requesting Licensees ("RLs") with the relevant Unbundled Network Elements ("UNE") or Mandated Wholesale Services ("MWS") when these are used as inputs to a telecommunications ("telecom") product or service for the RL's private internal use where the RL has no intention of offering that telecom product or service to non-affiliated third party customers.*
 - (ii) *In relation to the RL's acquisition of Local Loops/Sub Loops, Line Sharing and Internal Wiring as inputs to a telecom product or service for the RL's private internal use, clauses 1.1 and 1.2 of Schedules 3A, 3B and 3C of the RIO are to be amended to give effect to (i),"*

SingTel's Position

3. SingTel's position is that the Minister's Decision excludes a Requesting Licensee from obtaining UNE and MWS for private internal use altogether. At paragraph 8 of its Reconsideration Request, SingTel submits that the Direction:

*"...appears to contemplate a permitted dual-use (that is, for internal and external purposes) of UNE and MWS which is inconsistent with the Minister's Decision which **explicitly excludes** SingTel from the requirement to provide UNE and MWS **for any internal use...**"*(IDA's emphasis)
4. In other words, SingTel's interpretation of the Minister's Decision is that the Requesting Licensee cannot obtain UNE and MWS as inputs for itself and its affiliates, and there are no exceptions to this rule at all. Therefore, according to SingTel, even if the Requesting Licensee intends to offer a telecom product or service to a non-affiliated third party customer using SingTel's UNE or MWS as inputs to that telecom product or service, the Requesting Licensee cannot provide that same telecom product or service (using the same SingTel UNE or MWS as inputs) to itself or its affiliates.

5. After careful consideration, IDA rejects SingTel's submission.

IDA's Position is Wholly Consistent with the Minister's Decision

6. Paragraph 2.a.(i) of the Minister's Decision clearly provides that:

*"SingTel is not required to provide Requesting Licensees ("RLs") with the relevant Unbundled Network Elements ("UNE") or Mandated Wholesale Services ("MWS") when these are used as inputs to a telecommunications ("telecom") product or service for the RL's private internal use **where the RL has no intention of offering that telecom product or service to non-affiliated third party customers.**" (IDA's emphasis)*

7. The Minister then explained, in paragraph 8 of the Minister's Decision, that:

*"...the Minister has decided that SingTel is not required to provide RLs with UNE or MWS to be used as inputs to a telecom product or service for the RL's private internal use if it is shown that the RL has no intention of offering that telecom product or service to non-affiliated third party customers. This will ensure that new entrants are **not prevented from acquiring the UNE or MWS to self-provide a telecom product or service** in the interim period where they are preparing to compete in that market." (IDA's emphasis)*

8. The Minister further elaborated, in paragraph 13 of the Minister's Decision, that:

*"[t]he Minister notes SingTel's arguments on the privileged position of RLs and RLs free-riding on SingTel's network investment if RLs were allowed to obtain the relevant IRS at cost or MWS at discounted prices for private use. The Minister's view is that **it would not be logical and reasonable to restrict a RL from providing a telecom product or service to meet its own needs** when the RL is or has the intention of offering the same product or service to its customers." (IDA's emphasis)*

9. As such, it is evident from a literal reading of the Minister's Decision that, contrary to SingTel's submissions, the Requesting Licensee is only precluded from obtaining UNE and MWS as inputs to a telecom product or service for its own private internal use, in the situation where it has no intention of offering that telecom product or service to non-affiliated third party customers. In other words, the Requesting Licensee can do so where it has the intention of "*offering that telecom product or service to non-affiliated third party customers*".

10. Accordingly, IDA's Direction is wholly consistent with the Minister's Decision as it provides that SingTel must:

*"...allow Requesting Licensees ("RLs") to obtain the relevant service...from SingTel as inputs for the RL's provision of telecommunication services to itself and its affiliates, **provided that the RL offers or intends to offer** similar telecommunication services to any non-affiliated third party customer in relation to such use..."* (IDA's emphasis)

Conclusion

11. IDA's position is that it is clear from the Minister's Decision that a Requesting Licensee is permitted to obtain UNE and MWS from SingTel for the provision of telecom products or services for its own private internal use provided it has the intention of offering those products or services to a non-affiliated third party customer.
12. SingTel's submission that a Requesting Licensee is prohibited from obtaining UNE and MWS under all circumstances whatsoever is patently inconsistent with the Minister's Decision.
13. Therefore, IDA confirms the Direction in full and maintains the requirements stated therein.