

IDA's reference: IDA.INTC.050011
(Please quote this in all correspondence on this matter)

27 October 2011

OpenNet Pte Ltd
152 Beach Road
Gateway East #31-05/08
Singapore 189721

Attention: Mr Khoo Chin Hean
Chief Executive Officer

Dear Sirs

DIRECTION OF THE INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF SINGAPORE: PUBLIC CONSULTATION ON THE PROPOSED CO-LOCATION SUPPLEMENTARY COOLING SERVICE UNDER OPENNET PTE LTD'S INTERCONNECTION OFFER

1. The Info-communications Development Authority of Singapore ("IDA"), pursuant to the Info-communications Development Authority of Singapore Act (Chapter 137A), Section 27(1) of the Telecommunications Act (Chapter 323) and Condition 32.1 of OpenNet Pte Ltd's ("**OpenNet**") Licence to Provide Facilities-Based Operations issued on 1 April 2009, hereby issues this direction to OpenNet. Unless the context requires otherwise or unless specifically defined herein, all capitalised terms in this direction shall have the same meanings as in OpenNet's Interconnection Offer ("**ICO**") for the provision of services over the Next Generation Nationwide Broadband Network ("**Next Gen NBN**").
2. Under Schedule 12 (Co-Location Service) to OpenNet's ICO, Requesting Licensees are required to ensure that: (i) their Co-Location Equipment does not exceed the heat load limit of 900 watts per square metre of their Co-Location Equipment footprint; and (ii) each 42U rack installed by the Requesting Licensees shall not exceed a heat load limit of 1.5 kilowatts per rack. Some Requesting Licensees have since provided feedback that more cooling facilities at OpenNet's Co-Location Space are required as it is necessary to deploy more equipment with higher heat load in order to meet their needs. In response to the Requesting Licensees' feedback, OpenNet has proposed a set of terms and conditions under the proposed Schedule 12B (Co-Location Supplementary Cooling Service) to the ICO to offer a supplementary cooling service at its Co-Location Space for IDA's approval.
3. To ensure that OpenNet's proposed Schedule 12B is appropriate and adequate to address the concerns and needs of the industry, IDA sought feedback from the industry via a public consultation. At the close of the consultation, IDA received comments from three (3) respondents (namely, Nucleus Connect Pte Ltd, Singapore Telecommunications Limited and StarHub Ltd).

4. Having carefully reviewed OpenNet's proposed Schedule 12B to the ICO and having taken into consideration the public comments received, IDA has concluded that the terms and conditions of OpenNet's proposed Schedule 12B to the ICO require modifications to ensure that they are relevant to the industry's needs and comply with all regulatory requirements, including those under the NetCo Interconnection Code 2009 and Telecom Competition Code 2010. In addition, consequential changes are required to be made to Schedule 12 (Co-Location Service) and Schedule 15 (Charges) to the ICO.
5. Accordingly, IDA hereby directs OpenNet to comply with the following:
 - (a) Submit for IDA's review and approval, within **fourteen (14) calendar days** from the date of this direction, OpenNet's proposed modifications to Schedule 12B (Co-Location Supplementary Cooling Service), Schedule 12 (Co-Location Service) and Schedule 15 (Charges) to the ICO to give effect to IDA's required modifications specified in Appendix 1 – Required Modifications to Schedule 12B (Co-Location Supplementary Cooling Service) to the ICO, Appendix 2 – Required Modifications to Schedule 12 (Co-Location Service) to the ICO and Appendix 3 - Required Modifications to Schedule 15 (Charges) to the ICO. OpenNet is also required to make such editorial changes as are necessary to ensure that all references used in Schedule 12B (Co-Location Supplementary Cooling Service), Schedule 12 (Co-Location Service) and Schedule 15 (Charges) to the ICO and in all other parts of the ICO are applicable, correct and relevant.
 - (b) To the extent that any ancillary or consequential modifications to any provision in OpenNet's ICO are necessary in order to give effect to this direction and/or the modifications required hereunder, IDA requires OpenNet to propose such modifications for IDA's approval.
 - (c) IDA further directs OpenNet to:
 - (i) negotiate in good faith a Customised Agreement with any Requesting Licensee who wishes to deploy its own supplementary cooling system in the Co-Location Space. As a Dominant Licensee, OpenNet is required to treat all Requesting Licensees in a non-discriminatory manner with respect to the prices, terms and conditions for all arrangements under the Customised Agreement, including obtaining of rights of way and/or leasing of building space (including rooftop space) from the building owner for the installation of the supplementary cooling system.
 - (ii) offer an eight (8) year term Co-Location Service on prices, terms and conditions which are commensurate with the eight (8) year term of the Co-Location Supplementary Cooling Service for those Requesting Licensees who wish to take up the Co-Location Supplementary Cooling Service;

- (iii) continue to address the cooling needs of both new and existing Requesting Licensees under a Customised Agreement arrangement that is no worse-off than the existing Customised Agreements between OpenNet and its Requesting Licensees to address the latter's interim cooling needs, in the interim period where the Requesting Licensee's Co-Location Equipment has already exceeded the heat load limit specified under the ICO, but the overall heat load in the Co-Location Space has yet to meet the minimum threshold required by OpenNet's supplementary cooling system to operate;

(the "**Direction**".)

- 6. OpenNet must submit softcopies (in Microsoft Word format) of Schedule 12B (Co-Location Supplementary Cooling Service), Schedule 12 (Co-Location Service) and Schedule 15 (Charges) to the ICO incorporating OpenNet's modifications, in clean and marked-up versions, to effect IDA's required modifications. The marked-up version must clearly indicate the proposed modifications made by OpenNet to its ICO. In proposing modifications to OpenNet's ICO to give effect to the Direction, IDA reminds OpenNet that:
 - (a) To the extent that any of OpenNet's proposed modification fails to effectively implement IDA's required modifications or, in IDA's view, is not acceptable, IDA may direct OpenNet to adopt specific drafting language; and
 - (b) IDA will reject any proposed modification by OpenNet that is not for the purpose of giving effect to IDA's required modifications as set out in the Direction.
- 7. The reasons for this Direction are set out in the accompanying Explanatory Memorandum to this Direction and the directed modifications stated in Appendices 1, 2 and 3.
- 8. OpenNet is reminded of its obligation to comply with IDA's Direction under Section 27(5) of the Act.
- 9. If you should require any clarification on this Direction, please direct your queries in writing to our Ms Aileen Chia (Deputy Director-General (Telecoms & Post)). Please note that any query or clarification from OpenNet shall not affect OpenNet's obligation to comply fully with this Direction.

Yours faithfully



Leong Keng Thai

Deputy Chief Executive Officer and Director-General (Telecoms & Post)