

**M1'S RESPONSE TO IDA'S CONSULTATION PAPER ON  
INTERCONNECTION OFFER FOR THE PROVISION OF SERVICES  
ON THE NEXT GENERATION NATIONWIDE BROADBAND  
NETWORK – REVIEW OF NUCLEUS CONNECT PTE LTD'S  
INTERCONNECTION OFFER**



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# ANNEX 1: M1'S RESPONSE TO IDA'S CONSULTATION PAPER ON INTERCONNECTION OFFER FOR THE PROVISION OF SERVICES ON THE NEXT GENERATION NATIONWIDE BROADBAND NETWORK ("NGNBN") – REVIEW OF NUCLEUS CONNECT PTE LTD'S INTERCONNECTION OFFER

1. M1 is a leading integrated provider providing full range of info-communication services to over 2 million customers in Singapore. M1 welcomes the opportunity to submit our views and comments to IDA for its consideration in its review of the Nucleus Connect Pte Ltd's ("Nucleus Connect's") Interconnection Offer ("ICO").
2. M1's comments on the Nucleus Connect's ICO are set out below.

Schedule/ Section	Description	Views/Comments
<b>Master Interconnection Offer (ICO) Agreement</b>		
Clauses 8.2 & 8.3	<p>"If the Contracting QP ... of Clause 8.1 <u>or 8.7</u>, the Contracting QP ..."</p> <p>"Nucleus Connect shall not be liable ... than in accordance with Clause 8.1 <u>or 8.7</u>"</p>	<p>Clause 8.7 does not exist. Please confirm or remove references to 8.7 from Clauses 8.2 and 8.3.</p>
Clauses 8.4, 8.5 & 11.1	<p>"Where Nucleus Connect places ... (b) facilitate the means of entry and exit by Nucleus Connect ... (f) abide by such other terms and conditions that may be imposed by Nucleus Connect in relation to such NC Equipment or enter into such other arrangements for the provision of the NC Equipment as may be required by Nucleus Connect."</p> <p>"The NC Equipment shall remain ... In the event that the NC Equipment is damaged or lost, Nucleus Connect shall be entitled to impose on the Contracting QP the replacement costs of the NC Equipment."</p> <p>"In the event ... (d) the Contracting QP shall (at its own costs) (i) retrieve and return to Nucleus Connect all NC Equipment installed at the relevant End-User premises. If any NC Equipment is lost ..., Nucleus Connect shall be entitled to impose on the Contracting QP the replacement costs of the NC Equipment."</p>	<p>Please clarify the definition of "facilitate" in Clause 8.4 (b).</p> <p>To promote efficiency and convenience to End Users and to minimize any confusion or miscommunication, appointments for Nucleus Connect to install, maintain, repair, replace and/or collect the NC Equipment should be directly arranged between Nucleus Connect and the End User.</p> <p>At the same time, a specified timeline should also be imposed on Nucleus Connect for efficient collection of equipment from End User's premise and notification of any damaged/lost equipment. Currently, the ICO does not stipulate any timeline for Nucleus Connect to retrieve its equipment from End User's premise upon deactivation of an End User Connection and notification of any damaged/lost equipment. Hence, there are cases where such collection and notification of damaged/lost equipment took place <u>after</u> the billing relationship between the Retail Service Provider ("RSP") and End User has ended. This created confusion and inconvenience to both End Users and RSPs, especially if Nucleus Connect also imposed a replacement cost for damaged/lost equipment. For such cases, there would be End User issues associated with the imposition of replacement costs as:-</p> <ul style="list-style-type: none"> <li>• Nucleus Connect failed in the first instance to ensure timely collection of its equipment</li> </ul>

		<p>from End User's premise, and subsequent to termination the equipment was lost/discarded/damaged; and</p> <ul style="list-style-type: none"> <li>• Inconvenience to End Users as payment arrangements via Giro or Credit Card, etc between End Users and RSPs have ceased.</li> </ul> <p>To address the above, M1 suggests the following timeline be imposed to ensure timely collection and notification by Nucleus Connect:-</p> <ul style="list-style-type: none"> <li>• Two (2) business days from the date of receipt of Deactivation Order for collection of equipment from End User's premise; and</li> <li>• Three (3) business days from date of collection of Nucleus Connect Equipment for notification of any damaged/lost equipment.</li> </ul>
Clause 16.8	<p>"Notwithstanding the other provisions ...</p> <p>(b) Upon ... Nucleus Connect shall be entitled to ... (ii) increase the amount of the Security Requirement to the higher of \$30,000 or not more than 2.5 times of the Contracting QP's highest invoice in the preceding twelve (12) months' period.</p>	<p>We are of the view that any increase in the amount of the Security Requirement should be subject to approval by IDA to ensure that the amount is fair and reasonable.</p>
Clause 21.6	<p>"Nucleus Connect will notify the Contracting QP <u>in writing</u> of any amendments to the ICO Agreement ... Such notification may be made by way of publication on the RSP Portal."</p>	<p>Please clarify if it is the intent under the Operating Company ("OpCo") Interconnection Code for the RSP Portal to be used as a form of communication for amendments in the ICO Agreement. It is defined as a web-based portal to provide an interface between the Authorised Users and the Platform for Nucleus Connect to offer the Mandated Services under its ICO.</p> <p>As Clause 25 sets out that all notices under the ICO Agreement must be in written form and to be delivered by hand, facsimile, e-mail or pre-paid registered post to the appropriate person indicated in Annex 5 of the Master ICO Agreement, it is evidently not envisaged that publication on the RSP Portal is included as a mode of delivery.</p> <p>Unless where alternative mode of delivery were mutually agreed by both parties, Nucleus Connect should always deliver the amendments to the ICO Agreement by the agreed delivery channels directly to the personnel in Annex 5 to maintain the integrity of the notices delivered and minimise the risks of non-receipt or non-notification. It is unfair for Nucleus Connect to</p>

		<p>shift its burden of delivery of such important contractual notices to the Contracting Qualifying Person ("QP") and to forcefully impose S\$150 for each new user account on the personnel in Annex 5 for access to such notifications.</p> <p>In view of the above, we propose to <u>remove/delete</u> Nucleus Connect's new amendments i.e. "Such notification may be made by way of publication on the RSP Portal" from Clause 21.6.</p>
Annex 6, Clauses 2.5 & 2.6	"TP relocation, repair and replacement, and removal..."	End Users would expect to be informed of all potential charges <u>prior</u> to any request for TP-related services. Hence, M1 proposes that these clauses be amended to cater for the charges to be clearly specified so that RSPs can convey accurate information to End Users on a timely basis.
<b>General Service Terms and Conditions</b>		
Clauses 5.3 & 6.4	<p>"Notwithstanding ... requirements imposed by data centre operators or third party premises' owners, management or operators ... Nucleus Connect shall be entitled to impose on the Contracting QP such Charges as published on the RSP Portal.</p>	<p>The requirements imposed by data centre operators or other third party premises' owners, management or operators are for Nucleus Connect to provide the Basic Mandated Services under its ICO.</p> <p>These operating costs should rightly be borne by Nucleus Connect and would not be reasonable to pass on to Contracting QPs and/or End Users.</p> <p>Please also refer to our comments in Clause 21.6 of Master ICO Agreement. Any proposed publication of ICO terms (i.e. changes, charges, information, etc) solely via the RSP Portal is not in accordance with the spirit and policy intent of ICO and/or OpCo Interconnection Code and also contradicts Clause 25 of the Master ICO Agreement.</p>
Clauses 7.2	<p>"(c) (ii) Subject always ...and activating a new Non-Residential Per-End-User Connection at the new <u>Residential Premises</u> in accordance ...</p> <p>(e) (ii) (2) Deactivation Charges ... A Cancellation Charge equal to the Cancellation Charge as set out in the Service Schedule for <u>Residential Per-End-User Connection</u> ..."</p>	Please clarify if the references in Clause 7.2 (c) (ii) and (e) (ii) (2) are meant for <u>Non-Residential</u> End User Connections.

<p>Clauses 8.1, 14.1</p>	<p>"Subject to paragraph 8.2, the Contracting QP ... Nucleus Connect will require the Contracting QP to arrange for an appointment for the collection of NC Equipment the relevant End-User premises... The period for the Deactivation of the Basic Mandated Service are set out below ..."</p> <p>"In the event of the Deactivation or termination of a Basic Mandated Services ...</p> <p>(b) (i) where the Basic Mandated Service is terminated within its Minimum Term ...</p> <p>(d) the Contracting QP shall (at its own costs) (i) retrieve and return to Nucleus Connect all NC Equipment installed ... (ii) arrange for an appointment ..."</p>	<p>Please refer to earlier comments on Clause 8.4 of the Master ICO Agreement. The same should be applied here.</p> <p>In cases where the End User subscribes to 2 or more connections per premise, Nucleus Connect may not need to retrieve the NC Equipment upon termination of connection with one Contracting QP, depending on whether the End User has other active connections with other Contracting QPs and still require the NC Equipment. Hence, to avoid any confusion and inconvenience to the End User, it is be more efficient for Nucleus Connect to arrange with End User directly for matters/arrangements relating to NC Equipment.</p> <p>We propose the deletion of (d) from Clause 14.1 (in view of the above), it being Nucleus Connect's responsibility to retrieve the NC Equipment. Should Nucleus Connect require such services from Contracting QP, it is reasonable that Nucleus Connect commercially negotiate with respective Contracting QPs for such services.</p> <p>The Service Deactivation Period for Residential, Non-Residential, L2 VPN, L3 VPN and E-LAN should be one (1) business day from the date Nucleus Connect receive the Deactivation Order. Nucleus Connect can remotely deactivate the services without the need to wait for the collection of NC Equipment. Furthermore, the Contracting QP will not know if the NC Equipment may still be required for use by Contracting QPs.</p> <p>In Clause 14.1(b)(i), it is not clear that the Early Termination Charge would not apply in the event where termination within the Minimum Term is due to a Relocation of Service. The exclusion of Early Termination Charge due to Relocation should be clearly stated in the ICO. This is also in line with IDA's Direction to OpenNet that there should be no Early Termination Charges to be imposed for Relocation. Amendments should be made accordingly to the respective schedules e.g Residential and Non-Residential Per-End-User Connection, etc to reflect this.</p>
<p>Clause 14.2</p>	<p>"If the Contracting QP does not, within thirty (30) days after the date of Deactivation or termination of the Basic Mandated Service, disconnect, remove and/or dispose its equipment, facilities, plant and other property ... Nucleus Connect ... shall be entitled to charge the</p>	<p>This Clause should also apply <u>reciprocally</u> if Nucleus Connect fails to collect or remove the NC Equipment from the End User's premise within a specified timeframe after receipt of the deactivation request. Please refer to M1's comments in Clauses 8.4, 8.5 &amp; 11.1 of Master ICO Agreement on proposed timeline for Nucleus Connect to do so.</p>

	Contracting QP for Nucleus Connect's reasonable costs for such disconnection, removal and/or disposal.	If Nucleus Connect requires the assistance of Contracting QP to do so, it should be commercially negotiated with the respective Contracting QPs.
Appendix 1 (Express SAP), Annex 1-1 Clause 1	<p>"The Prescribed SAPs in relation to taking up of new Connections ... Express SAP"</p> <p>"Subject to the provisions of this Annex 1-1...</p> <p>(a) the Connection is to be provided via an existing Nucleus Connect's NTE which is installed at the End-User premises, provided that there is available port and/or capacity on the NTE to provide the Connection ..."</p>	If the Connection is provided via an <u>existing</u> Nucleus Connect's Network Terminal Equipment ("NTE") with available ports for the Connection, the Express SAP charge should not apply for the L3 VPN and E-LAN services for both Residential and Non-Residential connection, as three (3) business days under the Express SAP is actually the expected timeline for Nucleus Connect to provide its services under its SAP obligation.
<b>Residential Per-End-User-Connection</b>		
Clauses 5.2 (g)	"Upon the Deactivation of a Residential Per-End-User Connection, the following Charges shall be imposed on the Contracting QP ..."	<p>M1 notes that the Deactivation Charge under the existing ICO is S\$30 but Nucleus Connect has changed it to S\$42 without providing any supporting rationale for the change. It is possible that this is a combined charge of:-</p> <ul style="list-style-type: none"> <li>• S\$30 for deactivation; and</li> <li>• S\$12 for collection of NC Equipment.</li> </ul> <p>If so, it appears to be contrary to the principle in the OpCo Interconnection Code whereby the ICO shall provide a clear breakdown of the items covered by each one-time charge.</p> <p>Moreover, if Nucleus Connect requires the services of Contracting QP to retrieve its NC Equipment, then there would also be <u>no</u> Collection Charge payable to Nucleus Connect. Instead, Nucleus Connect ought to pay the applicable commercial fees to engage respective Contracting QPs to retrieve its equipment.</p>