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Dear Ms Chia,

CONSULTATION ON OPENNET INTERCONNECTION OFFER (“ICO”): PROPOSED CO-LOCATION SPACE & SERVICE IN NEW CO-LOCATION ROOM

1. We refer to the Consultation Paper released by the Authority on 30-October 2012 in regard to the above matter.
2. StarHub Ltd (“StarHub”) is a FBO licensee, with extensive experience in collocation and facilities management. StarHub does not – currently – take services from OpenNet Pte Ltd (“OpenNet”). However, there are clauses in the proposed Schedule 12C that necessitate our comment.
3. Schedule 12C is of critical importance to Requesting Licensees, as it governs access to Co-Location Space, which is vital in the provision of services via the Next-Gen NBN. We would also note that OpenNet’s willingness to ignore its regulatory obligations is clearly shown by its refusal to amend its proposed Co-Location Supplementary Cooling service, as directed by the Authority.¹
4. Given these factors, StarHub strongly believes that amendments are needed to the proposed Schedule 12C, in order to: (a) make it more relevant and useful to Requesting Licensees; and (b) ensure that OpenNet complies with its regulatory obligations.

¹As noted in the Authority’s decision: R/E/098

5. StarHub's comments on the proposed Schedule 12C are set out in Annex One.

Yours sincerely
For and on behalf of
StarHub Ltd

Tim Goodchild
Head (Government & Strategic Affairs)

Annex One:

STARHUB COMMENTS ON PROPOSED SCHEDULE 12C:

Annex 12B-1: List of Central Offices

StarHub understands that the objective of the ICO is to provide Requesting Licensees with certainty, and to reduce the time needed to negotiate terms with OpenNet. In the provision of collocation services, a critical issue is how much Co-Location Space is actually available for use. Unfortunately, OpenNet has chosen to ignore this issue, and has simply stated in Annex 12B-1 that the estimated rack space is *"To be advised later"*.

The amount of Co-Location Space OpenNet will make available is of critical importance to Requesting Licensees, and should form a central element of the consultation. Unfortunately, no clarity is provided in Annex 12B-1 in regard to: (i) when the space information will be available; (ii) the likely amount of space to be made available; or (iii) the process that will be followed once the space information is available.

This creates considerable uncertainty for Requesting Licensees, and greatly undermines the value of the Authority's consultation. Requesting Licensees must be given the opportunity to comment on the Co-Location Space that OpenNet will make available. StarHub strongly believes that: (a) OpenNet should be obliged to specify the rack space to be made available; and (b) the consultation on Schedule 12C should not be closed until that is done.

General Comments:

- **Clause 1.2**, this clause states that Schedule 12B (Co-Location Supplementary Cooling Service) is not applicable to the Co-Location Space provided under Schedule 12C. If this is the case, then Schedule 12C must specify that OpenNet will be responsible for all necessary cooling services in the Co-Location Space, and that those cooling services will be provided at no additional charge. Several Requesting Licensees have already been impacted by OpenNet's failure to provide adequate cooling in its Co-Location Space.
- **Clause 1.3**, this Clause creates an open-ended obligation on Requesting Licensees to pay for *"certain work"*. The lack of certainty in this Clause is unacceptable, as it would create an unreasonable level of ambiguity for Requesting Licensees. This clause must be deleted, and OpenNet should only be allowed to charge for specific and identified services.
- **Clause 1.6**, this Clause suggests that OpenNet will only be responsible for *"wilful or reckless"* breaches of the ICO. This reference is ill-defined, discriminatory (as the same provision does not apply to breaches of the ICO by Requesting Licensees), and is open to abuse by OpenNet. This clause should be removed from Schedule 12C. OpenNet must be responsible for any of its ICO breaches.

- **Clause 3.5(A)(c)**, this clause allows OpenNet to reject requests for Co-Location Space if it has “*plans or otherwise proposes*” to decommission the Central Office. StarHub submits that any decommissioning of Central Offices must be subject to the Authority’s approval. OpenNet should only be able to reject requests for Co-Location Space under Clause 3.5(A)(c) if the Authority has approved that decommissioning.
- **Clause 3.6(b)**, this clause allows OpenNet to reject requests for Co-Location Space on vague, subjective, and entirely unreasonable grounds (e.g. if there are “*technical or engineering issues*”). This Clause is open to abuse by OpenNet, and must be deleted in its entirety. This comment also applies to Clause 5.4(a) and Clause 8.3(a).
- **Clause 3.8**, this clause creates the impression that OpenNet can simply declare Co-Location Space to be “*unavailable*”, to state that it is not possible to cater for additional space, and to then refuse to provide Requesting Licensees with Co-Location Space. This is clearly unacceptable. As the awarded NetCo, OpenNet must be obliged to provide Co-Location Space to Requesting Licensees. If OpenNet is unable to find such Space in its Central Offices, OpenNet must be obliged to find alternative arrangements that are acceptable to the Requesting Licensee. Provisioning SLGs must apply to OpenNet’s provision of Co-Location Space. Removing the (admittedly weak) SLGs would further undermine OpenNet’s incentives to provide services to Requesting Licensees. If OpenNet can simply abandon its obligation to provide Co-Location Space (as this clause envisages), this does call into question: (a) the value of having an ICO; and (b) OpenNet’s capability as an operator.
- **Clause 9**, this clause sets the maximum term of a Co-Location Service licence at 24 months. However, Co-Location is a long-term service, and OpenNet should be in a position to provide long-term licenses. We strongly submit that this clause should be amended to provide a range of different licence terms (from 12 months to 10 years). We believe that establishing a range of different licence terms would facilitate the operations of Requesting Licensees, and would encourage Requesting Licensees to take a long-term view to their operations. If OpenNet is only able to provide a 24 month licence, this does call into question OpenNet’s ability to provide services in the longer term.