
REVIEW OF OPENNET PTE LTD'S INTERCONNECTION OFFER

**Submission by StarHub Ltd to the
Info-communications Development Authority of Singapore**

21 July 2014

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INTRODUCTION

1. StarHub Ltd (“**StarHub**”) thanks the Info-communications Development Authority of Singapore (the “**Authority**”) for the opportunity to comment on its review of the OpenNet Pte Ltd (“**OpenNet**”) Interconnection Offer (“**ICO**”).

OpenNet has failed to meet customer and industry expectations

2. StarHub is keen to see the Next-Gen NBN succeed. We have devoted considerable time and resources towards this goal. Unfortunately, StarHub’s ability to deliver quality fibre broadband services over the Next-Gen NBN has been hampered by OpenNet’s failures to deliver its service in a manner compliant with its regulatory and ICO obligations.

3. This is clearly evidenced by the number of enforcement actions taken by the Authority against OpenNet. Based on publicly available information, since OpenNet started offering services in 2010, the Authority has taken at least nine enforcement actions against OpenNet (see **Annex A**). In 2013, the Authority found that OpenNet had failed to meet its Quality of Service (“**QoS**”) standards for timely provisioning of Residential and Non-Residential services for every single month (for which it was tested on).

4. The seriousness of these breaches have been emphasised in the Authority’s statements, which highlighted: *“the large margin by which OpenNet had failed the QoS standards, and the need for IDA to take strong deterrent action against OpenNet for its poor QoS performance”*¹, and that OpenNet’s failure *“was a serious breach, which adversely impacted the industry that relies on OpenNet’s NBN to deliver its service”*.²

5. StarHub therefore sincerely appreciates the Authority’s efforts to review OpenNet’s ICO. We strongly believe that the ICO must be modified, to improve OpenNet’s service delivery standards, and to ensure that it meets the expectations of customers, Retail Service Providers (“**RSPs**”) and Requesting Licensees (“**RLs**”).

OpenNet’s proposals to amend its ICO are bad for customers

6. Unfortunately, rather than seeking to improve its service standard, many of OpenNet’s proposals to amend its ICO would significantly disadvantage customers, and deter the take-up of services over the Next-Gen NBN. In many cases, OpenNet is seeking to significantly reduce its own resource burden, while transferring this burden to the other players in the market. This will have a severe negative impact on customers and the

¹ <https://www.ida.gov.sg/About-Us/Newsroom/Media-Releases/2014/IDA-Imposes-Financial-Penalty-on-OpenNet-for-Failing-IDAs-Non-Residential-Quality-of-Standards>

² <https://www.ida.gov.sg/About-Us/Newsroom/Media-Releases/2013/OpenNet-Failed-To-Meet-Universal-Service-Obligation-and-Quality-of-Service-Standards>

industry. Given the substantial Government funding that OpenNet has already received, we strongly believe that this cannot be allowed.

7. StarHub is also disappointed to note that OpenNet has failed to propose material changes to address ongoing problems such as: (1) long and unspecified delays due to building manager (“**BM**”) and insufficient capacity issues; and (2) poor delivery of Non-building address point (“**NBAP**”) services. We strongly believe that such issues must be addressed in this ICO review.

8. StarHub’s detailed comments on OpenNet’s proposals, as well as additional comments on the ICO, are attached below. We sincerely appreciate the Authority’s consideration of StarHub’s comments, and we would welcome the opportunity to discuss our comments with the Authority in greater detail.

REVIEW OF OPENNET'S PROPOSED ICO CHANGES

Delay in service provisioning attributable to third party

Exemption from Service Level Guarantees ("SLGs")

9. We are very concerned with OpenNet's proposal to include BM issues within the list of events for which it should be exempted from its SLGs. OpenNet has been providing services for over 4-years, and has received most, if not all, of the \$750 million in Government funding for the rollout of its network. Rather than **increasing** the number of scenarios where OpenNet should be exempted from its ICO obligations, StarHub strongly believes that OpenNet should be **decreasing** such scenarios. We strongly believe that allowing OpenNet the ability to exclude certain types of orders from its ICO obligations is against the spirit and intent of its universal service obligation ("**USO**"). We urge the Authority to require OpenNet to put in place the necessary resources and capabilities to deal with BMs, and disallow it from side-stepping its responsibilities.

10. StarHub is therefore broadly supportive of the Authority's proposal to limit the timeframe under which OpenNet can claim an exemption from its SLGs. Indeed, such a timeframe should apply not just to BM-related issues, but to **all** scenarios where OpenNet can currently claim SLG-exemptions. Only then will OpenNet be sufficiently incentivised to improve its service provisioning standards.

11. StarHub has also come across scenarios where OpenNet's delivery of service has been delayed by an ongoing series of different events (e.g., BM issues, followed by insufficient capacity issues, etc). We strongly believe that any timeframe to limit exemption from SLGs should be a fixed period for OpenNet to resolve **all** service delays (attributable to third-parties) that it may face. If OpenNet fails to comply with this timeframe, it should be severely penalised, in terms of SLG compensation to RLs, as well as penalties under the Authority's QoS framework.

Cancellation after 2-months

12. We are unable to agree with OpenNet's proposal that it be allowed to cancel orders delayed by SLG-exempted reasons, if such delays are not resolved within 2-months. This fails to provide any incentive to OpenNet to resolve its delays in a timely manner. This proposal is also contrary to the Authority's proposal to limit the timeframe under which OpenNet can claim exemption from its SLGs. If this proposal was implemented, the Next-Gen NBN objective of providing fibre services to every premise would be undermined.

13. Unfortunately, this proposal is just one of the many examples where OpenNet has proposed changes to its ICO, in a bid to shield itself from actually having to put in place resources to address its ongoing problems. StarHub strongly believes that the Authority cannot allow this proposal to be implemented.

Quota-related proposals

14. We note that OpenNet has proposed three changes to its quota management process:

- (1) An enhancement to its existing approach;
- (2) An alternative “take-or-pay” approach which essentially seeks to shift the burden of OpenNet actually carrying out its own capacity planning, onto the other operators in the market; and
- (3) The creation of a separate quota for all orders other than Residential and Non-Residential orders.

Our comments on these proposals are set-out below.

Enhancements to Current Approach

15. StarHub is broadly supportive of OpenNet’s proposed enhancement to its current quota review process. StarHub had previously already proposed that OpenNet should reduce its quota utilisation threshold percentage from its current 95% level.

16. Nevertheless, rather than the proposed 90% threshold, we believe that OpenNet should be reducing the threshold to 80%, in order to better meet customer demand. It is also imperative that OpenNet base its quota reviews on a rolling 12-week period, rather than a fixed 12-week period. This ensures that OpenNet is continuously monitoring demand for its services, and (potentially) adjusting its supply, rather than seeking to make adjustments only at designated points 4-times per year.

17. StarHub submits that its proposals would significantly improve the manner in which OpenNet is able to ramp-up capacity to meet customer demand for services.

Forecasting “take-or-pay” approach

18. StarHub cannot agree with OpenNet’s proposal to impose a forecasting “take-or-pay” regime on RLs.

19. RLs and RSPs operate in a competitive commercial environment. There is no way that any RL/RSP can accurately predict customer demand for their services. This will always be subject to market conditions and competition. While one RSP may reasonably believe it will attract more customers with a new promotional offering, that RSP cannot predict whether another RSP will launch an even more attractive promotion, and which offer customers will find attractive. This uncertainty is the result of a competitive market.

20. Requiring RLs/RSPs to provide forecasts, and then penalising them for failing to meet those forecasts, would inevitably incentive RLs/RSPs to lower their forecasts (to avoid any penalties). This will only lead to even longer waits for customers, while significantly

detering the take-up of the Next-Gen NBN. The only beneficiary from this is OpenNet, which can reduce its resource burden, while collecting penalty fees from any RLs that fail to meet their forecasts. We strongly believe that this cannot be the Authority's intent.

21. It is also unclear to StarHub how, practically, OpenNet would reconcile its failed service delivery orders (of which there are many) with the individual RL forecasts. We note that OpenNet has proposed that *"cancelled or rejected orders will not be considered as utilised slot"*. It is therefore unclear if a situation could arise where: (1) OpenNet fails to meet service delivery dates for its services; (2) customers choose to cancel the service orders; and (3) OpenNet imposes penalties on the RL for failing to meet its forecasts. This is clearly not a reasonable situation.

22. Requiring forecasts for Non-Residential services may also have an unforeseen impact on Government bulk tenders. There is no way for any operator to predict whether they will win such bulk tenders, and this could lead to a situation where:

- (a) RLs/RSPs who over-predict Government demand end-up getting penalised by OpenNet; and
- (b) RLs/RSPs who under-predict Government demand end-up getting penalised under their contracts with the Government for failing to deliver service on-time.

23. StarHub strongly believes that OpenNet must be able to manage its own resources. OpenNet would have a better overview of the fibre broadband market, and will have access to historical data of overall customer demand for Next-Gen NBN services (over its 4-years of operations). While demand for individual operators' services may vary significantly, at an aggregated level, demand is likely to be far more stable and predictable.

24. We would also respectfully note that OpenNet has failed to establish why its proposed "take-or-pay" approach is needed, and why (after 4-years of operations) OpenNet is unable to predict demand for its services. All telecommunications companies (indeed, all commercial entities) are required to predict demand for their services. It is unclear why OpenNet is unable to carry out this function.

25. OpenNet is therefore in the best position to monitor and determine the appropriate quota levels.

26. We note with concern that OpenNet's proposal appears to take reference from the forecasting required by Singapore Telecommunications Ltd ("**SingTel**") for its B-Access service. It is concerning to note that, shortly after the Authority has approved the acquisition of OpenNet by SingTel and CityNet Infrastructure Management Pte Ltd, and after assuring the public that the proposed structure would ensure that SingTel would not have any control over OpenNet, OpenNet appears to be aligning its ICO with existing SingTel services.

27. In this regard, we must also raise our substantial concerns with providing commercially sensitive forecast numbers to a company which has SingTel employees on its

board of directors. There is simply no way to guarantee that such confidential information is not shared between OpenNet and SingTel, to the detriment of customers, RSPs, RLs and the competitive environment.

28. For the reasons stated above, it is necessary for OpenNet's "take-or-pay" proposal to be rejected in its entirety.

Separate quotas for other services

29. We have no objections to OpenNet's proposal to have a separate 50 per business day quota for services (excluding Residential and Non-Residential services). However, we submit that OpenNet should also ensure that it can utilise any spare excess capacity in one service segment to serve other service segments where demand exceeds supply. This ensures that OpenNet does not have idle capacity which can be better utilised to serve customers who are waiting for service. After 4-years of providing services, OpenNet should have developed the necessary capabilities to switch capacity quickly between different service segments, in order to maximise its resource utilisation.

Enhancements to Fibre Takeover ("FTO") Process

30. OpenNet's stated goal of this process is to facilitate a fast handover of service in the situation where a customer chooses to switch between RSPs that are served by different RLs.

31. For the enhanced FTO process to work, RLs and RSPs will have to rely extensively on OpenNet to act as the middle-man, to coordinate and relay communications between multiple sets of operators and from the customer. OpenNet is also required to ensure its technicians are on-site at specific dates and times to smoothly handover the customer's service from one RL to another. In the event of any technical issues, OpenNet's technicians will also be required to quickly troubleshoot the problem. In order for this process to work, OpenNet would need to have near-perfect timing, near-zero delay cases, near-real time communications between parties, and near-complete control over the end-to-end process.

OpenNet has no ability to handle a new FTO process

32. While OpenNet's goal is admirable, OpenNet's ability to fulfil this goal is highly questionable, based on its extremely poor track record to-date.

33. We note that many of the delays affecting Next-Gen NBN customers today arise from problems with OpenNet's service delivery standards. It is a common complaint that customers are unable to contact OpenNet when they face issues. Often-times, OpenNet may also fail to update its RLs (and consequently the RSPs) in-time whenever it faces problems with its service provisioning timelines. This leads to situations where customers could receive conflicting sets of information from RSPs and from OpenNet, leading to confusion over which party is actually responsible for the delays. Given the problems that StarHub faces with OpenNet's service delivery standards today, we have no confidence that OpenNet could manage a complex situation involving a large number of different parties. In particular, we have no confidence that OpenNet can promptly update all parties involved

whenever problems occur. In a complex multi-party situation, OpenNet's proposed "enhanced" FTO process is likely to result in even more confusion and finger-pointing amongst the operators involved.

34. StarHub speaks from actual experience, having trailed, on a limited basis, the current FTO process. Based on our recent experience, OpenNet failed to deliver on the overwhelming majority of its service orders. OpenNet's delivery of services was delayed by problems such as "insufficient capacity", "network" and "terminal" issues. This strongly indicates that OpenNet lacks the ability to quickly troubleshoot technical issues that will occur during the handover process.

35. There is therefore a real risk that under this "enhanced" FTO process, customers will end-up with no service at all. This will significantly increase their dissatisfaction with the Next-Gen NBN.

Concerns about separate industry agreement

36. We also note with concern OpenNet's expectation that this "enhanced" FTO process will be imposed pursuant to an "*industry implemented agreement*", which raises several issues.

37. Firstly, it is unclear whether such an agreement would be voluntary in nature, and we would appreciate the Authority's clarification on the matter.

38. Secondly, brokering such an agreement is unlikely to be easy. It is also unlikely that any agreement can be finalised within a short timeframe, given the number of parties in the Next-Gen NBN, and the differing commercial interests that OpenNet would have to manage.

39. Thirdly, if parties enter into a separate commercial arrangement (outside of the regulated ICO), this could very well prevent the Authority from intervening when disputes occur.

40. Fourthly, it is unclear from OpenNet's proposal what will happen when the "enhanced" FTO process fails. It is unclear what compensation OpenNet will provide for this failure; who is responsible for serving the customer (given that the original RSP may have no contractual right to continue providing service to the customer); who is responsible for communicating the failure to the customer; and a variety of other questions.

41. Rather than implementing a new "enhanced" FTO process via a separate commercial agreement, OpenNet should instead seek to increase its resources to improve its existing service delivery standards. This will ensure that all service orders are delivered in a timely manner. This would also prevent RLs and RSPs from having to expend resources (including additional manpower resources as well as making changes to their existing IT systems) to introduce yet another operational process to cater for an OpenNet problem.

42. For the avoidance of doubt, we wish to clarify that, should the Authority allow OpenNet to introduce the "enhanced" FTO process (a move we would not support), it is

essential for this process to be voluntary. Only those RLs and RSPs who wish to adopt the “enhanced” FTO process should be subject to the “industry agreement”. RLs and RSPs should not be forced to adopt the process.

Alternatives to a new FTO process

43. Rather than an “enhanced” FTO process, StarHub strongly believes that OpenNet should primarily rely on using the 2nd fibre in the premise to allow customers to change their RSPs. In any case, we note that many customers prefer to have two concurrent broadband services, at least in the short-term, in order to prevent any unnecessary disruptions to their Internet access.

44. Ensuring the 2nd fibre in the customer’s home is activated will also allow customers to subscribe to multiple services over the Next-Gen NBN. We note that this is the natural outcome of a multi-operator system such as the Next-Gen NBN, which encourages various RSPs to introduce new and innovative interactive digital services to customers. Simply relying on a FTO process will only be “kicking the can down the road”, as customers will always have to go through this process each time they want to switch RSPs.

45. If OpenNet does face delays in service provisioning, it should also be compelled to provide RLs/RSPs with greater visibility over when it expects to resolve such delays. Without such information, RSPs are unable to manage our customer expectations.

Extensive trials necessary

46. If the Authority believes that OpenNet should be allowed a chance to prove its ability to manage the “enhanced” FTO process, StarHub would strongly suggest that this process be extensively trialled. Clear procedures must also be worked-out, to ensure that customers, RSPs and RLs are sufficiently compensated when OpenNet fails to fulfil its obligations under the process.

Usage of circuits within 2-weeks

47. StarHub disagrees with OpenNet’s proposal that RLs must:

- Activate a service to a RSP within 2-weeks, failing which OpenNet reserves the right to terminate the service; and
- Provide fortnightly utilisation reports to OpenNet.

48. Firstly, customers may have various reasons to justify why they need to delay or temporarily suspend the provisioning of their services. This could very well be due to long service delays by OpenNet, which necessitates the customer having to reschedule the activation date of his service. We strongly believe that OpenNet is in no position to demand utilisation of its services within 2-weeks, if it cannot guarantee that its services are provisioned within the same timeline.

49. Requiring RLs to terminate a service which is inactive for 2-weeks will also be bad for customers. If this proposal is implemented, RSPs may have to reject any requests by customers to delay or suspend their services. We strongly believe that OpenNet should have no reason to require such service termination if RLs are duly making payment for the service.

50. Secondly, OpenNet is imposing a significant operational burden on RLs to provide extensive utilisation reports, without providing any justification for why such reports are necessary. Again, there is no reason why an RL should have to make extensive changes to its systems and processes to cater for an OpenNet problem.

Changes to reclassification process

51. StarHub understood that the ICO reclassification process was meant to be a simple and straightforward process, to address misclassified properties, and quickly reclassify property types whose use has been converted (for example, a commercial shop-house that becomes a residential dwelling). Today, StarHub already faces significant delays when attempting to reclassify certain properties. In many cases, what appears to be a straightforward reclassification case may take months to resolve.

52. OpenNet's proposals will make it even more difficult and burdensome for customers to carry out reclassification. In particular, we note the following:

- Customers may not always own the property that they are requesting service to. It may therefore be extremely difficult for the customer to provide multiple pieces of evidence to show the usage of their current premise. While we understand OpenNet's concerns over "fraudulent" reclassifications, we have no reason to believe that there are widespread attempts by customers out to "cheat" OpenNet.³
- Denying RLs the ability to reclassify "live" circuits will similarly be bad for customers. In many cases, RLs/RSPs may need to activate temporary services for customers while waiting for OpenNet to complete its lengthy reclassification process. It is only reasonable to require OpenNet to apply the reclassification to an existing "live" circuit.

"Address not found" procedures

53. We understand that OpenNet is proposing the following:

- RLs are required to submit a manual form to OpenNet, to request connection to an "address not found" premises. OpenNet will then have up to **2-months** (40-business days) to provision a service to the premise. No SLGs are applicable for this rollout

³ StarHub is unaware of any such "fraudulent" reclassification cases. If OpenNet is concerned that this is an issue, OpenNet should be prepared to demonstrate the number of such cases it has encountered.

period, and it appears that OpenNet cannot be held responsible for meeting the 2-month delivery timeline.

- Only after OpenNet confirms that the premise has been covered will RLs be allowed to submit an order to that premise. This will then be subject to OpenNet's normal service delivery timelines (and any consequent delays that may arise).
- Should customers wish to cancel the order (e.g., due to the extensive time taken by OpenNet to cover the premise), RLs will then be subject to a cancellation charge.

54. This is a deeply disappointing process that StarHub believes no customer or operator will find reasonable. OpenNet's approach not only significantly delays the roll-out to new developments, it seeks to penalise customers and operators who find such delays unacceptable.

55. In StarHub's view, OpenNet's proposal also seeks to bypass the following regulatory requirements:

- OpenNet has ignored its USO, which requires that it must provide its services to "*all Physical Addresses; and ... all other locations as may be reasonably requested*" in Singapore; and
- By not treating "address not found" requests as actual service orders, OpenNet would be able to exclude such requests from its ICO and QoS requirements.

56. StarHub therefore cannot agree with OpenNet's proposal.

57. Rather, we support the Authority's proposal that there should be no difference between "address not found" premises and any other premise in Singapore. In-line with its USO, OpenNet must deliver services to all addresses in Singapore following the standard ICO and QoS timelines.

58. Given OpenNet's USO, it must be obliged to maintain an up-to-date database of addresses in Singapore. It is untenable for RLs to have to comply with an exceptional manual process in order to assist OpenNet in identifying addresses which OpenNet has failed to update in its database. Relying on a manual process to handle "address not found" will only increase: (a) the resource burden imposed on RLs and RSPs; (b) the likelihood of delays and miscommunication between OpenNet, RLs, RSPs and the customer; and (c) the likelihood of customer dissatisfaction.

59. To address this issue in a holistic manner, OpenNet must configure its system to accept electronic orders to "address not found" properties. OpenNet should also provide service to such cases in accordance to its USO, QoS and ICO obligations. Customers should not have to wait for 40-business days (or more) for their premises to be connected, simply because OpenNet's systems do not contain that customer's address. StarHub believes that this ICO review is the opportune time for the Authority to require OpenNet to make such a change.

Changes to SLG compensation calculation

60. It is widely accepted that the current SLG compensation framework is insufficient to compensate customers who face extended OpenNet delays. To manage customers aggrieved by OpenNet, StarHub already adopts the policy of activating temporary services and offering subscription waivers. OpenNet's SLG compensations are far below the costs of the work done by RSPs to manage their customers.

61. OpenNet is now proposing to reduce even further the amount of SLG compensation that is payable in the short and medium-term. As a "concession" OpenNet is proposing to increase the length of time that RLs can claim the SLG compensations.

62. We strongly believe that OpenNet's proposal fails to provide OpenNet with sufficient incentives to quickly resolve delays. In fact, OpenNet can afford to delay its service provisioning even longer, and pay less in SLG compensation.

63. StarHub is therefore only agreeable with OpenNet's proposal to increase the length of time for which SLG compensations are payable. We would strongly suggest that the Authority increase the amount of SLG compensations that OpenNet is liable for, to provide OpenNet with the correct incentives to resolve delays promptly.

64. We would respectfully note that after 4-years of operations, OpenNet's ability to deliver circuits on time should be improving. As such, it is only appropriate to increase the level of SLG compensation OpenNet has to pay when it fails to provision circuits on time. OpenNet's proposal would reduce the overall compensation OpenNet has to provide, and would generate worse (not better) results for customers.

STARHUB'S PROPOSED CHANGES TO THE ICO

Poor take-up of NBAP services

65. The Authority would be aware that take-up of NBAP services has been poor. A key reason has been the undefined installation costs that OpenNet may charge for installing NBAP services. We note that this undefined charge will be applicable even if customers choose to cancel their NBAP service orders.

66. It is therefore imperative that OpenNet be required to provide more information on the installation costs of NBAP services. This should ideally be via a **fixed** installation charge which allows OpenNet to recover its costs, while providing certainty to customers and the industry. Only then will customers be encouraged to take-up NBAP services.

Testing of fibre services

67. We believe that, prior to the handover of any fibre service, OpenNet should adequately test all its services. This would ensure that the configuration of the circuit is correct and there are no back-end issues affecting the service. This would also reduce the chances that additional resources are incurred by all parties (including OpenNet), when OpenNet's services are subsequently found to be non-functional. We therefore submit that, as a condition of its ICO, OpenNet should be required to test all of its services, prior to handover.

Insufficient capacity delays

68. We are deeply concerned by the manner in which OpenNet currently handles delays arising from "insufficient capacity". There is no visibility as to where the actual insufficient capacity arises in OpenNet's network and RLs/RSPs are typically advised that OpenNet may require up to **2-months** to resolve these problems. In our experience, such cases may be resolved fairly quickly, or may take even longer than 2-months to resolve. There is simply no certainty provided to the customer.

69. We also understand that OpenNet may be quoting "insufficient capacity" for a variety of circumstances, including when OpenNet has sufficient fibre and splitter capacity in place. OpenNet may simply be reluctant to deploy the necessary resources to configure this additional capacity for customers.

70. StarHub therefore proposes that the following measures should be implemented on OpenNet:

- OpenNet must provide greater visibility on the exact nature of the "insufficient capacity" issue it is facing;
- OpenNet cannot use the "insufficient capacity" argument when it has failed to utilise the 2nd fibre in the customer's premises; and

- OpenNet must provide specific timelines for resolving its “insufficient capacity” delays (rather than just indicating that the issue may take “up to two months” to resolve).

CONCLUSION

71. We are disappointed by OpenNet's proposed changes to the ICO. Not only do they fail to address key issues affecting customers of the Next-Gen NBN, they would create even more problems for customers and the industry.

72. A summary of the key points of StarHub's submission is as follows:

- We disagree with OpenNet's proposals to absolve itself from BM issues. OpenNet must be given a fixed amount of time to resolve all delay issues, failing which penalties should apply. This then provides the necessary incentives for OpenNet to quickly resolve its problems.
- We disagree with the proposed "take-or-pay" regime. OpenNet cannot seek to pass on the cost of its own resource planning to the operators in the market. This will significantly deter take-up of the NBN, which penalises both customers and the industry.
- We are generally agreeable to OpenNet's proposal to increase its existing quota management process. However, the quota utilisation threshold should be reduced to 80%, and the assessment of the threshold should take place on a rolling-basis (rather than a fixed basis).
- We have no issues with a separate 50 order quota for services (other than Residential and Non-Residential services). However, OpenNet should also be required to allocate any excess capacity in one segment, to handle orders from another segment.
- StarHub has grave concerns with the proposed "enhanced" FTO process. We do not believe that OpenNet has the ability to handle this process in an effective and efficient manner. Instead, we believe that OpenNet should primarily seek to use the 2nd fibre in the home to serve customers.
- We disagree with the proposal that OpenNet can terminate a service which is not used after 2-weeks. There are many reasons why customers may require a delay in the activation of their service (including due to long delays by OpenNet in actually delivering the service in the first place). This proposal would clearly be detrimental to customers.
- We disagree with the proposed changes to OpenNet's reclassification process. This process must be simplified, rather than made more difficult for customers.
- OpenNet cannot seek to implement an "address-not-found" procedure which is inconsistent with its ICO, QoS and USO obligations. StarHub urges the Authority to require OpenNet to implement an electronic process which ensures delivery of services to all "address not found" premises in a manner consistent with its existing ICO and regulatory obligations.

- StarHub agrees with the proposal that the overall cap for OpenNet’s SLG compensation should increase. In addition, the base rate of compensation should also increase to ensure that it is commensurate with customers’ dissatisfaction with OpenNet’s delivery standards.
- OpenNet should implement a fixed installation costs for its NBAP service. The current charges act as a strong disincentive for customers to take-up the service.
- OpenNet should ensure that all its services are fully-tested before being handed-over to an RL.
- OpenNet must provide greater clarity on its “insufficient capacity” delays, to allow RSPs to better manage their customers’ expectations.

73. StarHub is grateful for the opportunity to comment on this review. We would welcome the opportunity to discuss in greater detail our comments.

StarHub Ltd
21-July 2014

Annex A: Published enforcement cases against OpenNet

- 1) March 2012: OpenNet Pte Ltd's Contravention of IDA's Direction on Co-Location Supplementary Cooling Service.⁴
- 2) May 2012: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Installation-Related Service Levels for Residential and Non-Residential End-User Connections.⁵
- 3) May 2013: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Installation-Related Service Levels for Residential and Non-Residential End-User Connections in October 2012.⁶
- 4) August 2013: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Installation-Related Service Levels for Non-Residential End-User Connections in February and March 2013.⁷
- 5) October 2013: Service Difficulty – Fire Incident at Bukit Panjang Exchange on 9 October 2013.⁸
- 6) November 2013: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Service Provisioning Timeframes for Residential End-User Connections in Q1 and Q2 2013.⁹
- 7) November 2013: OpenNet's Failure to Comply with Condition 7 of OpenNet's Facilities-Based Operations Licence – Universal Service Obligation.¹⁰

⁴ Link:

http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/OpenNetsCoSvc_20120306.pdf

⁵ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/File1.pdf>

⁶ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/FaultQoSNonResi.pdf>

⁷ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/PublNqoSNonResiFebMar13.pdf>

⁸ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/CaseSummary29Apr14.pdf>

⁹ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/PublNqoS14Nov13.pdf>

¹⁰ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/Case%20Summary%20-%20OpenNet%20USO.pdf>

- 8) December 2013: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Installation-Related Service Levels for Non-Residential End-User Connections in August 2013.¹¹

- 9) March 2014: OpenNet's Failure to Comply with IDA's Quality of Service Standards on OpenNet's Installation-Related Service Levels for Non-Residential End-User Connection Service in Q4 2013.¹²

¹¹ Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/CaseSummaryNonComplianceQ3Aug2013.pdf>

¹² Link:

<http://www.ida.gov.sg/~media/Files/PCDG/Licensees/CompetitionMgmt/Enforcement%20Decisions/DetermineEnforce/CaseSummaryONsNonCompliance14March14.pdf>