



26 June 2015

Info-communications Development Authority of Singapore
10 Pasir Panjang Road
#10-01 Mapletree Business City
Singapore 117438

Attention: Ms Aileen Chia
Deputy Director-General (Telecoms & Post)

Dear Ms Chia

SUBMISSION ON THE REVIEW OF NETLINK TRUST'S REFERENCE ACCESS OFFER

1 BACKGROUND

- 1.1 Singapore Telecommunications Ltd (Singtel) is pleased to respond to the Info-communications Development Authority of Singapore's (**IDA**) request for submissions in respect of CityNet Infrastructure Management Pte Ltd (as Trustee-Manager of the NetLink Trust) (**NetLink Trust**) Reference Access Offer (**RAO**) set out in the consultation paper issued by the IDA on 29 May 2015 (**Consultation Paper**).
- 1.2 Singtel and its affiliates have a comprehensive portfolio of services that include voice and data services over a variety of platforms including the Nationwide Broadband Network (**NBN**). Singtel and its affiliates provide services to both corporate and residential customers across Singapore.
- 1.3 As a leading provider of telecommunications services and a leading proponent of innovation and competition, the Singtel group has a strong interest in the effective operation of the NBN.
- 1.4 Singtel's submission in response to the Consultation Paper is as follows:



2 EXECUTIVE SUMMARY

2.1 In summary, Singtel has no objection to NetLink Trust's proposal to remove Schedule 3 –Licensing of Access to Mandated Services from its RAO, including Singtel's rights to request for services to be provided pursuant to Schedule 3 (the **Removal**), provided that the IDA requires NetLink Trust to offer and make available the Fibre Cross Connect Installation Service (**FCCIS** is a Customised Agreement to the Interconnection Offer Agreement (**ICO**) currently offered by NetLink Trust) as an Essential Support Facilities (**ESF**) to all Requesting Licensee pursuant to the RAO. At present, Requesting Licensees are required to execute the FCCIS in order to connect to their equipment in NetLink Trust Central Office Co-Location Space.

3 ACCESS TO MANDATED SERVICES REMAINS A NECESSARY INPUT TO EFFECTIVE OPERATION OF THE NBN

- 3.1 Requesting Licensees that acquire Mandated Services from NetLink Trust will need to access and connect their equipment co-located within the NetLink Trust Central Office Co-Location Space to location(s) outside the Co-Location Space. To do so, Requesting Licensees may install their own fibre cable(s) to the NetLink Trust Central Office Co-Location Space or acquire segment service(s) (a Mandated Service offered by NetLink Trust under its ICO) from NetLink Trust. The access to NetLink Trust's Central Office lead-in facilities and in-building facilities such as cable trays, cable ladders, risers and cable bearer within the NetLink Trust Central Office (**Access to ESF** offered under Schedule 3 of the RAO) is needed in order to install the Requesting Licensee's fibre cable(s) within the NetLink Trust Central Office.
- 3.2 The ESF under Schedule 3 of the RAO remain a passive support structure where there exist no practical or viable alternatives. It remains a necessary input to the FCCIS that enable the deployment of telecommunication infrastructure and is critical to the effective operation of the NBN.
- 3.3 NetLink Trust having taken over the systems and services previously undertaken by OpenNet and all associated matters and obligations is not a sufficient reason to be exempted from offering Access to ESF. Section 2.4 of the Telecom Competition Code 2012 states:



“A Dominant Licensee may not avoid the special provisions applicable to Dominant Licensees specified in this Code by transferring to another entity the following:

- (i) ownership or operational control of facilities that IDA has licenced the Dominant Licensee to use to provide Services in Singapore; and/or*

any business of the Dominant Licensee, as a going concern, relating to the provision of Services that IDA has licenced the Dominant Licensee to provide in Singapore.”

- 3.4 Access to ESF remains essential regardless of the change in ownership. Where the Access to ESF is solely offered as part of the FCCIS, then the FCCIS itself should be designated as an ESF to be offered under the RAO.

4 SINGTEL HAS NOT ACQUIRED ACCESS TO ESF DOES NOT MEAN SINGTEL DOES NOT NEED ACCESS TO MANDATED SERVICES

- 4.1 Singtel has acquired the FCCIS from NetLink Trust which has included the necessary Access to ESF to be provided by NetLink Trust.
- 4.2 Moving forward, Requesting Licensee, including Singtel, will need to continue acquiring the Access to ESF as part of the FCCIS to be provided by NetLink Trust.

5 THE IDA SHOULD REQUIRE NETLINK TRUST TO OFFER AND MAKE AVAILABLE FCCIS AS AN ESF TO ALL REQUESTING LICENSEE PURSUANT TO THE RAO

- 5.1 With the Removal, it is critical to ensure that NetLink Trust, being the sole provider for Access to ESF, continue to offer FCCIS with the Access to ESF at reasonable cost-based prices, terms and conditions. As the sole provider of the FCCIS, NetLink Trust has the ability to exercise significant market power and no competitor will be able to replicate these facilities and services. It is a bottleneck facility.



- 5.2 It is appropriate that the IDA maintain regulatory supervision on the Dominant Licensee who controls ESF in order to ensure the adoption of just, reasonable and non-discriminatory prices, terms and conditions. In this regard, the IDA should require NetLink Trust to make available FCCIS as an ESF to all Requesting Licensee pursuant to the RAO.
- 5.3 In summary, Singtel has no objections to NetLink Trust's proposal to remove Schedule 3 – Licensing of Access to Mandated Services from its RAO, including Singtel's rights to request for services to be provided pursuant to Schedule 3, provided that IDA requires NetLink Trust to offer and make available FCCIS as an ESF.
- 5.4 Please do not hesitate to contact us if you have any queries or require further clarification.
- 5.5 Thank you.

Yours sincerely

A handwritten signature in black ink, appearing to be "Kim Yew Pang", written over a horizontal line.

Kim Yew Pang
Director
Interconnect
Singapore Telecommunications Limited