

ASIA PACIFIC CARRIERS' COALITION
(Incorporated in the Republic of Singapore)

Our Ref: RSN/LHL/cam/308688/1

14 September 2011

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

By Post / By Fax
(No. 6211 2116)

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

Dear Ms Chia,

Public Consultation on the Second Review of Singapore Telecommunications Limited's Reference Interconnection Offer (RIO)

1. The APCC is pleased to offer the following comments on SingTel's proposed amendments to its Reference Interconnection Offer (RIO) and appreciates the two-week extension of time to do so.

(a) Description of the respondent and its interest in the proceeding;

2. This submission is provided by the Asia Pacific Carriers' Coalition ("APCC") in response to the 1 August 2011 invitation by the InfoComm Development Authority ("IDA") to comment on the "Public Consultation on the Second Review of Singapore Telecommunications Limited's Reference Interconnection Offer" ("Draft RIO Amendments").

3. The APCC is an industry association of global and regional carriers operating in Asia-Pacific, formed to work with Governments, National Regulatory Authorities and Consumers to promote open market policies and best-practice regulatory frameworks throughout the Asia-Pacific region, that will support competition and encourage new and efficient investment in telecommunications markets.

4. APCC submissions reflect the consensus of opinion among at least a majority of its members. Therefore none of the views expressed in this submission should be attributed to any individual member of the APCC.

(b) Summary of the respondent's position

5. In its previous submission on the RIO review (14 March 2011) the APCC urged the IDA to "...take into account other issues raised in the course of consultation..." besides the four

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“key issues” the IDA itself had raised. The APCC is pleased to note that the IDA has had regard to a couple of such additional matters. The IDA’s positioning of four “key issues” at the outset has had the unfortunate effect of focusing the discussion on those matters. The APCC submits that triennial reviews should examine systematically the recent needs of access seekers; the strengths and weaknesses of the current RIO in meeting those needs; and the likely future access needs of operators in Singapore, *before* formulating proposals for change. The present review should closely examine fault management and service levels in particular, before a revised RIO is accepted.

(c) General comments

6. The second RIO review commenced with the IDA identifying “the key issues” for the review and seeking comments on those issues alone:

...IDA has identified several key issues that may have significant implications on the relevance and scope of SingTel’s RIO going forward. IDA would like to hear the industry’s views and comments on these issues before commencing the review of the RIO, i.e., by requiring SingTel to submit a proposed revised RIO.

This focus on issues of concern to the IDA continued into the “Explanatory Memorandum” of 22 June, in which the IDA summarized only those submissions it received on the four “key issues”.

7. The APCC is pleased to note that the IDA included in its 22 June letter to SingTel, in addition to recommendations in respect of the IDA’s own four “key issues,” proposals for submission of requests by email and establishment of a clarification process. The APCC observes, however, that the review process has been unduly confined by the IDA’s early focus on those four “key issues” identified by the IDA as being of concern to itself. A superior approach, the APCC submits, would have been to open a wide-ranging consultation into:

- (a) the access needs of operators in Singapore;
- (b) the actual performance of the RIO over the past three years (including both strengths and weaknesses of the RIO in meeting access seekers’ needs); and
- (c) the future access needs of operators in Singapore.

8. Without this information, changes to the RIO are necessarily piecemeal and incompletely informed, the APCC submits.

9. Neither the IDA’s 22 June letter to SingTel, nor the Explanatory Memorandum of the same date responded to the APCC’s submissions concerning the limited ambit of the present review, escalation of technical issues or service level guarantees. The IDA’s comment in the Explanatory Memorandum that “it would be more appropriate to address them in the course of a subsequent review of the actual terms and conditions of SingTel’s proposed revised RIO” is unsatisfactory, the APCC submits: the shortcomings of the RIO need to be identified before SingTel proposes drafting revisions, if the review is to be meaningful.

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10. The APCC reiterates that the RIO should be amended to improve the management and escalation of technical issues:

- Service affecting faults should not be treated differently depending on the time at which they occur – it is unreasonable to differentiate in fault response between faults occurring in Office Hours and those occurring at other times (e.g. SingTel RIO, Schedule 4B, paragraph 8.5). Modern telecommunications services are a 24-hour, 7-day business. The SingTel RIO is materially out of date in this respect.
- Fault response times should be benchmarked and revised – in an era of expectations of always-available instantaneous communications, service affecting faults should be the subject of attention within minutes, not hours.
- The escalation of faults should not require the agreement of the parties that the matter ought to be escalated (SingTel RIO, Schedule 4B, paragraph 8.6). If the customer considers that the technical response to a service issue should be escalated, then the matter should be escalated. This provision should be changed.

11. The IDA should require that service level guarantees be benchmarked and improved:

- The RIO should include service level guarantees for all services and elements of service delivery, availability and repair – in particular, electricity supply and air-conditioning should be the subjects of specific quality of service guarantees, in accordance with standard industry practice.
- Requesting Licensees should not have to claim service level guarantees (e.g. SingTel RIO Schedule 4B, Annex 4B.6, para 4(a)). Quality of service should be monitored by SingTel and reported on routinely. Service level breaches should be reported and rebates awarded automatically as a part of the service.
- Service level guarantees should not be “of an ex gratia nature” (SingTel RIO, Schedule 4B, Annex 4B.6, paragraph 4(c)(i)) – they should be an enforceable and transferable debt.

(d) Views regarding specific provisions of the Consultation Documents

12. Main Body, cl 1.1 – the APCC welcomes the addition to the RIO of a power for FBOs and SBOs to “request a clarification regarding the RIO” from SingTel. To have practical value, however, the power to request must be paired with a corresponding duty to answer. Clause 1 should oblige SingTel to answer any request received under cl. 1.1 “as soon as reasonably practicable and in any event not later than two (2) Business Days after receipt of the request”. The power to make clarification requests does not assist FBOs and SBOs unless SingTel is obliged to answer them, within a specified time.

13. Main Body, cl 1.2 – while the APCC welcomes the addition of the power to request clarifications, it does not perceive why “the FBO or SBO must enter into a non-disclosure agreement with SingTel”. The RIO is a public document. SingTel’s clarifications regarding the RIO must likewise be public, the APCC submits.

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14. Main Body, cl 28.1, 28.3 – the APCC welcomes the improvement of the RIO to allow submission of IRS requests by way of transmitting copies of the completed forms via email. However, the APCC would recommend that IDA seeks SingTel's view on the feasibility of extending SingTel's electronic ordering system to the Requesting Licensees.
15. Schedule 2C, cl 4.9 – the APCC is concerned that SingTel's proposal to set charges for additional Interconnect Capacity "on a cost reimbursement basis" appears inconsistent with the requirements of Appendix 1 of the *Code of Practice for Competition in the Provision of Telecommunications Services*. Rather than recovering the retail charge for the E1 lines used, SingTel should identify relevant costs using Forward-Looking Economic Cost methodology and price the service at Long Run Average Incremental Cost.
16. Schedule 5A, cl 2.2(d) – the APCC is concerned that the addition of "building owners, building developers" unduly widens the scope of the security and confidentiality requirements to which SingTel will have regard when assessing the availability of Building Lead-in Ducts and Lead-in Manholes. In particular, such security and confidentiality requirements or restrictions should not give SingTel grounds to deny availability where SingTel or an entity affiliated with SingTel is the building owner or developer. (To be clear, the APCC has no objection to SingTel having regard to "security and confidentiality requirements or restrictions imposed on SingTel by Governmental Agencies," as the clause currently provides.)
17. Schedule 5A, cl 2.2(g) – unless SingTel and its affiliates are excluded from cl 2.2(d), this new clause would enable SingTel (or its affiliates) to impose onerous terms and extract monopoly rents from Requesting Licensees.
18. Schedule 6 – the APCC has no objection to the removal of Schedule 6 Number Portability from the RIO but stresses that the IDA should assist fixed line voice service providers to coordinate the implementation of fixed number portability on a centralized basis. Number portability is critical to retail market competition. The IDA has a role to play in promoting an efficient, multi-lateral implementation of portability.
19. Schedule 8A, cl 7.7 – the APCC is unclear why it should be necessary for the Mandated Licensee to obtain "necessary permits and approvals" in the circumstances in which clause 7.7 applies, where SingTel controls the SingTel Exchange Building.
20. Schedule 8A, cl 7.7 – the proposed new requirement for a new Co-Location Space request every time a fibre cable or patch-cord is installed is impractical and onerous. Where co-location spaces have been requested, approved and provisioned, the Requesting Licensees must be able to use them.
21. Schedule 12, cl 2 – the proposed amendments to the definition of "Business Day" are unnecessary, as the current definition adequately identifies the *days* on which business is transacted. Where business *hours* are referred to, the RIO already makes specific provision (e.g. SingTel RIO, Schedule 4B, para 8.5). Additionally, the proposed half-day holiday for SingTel on the eve of public holidays is out of step with general practice in the industry.

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Conclusion

22. Non-discriminatory access to SingTel facilities and services which cannot efficiently be duplicated will continue to be fundamentally important to competitive provision of telecommunications services in Singapore. The SingTel RIO must develop in parallel with development in networks and services and regular review of the RIO serves an important role in this regard. The APCC strongly encourages the IDA to review, comprehensively and systematically, the industry's access needs and the RIO's performance in meeting those needs.

Yours faithfully,



Rajesh Sreenivasan
Secretary, Asia Pacific Carriers' Coalition