SCHEDULE

1. This Schedule sets out IDA's Decision on Reconsideration and the grounds for IDA's decision.

2. Unless expressly specified or unless the context requires otherwise, all capitalised terms bear the same meaning as defined in SingTel's RIO.

General Comments

<u>Minister's Decision</u>

3. IDA rejects SingTel's argument that there is an inconsistency between Paragraph 7 of the 8 March 2006 Direction and the Minister's Decision in respect of the use of Unbundled Network Elements ("**UNE**") and Mandated Wholesale Services ("**MWS**") for the Requesting Licensee's ("**RL**") own private internal use.

4. The Minister's Decision provided that:

> "*a. SingTel is to comply with IDA's [8 August 2005] Decision on Reconsideration except as varied in (i) and (ii) below:*
>
> *(i) SingTel is not required to provide Requesting Licensees ("RLs") with the relevant Unbundled Network Elements ("UNE") or Mandated Wholesale Services ("MWS") when these are used as inputs to a telecommunications ("telecom") product or service for the RL's private internal use where the RL has no intention of offering that telecom product or service to non-affiliated third party customers.*
>
> *(ii) In relation to the RL's acquisition of Local Loops/Sub Loops, Line Sharing and Internal Wiring as inputs to a telecom product or service for the RL's private internal use, clauses 1.1 and 1.2 of Schedules 3A, 3B and 3C of the RIO are to be amended to give effect to (i);*".

5. SingTel's position is that the Minister's Decision excludes a RL from obtaining UNE and MWS for private internal use altogether. At paragraph 2.3 of its Reconsideration Request, SingTel submits that the 8 March 2006 Direction:

> "*…appears to contemplate a permitted dual-use (that is, for internal and external purposes) of UNE and MWS which is inconsistent with the Minister's Decision which **explicitly excludes** SingTel from the requirement to provide UNE and MWS **for any internal use**…*" (IDA's emphasis).

6. In other words, SingTel's interpretation of the Minister's Decision is that the RL cannot obtain UNE and MWS as inputs for itself and its affiliates, and

there are no exceptions to this rule at all. Therefore, according to SingTel, even if the RL intends to offer a telecom product or service to a non-affiliated third party customer using SingTel's UNE or MWS as inputs to that telecom product or service, the RL cannot provide that same telecom product or service (using the same SingTel UNE or MWS as inputs) to itself or its affiliates.

7. After careful consideration, IDA rejects SingTel's submission.

8. Paragraph 2.a.(i) of the Minister's Decision clearly provides that:

> "*SingTel is **not required to provide** Requesting Licensees ("RLs") with the relevant Unbundled Network Elements ("UNE") or Mandated Wholesale Services ("MWS") when these are used as inputs to a telecommunications ("telecom") product or service for the RL's private internal use **where the RL has no intention of offering** that telecom product or service to non-affiliated third party customers*." (IDA's emphasis).

9. The Minister then explained, in Paragraph 8 of the Minister's Decision, that:

> "*…the Minister has decided that SingTel is not required to provide RLs with UNE or MWS to be used as inputs to a telecom product or service for the RL's private internal use if it is shown that the RL has no intention of offering that telecom product or service to non-affiliated third party customers. This will ensure that new entrants are **not prevented from acquiring the UNE or MWS to self-provide** a telecom product or service in the interim period where they are preparing to compete in that market.*" (IDA's emphasis)

10. The Minister further elaborated, in Paragraph 13 of the Minister's Decision, that:

> "*The Minister notes SingTel's arguments on the privileged position of RLs and RLs free-riding on SingTel's network investment if RLs were allowed to obtain the relevant IRS at cost or MWS at discounted prices for private use. The Minister's view is that **it would not be logical and reasonable to restrict a RL from providing a telecom product or service to meet its own needs** when the RL is or has the intention of offering the same product or service to its customers*." (IDA's emphasis).

11. As such, it is evident from a literal reading of the Minister's Decision that, contrary to SingTel's submissions, the RL is only <u>precluded</u> from obtaining UNE and MWS as inputs to a telecom product or service for its own private internal use, in the situation <u>where it has no intention of offering</u> that telecom product or service to non-affiliated third party customers. In other words, the RL can obtain UNE and MWS for its own private internal use where it has the intention of "*offering that telecom product or service to non-affiliated third party customers*".

12. Accordingly, Paragraph 7 of the 8 March 2006 Direction is wholly consistent with the Minister's Decision as it provides that SingTel must:

> "*…allow Requesting Licensees ("RLs") to obtain the relevant service …from SingTel as inputs for the RL's provision of telecommunication services to itself and its affiliates,* ***provided that the RL offers or intends to offer*** *similar telecommunication services to any non-affiliated third party customer in relation to such use…*" (IDA's emphasis).

13. IDA's position is that it is clear from the Minister's Decision that a RL is permitted to obtain UNE and MWS from SingTel for the provision of telecom products or services for its own private internal use, provided it has the intention of offering those products or services to a non-affiliated third party customer.

14. SingTel's submission that a RL is prohibited from obtaining UNE and MWS for its own private internal use under all circumstances whatsoever is patently inconsistent with the Minister's Decision.

15. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

<u>Express Provisioning</u>

16. IDA rejects SingTel's contention that it is not obligated to provide express provisioning for IRS under the RIO. Under Schedules 7A and 7B of the RIO, SingTel offers express provisioning for LLCs and TLLCs as a MWS. IDA's position is that there is no material distinction that justifies treating TLLCs as an IRS differently from TLLCs as a MWS insofar as it relates to the requirement of express provisioning. IDA also observes that nothing in the Code 2005 exempts SingTel from providing express provisioning for IRS in circumstances where IDA considers it necessary to further the Code 2005's policy objectives. In this respect, IDA is of the view that express provisioning is necessary to ensure that RLs are not put at a competitive disadvantage in relation to SingTel when competing for customers in the provision of telecommunication services that ride on TLLCs as an input (as SingTel would be able to provide express provisioning to its retail customers but the RL would be unable to similarly do so).

17. IDA also rejects SingTel's contention that it was able to provide express provisioning under Schedules 7A and 7B because the pricing methodology applied was retail-minus as opposed to cost-based. In IDA's view, the issue of what pricing methodology is used to derive the charges for express provisioning is irrelevant to the issue of whether SingTel is <u>capable</u> of providing express provisioning.

18. Additionally, IDA also recognises that whether SingTel is able to accede to any request for express provisioning will have to be considered on a case-

by-case basis taking into account the availability of SingTel’s resources to fulfill such requests and the RL’s requirements. However, consistent with SingTel’s obligation under Sub-section 6.3.3.1 of the Code 2005 not to discriminate against Requesting Licensees in the provision of IRS, it must be clarified that SingTel will process any request for express provisioning in a manner which is no less favourable than the manner in which it provides express provisioning to itself, its affiliates and its customers.

19. IDA also notes SingTel’s submission that it is not its intention to offer express provisioning, despite the fact that SingTel has clearly provided for this option in the proposed TLLC request form (“**TCAR**”) that SingTel submitted on 12 December 2005. In this regard, SingTel explained that *“(T)he option to elect for express provisioning should have been removed from the…TCAR*” as its inclusion was a “*genuine error*”.

20. IDA considers SingTel’s submission, that its “mistake” in drafting the proposed TCAR was a “one-off error”, to be unconvincing as SingTel’s proposed modifications to Schedule 9 dated 12 December 2005 also clearly established a precise methodology for calculating the relevant charges for express provisioning:

> “*For express provisioning, the Requesting Licensee shall pay to SingTel an amount equivalent to twice the one-time Installation Charge for provisioning each TCAR*”.

21. In any event and irrespective of SingTel’s explanations in relation to its alleged “one-off error”, IDA expects to be able to rely with certainty on SingTel’s proposed RIO modifications as representing SingTel’s firm position on the matters that it submits to IDA for review and approval. Otherwise, SingTel will not be making faithful and accurate submissions to the authority as to its position in the course of the present regulatory proceedings. Hence IDA is entitled to rely on SingTel’s submissions on express provisioning.

22. Accordingly, IDA’s decision on reconsideration is to confirm its requirement that SingTel must offer express provisioning to RLs.

23. Nonetheless, IDA also recognises that the charges for any request for express provisioning by SingTel will have to take into account the usage of SingTel’s resources in prioritising and fulfilling such requests. In this respect, IDA accepts SingTel’s proposal for the charge for express provisioning to be twice the one-time Installation Charge for provisioning each IRS Tail Circuit under normal circumstances (see SingTel's proposed Schedule 9 dated 12 December 2005).

Decision on Specific Drafting Amendments in the Direction - Schedule 4C

Clause 1.4 (List of Excluded Sites)

24. SingTel acknowledges that the concept of "*Excluded Sites" was adapted from Schedules 7A and 7B of the RIO*" and argues that in "*these Schedules, the examples of the Excluded Sites were provided in Clause 1.4 so as to provide guidance to the Requesting Licensees…*". Hence, SingTel concludes that it has never been the intention for the list of Excluded Sites to be exhaustive and that IDA had previously approved this process.

25. IDA expresses disappointment that SingTel has completely misrepresented IDA's position on this issue. When IDA directed amendments to SingTel's proposal to offer LLCs/TLLCs as a MWS under Schedules 7A and 7B of the RIO, IDA rejected SingTel's attempt to give itself the ability to unilaterally revise the list of Excluded Sites[1]. However, IDA stated that it had no objection to allowing SingTel to include a list of Excluded Sites, comprising the sites that clearly do not fall within the categorisation of End User's site and the RL's network sites. In this respect, IDA then proceeded to review each specific site for which SingTel proposed to include in the list of Excluded Sites[2]. To the extent that SingTel wants to revise the list of Excluded Sites after IDA has approved it, SingTel must obtain IDA's approval by initiating the process to amend the relevant RIO schedule.

26. IDA's rationale is that only certain sites clearly qualify as Excluded Sites. Therefore, the list of Excluded Sites cannot be unilaterally revised by SingTel without first obtaining IDA's approval, as the inclusion of any site into the list will automatically prevent the RL from obtaining service in relation to that site. Moreover, SingTel should not have any concern that it does not have the ability, subsequent to its initial acceptance under Clause 2.4 of Schedule 4C of the RIO, to refuse to provide service to a site where it does not comply with the permitted use specified under Schedule 4C, given that SingTel has the right under Clause 4.4 of Schedule 4C of the RIO to refuse to supply if it can show that the end points do not comply with such permitted use. In such an instance, SingTel should be exercising its right under Clause 4.4 to refuse to supply, rather than unilaterally revising the list of Excluded Sites to include such site.

27. IDA's position is that the list of Excluded Sites must be exhaustive and have the utility of providing RLs with a clear, upfront indication as to which sites are Excluded Sites.

28. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

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[1] Please see IDA's annotated comments to Clause 1.4 of Appendix 3 to the Direction of the IDA: Modification of RIO to include Wholesale LLCs dated 23 August 2004.

[2] Please see IDA's annotated comments to Clause 1.4 of Annex 3 to the Direction of the IDA: Modification of RIO to include Wholesale LLCs dated 4 October 2004.

Clauses 2 and 3 (Provisioning Process)

29. IDA accepts SingTel's proposal that it will activate IRS Tail Circuit Service within 15 days from the date of the RL's submission of the TCAR[3] ("**Request Date**"). In its Reconsideration Request to IDA, SingTel further proposed a 3-stage process whereby it will revert to the RL within the following timeframes with either acceptance or progress report (as the case may be):

   a. within 1 Business Day from Request Date;

   b. within 5 Business Days from Request Date; and

   c. within 10 Business Days from Request Date.

30. After careful consideration, IDA has decided to remove the additional intermediary stage of responding to the RL within 5 Business Days from the Request Date. Hence, SingTel's work order system need only provide for responding within 1 and 10 Business Days from Request Date. IDA is of the view that reducing the 3-stage to a 2-stage provisioning process is likely to be more efficient. This is because IDA accepts that such a 2-stage process will not likely require any significant alteration to SingTel's existing work order system and can be implemented by SingTel without incurring additional costs. In addition, IDA notes that the 2-stage process would not compromise the degree of certainty extended to RLs as to whether its TCAR has been approved or rejected.

31. In relation to SingTel's submission that it is unable to determine within 1 Business Day of the Request Date whether "*the end link for the End User's site is in respect of an Excluded Site*" for purposes of rejecting the application, IDA accepts that SingTel may not be able to do so in all cases. However, IDA's position is that in those cases where SingTel is able to clearly identify upfront at Stage 1 that the site in question is an Excluded Site, then SingTel must reject the RL's application at that stage rather than incur unnecessary costs to process the application further, only to reject it subsequently.

32. Similarly, in relation to SingTel's submission that it is unable to determine within 1 Business Day whether the information set out in the application is incorrect or inaccurate for purposes of rejecting the application, IDA's position is that if SingTel is able to assess, on the face of the application submitted, that any of the information is incorrect or inaccurate, then SingTel must reject the RL's application at that stage rather than incur unnecessary costs to process the application further, only to reject it subsequently. This process in which SingTel is required to determine within 1 Business Day whether the information set out in the application is

[3] Please see Clause 3.1(a) of SingTel's proposed Schedule 4C submitted to IDA on 12 December 2005.

"incorrect or inaccurate" is already an existing practice in Schedules 3A, 3B, 3D, 3E and 5A of the RIO. In fact, in relation to Schedule 5A of the RIO, it was SingTel who specifically requested IDA on reconsideration to provide for such a process[4], to which IDA later acceded[5]. Further, arising from SingTel's implementation of these schedules, IDA observes that SingTel did not raise to IDA any implementation difficulty in relation to such process. In any case, SingTel is also not unduly prejudiced as it has the right under Clause 4.4 of Schedule 4C of the RIO to refuse to supply if it can show that certain material information provided is incorrect or inaccurate (e.g., where the end points do not terminate at an End User's site). In such an instance, SingTel may exercise its right under Clause 4.4 to refuse to supply.

33. Accordingly, IDA's decision on reconsideration is:

a. to maintain the requirement specified in the 8 March 2006 Direction that SingTel must reject the application within 1 Business Day of the Request Date where, amongst others:

i. the end link for the End User's site is in respect of an Excluded Site; and

ii. the information in the TCAR is incorrect or inaccurate; and

b. to vary the provisioning process for TCAR in the manner as follows:

i. Within 1 Business Day of the Request Date, SingTel must notify the RL of initial acceptance or rejection of the TCAR. SingTel may only reject the TCAR for one or more of the following reasons:

1. the end link for the End User's site is in respect of an Excluded Site;

2. the Requesting Licensee is not an FBO;

3. the TCAR is not in the prescribed form;

4. the TCAR does not contain all the required information;

5. the information in the TCAR is incorrect or inaccurate;

6. SingTel has plans or otherwise proposes to decommission the IRS Tail Circuit Service within 6 months of the date of the TCAR;

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4 Please see SingTel's reconsideration request dated 7 November 2005.

5 Please see IDA's decision on reconsideration dated 16 November 2005.

7. prior to the expiry of the TLLC Non-Central Term, the TCAR is in respect of a Tail Circuit located outside the CBD-proxy region as set out in Annex 4C-7 of the RIO; or

8. the TCAR is received by SingTel less than 15 Business Days prior to the requested date of activation for the IRS Tail Circuit Service.

ii. Within 10 Business Days of the Request Date, SingTel must complete its Project Study and notify the Requesting Licensee of final approval of the TCAR or that the TCAR has been rejected. SingTel may only reject the TCAR for one or more of the following reasons:

1. the IRS Tail Circuit Service is determined as unavailable under Clause 3.2(a) or (b) of Schedule 4C of the RIO;

2. SingTel has reasonably determined that it does not have any IRS Tail Circuit Service in the area which is the subject of the TCAR;

3. SingTel reasonably determines that it does not have available network infrastructure or equipment to provide IRS Tail Circuit Service in the area which is the subject of the TCAR;

4. the Co-Location Equipment installed under Schedule 8B of the RIO will not be operational by the time of SingTel's physical provisioning of the IRS Tail Circuit Service; or

5. the IRS Tail Circuit Service requested will be used by the Requesting Licensee as an input for the provision of any telecommunication product or service to the itself or its affiliates, and it is shown that the Requesting Licensee has no intention of offering that telecommunication product or service (whether or not using the same IRS Tail Circuit Service) to non-affiliated third party customers.

Clause 3.2(a) and 3.2(b) (Reservation of Capacity)

34. SingTel's basis for seeking reconsideration is that the IRS Tail Circuit Service will be provided using SingTel's infrastructure, and that, according to SingTel, it has the right to use its infrastructure to meet its own anticipated requirements. In support of its contention, SingTel argued that IDA had allowed SingTel to reserve capacity under Schedules 3A, 3D, 3E, 5A, 5B, 5C, 8A, 8B and 8D of the RIO. Therefore, according to SingTel,

there "*is no valid or reasonable basis for IDA to adopt a different and inconsistent position in respect of the IRS Tail Circuit Service*".

35. IDA rejects SingTel's arguments that there is no valid or reasonable basis for IDA to disallow reservation of capacity for the IRS Tail Circuit Service. IDA reiterates its policy position that, unless there are strong overriding justifications or expressly permitted by the Code 2005, IDA's starting position is that SingTel will not be permitted to reserve capacity for itself in relation to any IRS or MWS that it provides under the RIO. Clearly, IRS and MWS are necessary inputs for the provision of competitive telecommunication services in Singapore; and if SingTel were permitted to reserve capacity for itself and thereby deny the RL of the ability to obtain such inputs, the RL would be placed at a significant disadvantage when competing with SingTel for customers.

36. For Schedules 3A, 3D, 3E and 5A, IDA permitted SingTel to reserve capacity for itself because IDA recognised that these are IRS which pertain to SingTel's universal service obligation to provide basic telephony services in Singapore ("**USO**"), and hence, SingTel must have the ability to reserve capacity in respect of such IRS in order to ensure that it may fulfill its USO.

37. In relation to Schedules 5B, 5C, 8A, 8B and 8D, SingTel must be aware that these schedules deal with co-location space, in respect of which the Code 2005 expressly permits SingTel to reserve capacity to meet its own reasonably projected growth[6].

38. Moreover, when IDA approved SingTel's provision of TLLCs as a MWS under Schedule 7B, IDA rejected SingTel's proposal to be allowed to reserve capacity. In this connection, IDA maintains that its policy justifications for rejecting reservation of capacity by SingTel are equally applicable regardless whether TLLCs are provided as a MWS under Schedule 7B or as an IRS under Schedule 4C[7].

39. Therefore, it must be abundantly clear to SingTel that IDA has valid and reasonable grounds for disallowing SingTel to reserve capacity for the IRS Tail Circuit Service and for allowing SingTel to do so under Schedules 3A, 3D, 3E, 5A, 5B, 5C, 8A, 8B and 8D. In this respect, IDA expresses grave disappointment that SingTel should seek to blatantly misrepresent IDA's policy position with its blunt allegation when IDA has in many past regulatory proceedings clearly explained its rationale on these issues to SingTel.

40. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

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[6] Paragraph 5.3.3 of the IRS/MWS Schedule provides for SingTel's ability to reserve capacity in relation to Co-Location space.

[7] Please see the explanatory memorandum to IDA's direction dated 4 October 2004.

Clause 3.2(c) (Reservation of Capacity)

41. Please refer to IDA's foregoing position on reservation of capacity (see paragraphs 34 to 40 above). IDA will not permit SingTel to reserve capacity for itself in relation to IRS Tail Circuit Service and therefore IDA will not allow SingTel to use Clause 3.2(c) of Schedule 4C of the RIO for this purpose. Nonetheless, IDA accepts that Clause 3.2(c) should include a reference to capacity ordered by SingTel's Customers which have been ordered but not yet delivered or provided. This is because SingTel's Customers should not be treated any differently from the RL's Customers.

42. Accordingly, IDA's decision on reconsideration is to vary its 8 March 2006 Direction on this issue by permitting SingTel to have regard to its own Customers' requirements (in addition to those of the RL and other Licensees) which have been ordered but not yet delivered or provided.

Clause 3.3(i) (Availability of Physical Infrastructure)

43. IDA accepts the clarification provided by SingTel that Clause 3.3(h) of Schedule 4C of the RIO is concerned with whether there is physical infrastructure in the area which is the subject of the TCAR, while Clause 3.3(i) of the same schedule is concerned with whether the physical infrastructure in that area is actually available.

44. However, IDA's assessment is that, as drafted, Clauses 3.3(h) and 3.3(i) are ambiguous and do not adequately reflect SingTel's intended distinction between the two Clauses.

45. Accordingly, IDA's decision on reconsideration is to vary its 8 March 2006 Direction on this issue by requiring modification to these clauses to clarify their intended scope in the manner as explained by SingTel in its Reconsideration Request.

Clauses 4.5(a) and 7.2(f) (Presence of RLs' Officers at End User Site and Co-Location Space)

46. As a preliminary matter, IDA understands that the IRS Tail Circuit Service is provided by SingTel to the RL, and not to the End User (i.e., the RL's customer). Accordingly, IDA is not suggesting that SingTel must communicate directly with the End User. IDA agrees that it is the RL who should remain responsible for communicating with its End User.

47. However, IDA fails to understand the need for SingTel to require the presence of the RL's officers at the End User's site and the Co-Location space for the installation of the IRS Tail Circuit Service (SingTel's proposed Clause 4.5(a) of Schedule 4C of the RIO) and during fault reporting procedure (SingTel's proposed Clause 7.2(f) of Schedule 4C of the RIO) in all situations, irrespective of whether the RL considers the presence of its officers to be necessary. Additionally, IDA notes that SingTel has failed to justify why the RL's officers should now be required for the foregoing

processes under Schedule 4C of the RIO, when the same requirement is absent from the corresponding provisions in Schedule 7B of the RIO.

48. IDA's position is that SingTel's proposed Clauses 4.5(a) and 7.2(f) will unnecessarily increase the RL's costs given that in most instances, it is not necessary for the RL's officers to be present in order for SingTel to complete the relevant process. For example, installation instructions or equipment information may not always have to be conveyed in person by the RL's officers. These may be communicated by every-day forms of communication, such as e-mail or telephone.

49. In situations where the presence of the RL's officers may be necessary, such as to identify the equipment location and the exact equipment that is faulty, IDA considers that there is sufficient incentive for the RL to ensure the presence of its officers. This is because the RL is paying SingTel for the provision of these services and the RL will want to ensure that SingTel is able to activate service within the timeframe required. IDA also observes that SingTel will not be materially prejudiced because if SingTel is unable to complete the relevant process owing to any delay occasioned by the RL, then Clause 1.11(a) of Schedule 4C of the RIO will operate to absolve SingTel of any liability. IDA's assessment is further supported by SingTel's own observation that the RL will ensure that their officers are present in situations where their attendance is necessary in order for SingTel to complete the equivalent process undertaken in Schedules 7A and 7B of the RIO (even though the RL is not under any contractual obligation to do so under Schedules 7A and 7B).

50. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

Clause 5.4 (Change of Bandwidth)

51. IDA notes SingTel's explanation that in relation to any request for change of bandwidth, the RL must submit a request for activation of the IRS Tail Circuit Service at the new bandwidth, as well as submit a request for deactivation if it wants to terminate the existing bandwidth. However, IDA further notes that SingTel's proposed Clause 5.4 does not reflect clearly the intended processes as explained by SingTel.

52. Accordingly, IDA's decision on reconsideration is to vary the requirements specified in the 8 March 2006 Direction on this issue by requiring modification to Clause 5.4 to clarify the intended process as explained above.

Clause 5.5(a) (Tie-Cable Change Timeframe)

53. IDA reiterates its position that it considers the change of Tie-Cables to be a relatively straightforward process, which should not require more than 5 Business Days.

54. On the other hand, IDA notes that SingTel has failed to provide sufficient justification for requiring 10 Business Days to effect a change of Tie-Cables. Notwithstanding the fact that there may be a number of processes to be undertaken by SingTel in order to effect a Tie-Cable change, SingTel has not shown that any of these processes are unduly complicated. Moreover, IDA observes that some of these activities would not need to be undertaken and completed during the 5 Business Days (e.g., billing and updating of records which take place subsequently).

55. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

Clause 15.1 (Migration Timeframe)

56. SingTel argues that it requires a timeframe of at least 15 Business Days to process each migration request for TLLCs because it has to carry out a number of tasks in relation to each of such request.

57. IDA is of the view that SingTel's claim in relation to these tasks is overstated and, given that only a 'paper' migration process is being contemplated, IDA considers that SingTel can reasonably complete all necessary migration work by the expiry of the TLLC Central or Non-Central Term (as the case may be) within a timeframe of 5 Business Days. In this respect, IDA also observes that it is unlikely that SingTel will have to process any overwhelming number of migration requests[8].

58. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

Proposed New Clause: Timeframe in which Requests for IRS Tail Circuit Service May be Submitted

59. SingTel is proposing to impose a new obligation under Clauses 2.3 and 3.3 of Schedule 4C of the RIO, that RLs' orders for IRS Tail Circuit Service may not be submitted more than 25 Business Days from the requested Date of Activation. In this regard, SingTel has not provided any justification as to why it did not propose this obligation in its proposed Schedule 4C of the RIO submitted to IDA on 12 December 2005, upon which the subsequent public consultation and IDA's 8 March 2006 Direction were premised upon. In this regard, IDA would further highlight that it is not open for SingTel to seek IDA's reconsideration of this new obligation, as there was never any consideration of this obligation in the first place.

60. IDA's position is that if SingTel wants to introduce any additional obligation on RLs that it could have but did not propose for IDA's consideration on 12 December 2005, then the proper process would be for SingTel to initiate a separate proceeding to amend its RIO. Otherwise, if IDA proceeds to

[8] For example, in relation to TLLCs within the Central Business District, there has been no take-up for such TLLCs under Schedule 7B. Hence, there will not be any service migration for TLLCs upon expiry of the TLLC Central Term on 14 April 2006.

consider these new issues raised by SingTel, the industry would be denied of an opportunity to provide comment on these new obligations, and IDA would clearly be acting out of process.

61. Further, and in any event, IDA would highlight that Paragraph 8.b of IDA's 8 March 2006 Direction clearly emphasised that:

> "*8. In proposing modifications to give effect to this Direction, IDA reminds SingTel that:*
>
> *…*
>
> *b. IDA will reject any proposed modification by SingTel that is not for the purpose of giving effect to IDA's required modifications as set out in this Direction*" (IDA's emphasis).

62. In the premises, IDA rejects these proposed new modifications in their entirety.

Annex 4C.6 – Clause 3(c)

63. SingTel explained that Clause 3(c) of Annex 4C.6 of the RIO should be retained because it seeks to clarify that if the failure to restore the IRS Tail Circuit Service is caused by the RL's failure to provide access to the relevant equipment, then the RL shall not be entitled to any remedy against SingTel (see SingTel's annotations to Clause 3(c)).

64. After careful consideration, IDA maintains its position that Clause 3(c) is unnecessary and redundant, as the situation is already provided for in Clause 3(b) (i.e., it is not "within SingTel's control").

65. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

Decision on Specific Drafting Amendments in the Direction - Schedule 9

Clause 4.5.10 (No-Fault-Found Charge)

66. In its Reconsideration Request, SingTel raised to IDA the necessity for the RL to endorse and accept the results of tests conducted by SingTel in order to ascertain whether SingTel was responsible for the faults in question.

67. IDA accepts that as the RLs' endorsement and acceptance of the test results is required, SingTel would not have the sole discretion of determining whether the fault was due to SingTel.

68. Accordingly, IDA's decision on reconsideration is to permit SingTel to retain Clause 4.5.10 of Schedule 9.

69. Please also refer to paragraphs 46 to 50 above.

Clause 4.5.11 (One-time System Set-up Charge)

70. SingTel has failed to provide sufficient justification to explain why it should be permitted to impose a One-Time System Set-up Charge ("**Set-up Charge**"). IDA had requested, on at least 3 occasions (see IDA's 8 March 2006 Decision and IDA's letters to SingTel dated 13 January 2006 and 2 March 2006), for SingTel to provide its breakdown for the recovery of the Set-up Charge. However, SingTel failed to provide IDA with any timely response to justify the imposition of the Set-up Charge and to substantiate its breakdown of the components for such charge.

71. Instead, in its 6 April 2006 letter to IDA, SingTel explained that the computation of the Set-up Charge is dependent on, among others, the outcome of IDA's "*review and final approval of the proposed RIO modifications to provide for the offer of TLLC under the RIO as an IRS*". In this respect, SingTel attempted to justify the Set-up Charge entirely on the basis that it should be entitled to recover "*the cost of developing and modifying SingTel's ordering, provisioning and billing system (including the creation of new job queues and work flows and the billing components for One-Time and Recurring Charges for the TLLC) as caused by the requirement to provide the TLLC service*". In other words, SingTel submits that it should be entitled to the Set-up Charge if IDA were to impose additional obligations relating to ordering, provisioning and other related operational processes such as to necessitate changes to SingTel's work order and billing systems.

72. Given that IDA has decided to adopt materially the same ordering, provisioning and other related operational processes currently implemented by SingTel in its provision of MWS FLLC/TLLC under Schedules 7A and 7B of the RIO, IDA is satisfied that SingTel will not have to make any significant modification to its existing work order and billing systems[9].

73. In the premises, IDA is satisfied that there is no basis to justify SingTel's imposition of the Set-up Charge.

74. Accordingly, IDA's decision on reconsideration is to maintain the requirements specified in the 8 March 2006 Direction on this issue.

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[9] For examples, see IDA's decision on reconsideration to: (a) Clauses 2 and 3 (Provisioning Process) at paragraphs 29 to 33 above; (b) Clause 5.4 (Change of Bandwidth) at paragraphs 50 and 51 above.