

REACH LTD.

(on behalf of Reach International Telecom (Singapore) Pte Limited
Company Registration Number 199605253M)

**SUBMISSION IN RESPONSE TO IDA'S CONSULTATION PAPER
REVIEW OF SINGAPORE TELECOMMUNICATIONS LIMITED'S REFERENCE
INTERCONNECTION OFFER**

5 May 2005

Contact Details:

Mr. Dermot Keilthy
Director, Regulatory Affairs
REACH
20/F Telecom House
3 Gloucester Road
Wanchai
Hong Kong

Tel: +852 2983 3633

Fax: +852 2962 5012

Email: Dermot.Keilthy@reach.com

**REACH SUBMISSION IN RESPONSE TO IDA'S CONSULTATION PAPER
REVIEW OF SINGAPORE TELECOMMUNICATIONS LIMITED'S REFERENCE
INTERCONNECTION OFFER**

EXECUTIVE SUMMARY

REACH welcomes this review of SingTel's RIO. In the following submission, while REACH makes some general points, many of our comments are specific to clauses of the RIO, as one would expect in reviewing a contractual document. Therefore, it is not possible to reasonably address these in an Executive Summary. Rather, we highlight our key concerns on the RIO as previously expressed to IDA and mention some of the recurrent problems with the amendments SingTel has proposed as part of the RIO Review.

In terms of the current RIO:

- REACH believes that the RIO is a critical regulatory instrument and must be retained to ensure competition can develop in Singapore telecommunications markets.
- However, there is a real need for an overhaul of policies underlying the RIO and of RIO processes themselves to ensure continued relevance and to keep Singapore in line with international best practice.
- Perhaps the most significant policy issue for IDA to deal with is the need for it to implement its support for infrastructure competition by way of supporting new entrants rather than protecting SingTel's existing investments.
- IDA also needs to improve transparency of the interconnect regime, particularly by allowing industry insight into how it sets prices and the validity of SingTel's claimed costs.
- Infrastructure competition and transparency will also be promoted by removal of the excessive SingTel discretions in the RIO. SingTel should not, for example, be allowed to exploit maximum (or no) timeframes for key interconnect processes.
- It is critical for IDA to understand the effect of SingTel's current delay tactics in an industry where time is of the essence and speed of delivery is often the deciding factor for customers selecting a supplier.
- To address this, IDA could improve the RIO markedly by requiring binding SLAs covering a range of procedural and processing matters. In particular, the SLAs should relate to SingTel's self provisioning to ensure that the principle of non-discrimination is upheld. Penalties should bite on SingTel for breaches of SLAs. In the Singapore context, SLAs are needed in the manner we propose as existing regulation does not otherwise provide for this.

- In this context, we are pleased that the IDA guidance provided to SingTel in relation to the RIO Review was that SingTel must include proper SLAs with adequate compensation but are concerned that SingTel has completely disregarded the IDA's instruction.
- The RIO (and Code) would also be strengthened with the inclusion of mechanisms to ensure non-discrimination, as general prohibitions on such conduct are otherwise meaningless. Proposals include SLAs, non-price record keeping rules and IDA monitoring.
- In relation to RIO services, REACH submits IDA must ensure that SingTel puts into practice the intention of RIO provisions, rather than rely on ambiguities to avoid service provision.
- The RIO process for introducing new cables to be connected under Schedule 4B must be improved to address current and forecast delays, with the ideal outcome being automatic inclusion under Schedule 4B before a system goes live and early enough for competitors to enjoy use of the cable at the same time as SingTel.
- The provisioning or interconnection time for cables systems should be further reduced if IDA is serious about promoting Singapore as a competitive telecoms hub.
- Interconnection for cables should be available at the full range of speeds.
- Aspects of backhaul should be addressed in the RIO to the extent they impact on other RIO services such as cable connection and co-location. In particular, SingTel should not be able to force a bundle of backhaul and international capacity.
- Co-location provisions in Schedule 8D must be updated to reflect cable ownership or interest is not a prerequisite.
- Further changes are needed to ensure that RIO terms for LLCs are the same as, if not better than, retail terms.
- IDA must ensure that all RIO prices, including for connection and co-location are truly cost based. The ideal way to get industry buy-in would be to involve other operators in the price setting process.
- Finally, the RIO processes for dispute resolution require overhaul to shorten timeframes and promote IDA involvement, which will ensure SingTel is incented to negotiate reasonably with operators.

In terms of SingTel's amendments:

- REACH is extremely concerned that the RIO draft provided for consultation does not have all amendments highlighted and amendments are, for the most part, given an

- inaccurate or inadequate explanation. IDA should adopt a process where it will only approve changes that are appropriate and that SingTel highlights.
- IDA should also ensure that all relevant documents are put out for consultation – in this case, the IDA's guidance to SingTel in relation to redrafting the RIO should have been included in the initial RIO Review package.
 - In terms of the substance of the amendments, SingTel claims in many instances to be streamlining procedures. IDA should largely reject these changes as SingTel has made no serious attempt to streamline what it does – rather it has deleted processes that are helpful to other licensees.
 - IDA should enforce what it has told SingTel to do and direct inclusion of specific amendments that streamline processes, eliminating unnecessary or onerous processes and reducing timeframes. This is not only in relation to key processes such as ordering and provisioning, but also dispute resolution.
 - IDA must ensure SingTel complies with its instruction to include SLAs with adequate compensation. SLA benchmarks should be set with regard to SingTel's self provisioning and the compensation levels should be set so there is at least some additional amount payable by SingTel where service levels fall below a certain level. This really will ensure that RIO processes are streamlined.
 - SingTel should also be prevented from imposing additional limits on what it will do eg. how many requests for service it will process, as these only serve to increase delays under the RIO. It is not unduly onerous for SingTel to resource itself for the cyclical nature of various requests and it does not always need to dedicate maximum staff.
 - IDA should also ensure SingTel provides other licensees with the same enjoyment of services as it has, for example, if it will enjoy a service right up until decommissioning, the same opportunity should be afforded to others. In a similar vein, other licensees should get the same notice of changes or decommissioning. This is consistent with IDA's instruction to SingTel in relation to the RIO Review.
 - As a general comment, SingTel has sought to increase its discretions, rather than reduce them in line with industry requests. IDA must intervene and direct SingTel to remove or qualify its discretions.
 - Also of great concern are the numerous instances where SingTel is seeking to impose additional costs on other licensees outside of Schedule 9 charges. SingTel has failed to include any checks on its expenditure. Also, in many instances it is difficult to believe that SingTel will really incur avoidable costs that it should pass on to other licensees.
 - IDA should also ensure that the RIO does not enable SingTel to drive competitors from the market through its ridiculous proposals for security and continued imposition of onerous insurance obligations (which IDA has instructed it to address but which SingTel has effectively left as is).

TABLE OF CONTENTS

STATEMENT OF INTEREST

INTRODUCTORY COMMENT ON PROCESS

PART A UPDATED COMMENTS ON RIO

KEY CONCERNS WITH CURRENT RIO

Infrastructure competition requires support for new FBOs, not SingTel protection

Transparency of price regulation required

Need to reduce SingTel discretions under RIO

Enforceable SLAs required

Need to include mechanisms to implement non-discrimination principle

Schedule 4B Submarine Cable Connection Service requires amendment

Backhaul and capacity to be addressed in RIO

Schedule 8D Colocation at Submarine Cable Landing Station requires amendment

Schedule 7A FLLCs requires further amendment

COMMENTS ON SPECIFIC PROVISIONS IN CURRENT RIO

Service Schedules

Main Agreement

Schedule 11 Dispute Resolution

PART B COMMENTS ON THE SINGTEL AMENDMENTS

COMMENTS ON SINGTEL TREATMENT OF IDA LETTER

SERVICE SCHEDULES

CONCLUDING COMMENTS

**REACH SUBMISSION IN RESPONSE TO IDA'S CONSULTATION PAPER
REVIEW OF SINGAPORE TELECOMMUNICATIONS LIMITED'S REFERENCE
INTERCONNECTION OFFER**

STATEMENT OF INTEREST

Reach Ltd. ("**REACH**") provides this submission in response to IDA's Consultation Paper, *Review of Singapore Telecommunications Limited's Reference Interconnection Offer* ("**RIO Review**"). This submission should be read with regard to REACH's submissions in relation to IDA's earlier consultations on Singapore Telecommunications Limited's ("**SingTel**") Reference Interconnection Offer ("**RIO**") and the *Code of Practice For Competition in the Provision of Telecommunications Services 2005* ("**Code**"). We also refer to the various REACH comments to IDA on matters such as cable station access, connection services and local leased circuits ("**LLCs**") when their coverage under the RIO was recently reviewed.

Our comments are made on behalf of our subsidiary, Reach International Telecom (Singapore) Pte Ltd. This entity is the holder of a Facilities Based Operator Licence ("**FBO**") in Singapore and has signed up to the current RIO, including service schedules on cable connection (4B), lead-in duct and manholes (5A), full circuit LLCs ("**FLLCs**") (7A), co-location (8) and cable station co-location (8D). Therefore, aside from an overarching interest in ensuring that the RIO promotes competition in Singapore telecommunications markets and is in line with international best practice, we also have a particular interest in making sure that we can obtain these services from SingTel under the RIO on reasonable and non-discriminatory conditions. These conditions must be workable not just from a legal perspective, but in practical, operational terms.

Upfront, we stress our strong support for the IDA stance that the RIO continues to be relevant and critical in facilitating market entry and promoting any-to-any connectivity in Singapore. At the same time as believing that the RIO is required, REACH believes that review of actual terms and some of the underlying policy is required if the RIO is to be effective.

In this context, REACH welcomes the opportunity to provide comments on the RIO Review. We first set out some of our key concerns with the RIO, updated from REACH's submission to IDA's consultation on the RIO in 2003 ("**RIO Consultation**") and including comments on LLCs, which were not then part of the RIO. We then set out our updated suggestions for improvements to specific provisions in the current RIO, with the reason for such changes relating to our policy concerns. Finally, we detail our serious concerns with the RIO amendments SingTel has proposed as part of the RIO Review ("**SingTel Amendments**").

INTRODUCTORY COMMENT ON PROCESS

Before getting into detailed comment on the RIO, REACH wishes to stress its concern with the RIO Review process. Leaving aside our earlier concerns about the timetabling of the RIO Review, the point we now wish to emphasise is that SingTel must allow adequate regulatory scrutiny of amendments to the RIO and IDA must properly consult on these. Therefore IDA should require SingTel to provide, and IDA should then publish as part of the public consultation, a copy of the RIO with all amendments proposed by SingTel clearly marked up. It is an inadequate regulatory response to allow SingTel to pick and choose which amendments it feels might be significant enough to highlight – clearly, other licensees are likely to have a different view. It is also a waste of regulator and industry resources to have to comb through the RIO searching for changes that SingTel may have hidden in this lengthy document. Resources would be far better spent identifying real issues in the RIO that require improvement.

REACH is also concerned that SingTel has been allowed to get away with providing explanations of its proposed amendments that are either inadequate or even misleading. Again, it is a waste of resources for IDA and industry to have to review and further review proposed amendments in an attempt to ascertain SingTel's real intention.

REACH submits that IDA should provide a clear process for future reviews or amendments to the RIO where SingTel must provide a copy marking up all amendments and explaining these. To enforce this, IDA should provide that any amendment not marked up or adequately explained will not be treated as approved for inclusion in a revised RIO.

Another concern REACH has with the RIO Review process to date is that IDA did not initially make public the guidance or direction it provided to SingTel in relation to redrafting the RIO. In particular, we refer to IDA's letter to SingTel dated 21 February 2005 ("**IDA Letter**"). This sort of information should be included with the RIO Review documentation at the start of a public consultation, rather than at the end and only after industry request for the information. The delay in provision has meant that parties making submissions have had to play a guessing game when preparing their comments and then had to reconsider comments at the last minute in light of the IDA Letter.

Aside from the process aspect, REACH is also disappointed at the content of the IDA Letter to the extent that it only provides broad direction rather than specific drafting instructions. As an example, it is insufficient, in light of SingTel's historical tactics, for IDA to provide general principles such as "streamlined processes" rather than specifying the processes it wants removed or shortened. REACH reiterates this concern throughout our submission.

PART A – UPDATED COMMENTS ON RIO

In this Part, REACH sets out its general concerns with the current RIO and comments on specific provisions which we believe should be amended as part of the RIO Review. IDA has indicated that it is seeking updated input on the RIO since the RIO Consultation in 2003. To this end REACH has based its comments in this Part on its submission to that consultation, taking into account interim changes to the RIO, which have addressed some of our previous concerns.

1. KEY CONCERNS WITH CURRENT RIO

Infrastructure competition requires support for new FBOs, not SingTel protection

Currently, the RIO unduly favours SingTel, providing it with far-reaching discretions and protecting it against recourse from new FBOs where SingTel performance is unsatisfactory. REACH submits that promotion of infrastructure competition does not mean protecting SingTel but rather ensuring that SingTel does not frustrate the ability of new FBOs to build infrastructure or to offer services that provide funding for further investment. Hence a key theme throughout our submission is that significant reform is needed to the RIO (in application as much, if not more, than the written procedures) if IDA is to support the Singapore government policy of promoting infrastructure competition.

Greater certainty must be provided to FBOs via transparency of regulation and removal of SingTel discretions. In this regard, we refer to our serious concerns not only with the current RIO but also with the SingTel Amendments which seek to provide SingTel with additional and unfettered discretion, particularly in terms of imposing additional costs on other licensees. RIO processes also need to be streamlined and timeframes shortened so that SingTel cannot exploit the RIO to delay the supply of services by competitors. Again, we refer to our serious concerns not only with the current RIO but also with the SingTel Amendments which are presented as streamlining RIO processes but which actually either complicate them or are otherwise detrimental to licensees. Finally, some teeth must be given to the RIO so that FBOs are able to enforce SingTel's provision of interconnection according to best practice terms and conditions. In this regard, REACH is disappointed to see that the SingTel Amendments do not include any substantive change in this area, such as service level agreements (“SLAs”). Rather, the SingTel Amendments seek to push back even further against any responsibility for service provision. This is despite IDA instructing SingTel to improve RIO provisions in this area. We discuss SLA issues further below.

Transparency of price regulation required

REACH applauds IDA's decision to continue to apply LRAIC pricing to RIO services while at the same time reassessing the current LRAIC for each service. This is timely, not just because of the mandatory requirement for RIO review, but because it is increasingly evident that current RIO prices are too high and are hampering competition.

REACH believes current prices are not in line with best practice benchmarks. Without otherwise being able to check SingTel's cost justifications, this leads us to view such prices as non-compliant with IDA's requirement for LRAIC pricing.

REACH submits that the validity of SingTel pricing could be verified by seeking input from industry as well as independent consultants. This industry consultation should relate to calculation methodologies and cost ranges. To the extent SingTel claims information is sensitive, it could still be subject to industry review via external advisors appointed by operators. There is precedent for such an approach with overseas regulators recognising the value that industry can add, as well as the greater regime buy-in where operators participate in development of pricing.

REACH is pleased to see that IDA has addressed our earlier concern that IRS prices should be made public. IDA made clear, when releasing the Code in 2005, that the SingTel RIO would have to include prices and that this would be public, in an effort to improve transparency. However, we query why the proposed prices do not form part of the RIO Review consultation in line with Code changes. We were disappointed to see reference in the IDA Letter to IDA's intention not to release new pricing until after IDA has approved the revised RIO as this precludes any industry transparency/input.

Need to reduce SingTel discretions under RIO

The RIO currently provides too many opportunities for SingTel to manipulate wording and timeframes to delay, frustrate or reject provision of services. If IDA is serious about promoting infrastructure competition, it needs to provide greater certainty for new FBOs. Where RIO provisions allow SingTel to make decisions that adversely affect other operators, such as rejection of applications, decommissioning, delay of implementation work etc, the RIO should elaborate on what grounds SingTel can do so. Such grounds must be reasonable and transparent to other operators rather than SingTel simply being able to loosely dictate eg. that it has no space or it has to decommission for commercial reasons.

The timeframes in the RIO are also overly generous and allow SingTel to use its discretion to take as long as possible. While timeframes are designed to be an outer limit to cater for difficult scenarios, SingTel tends to take the entire allowed timeframe even where circumstances may not justify.

REACH notes again that while it has concerns in this area with the current RIO, the SingTel Amendments seek to even further increase SingTel discretions. We comment further in Part B why the SingTel Amendments should largely be rejected.

Related to this point is our concern with the discretion SingTel has to set timeframes when drafting the RIO. When it is to SingTel's benefit, SingTel specifies response/review/action periods in Calendar Days, but when a longer period is beneficial to SingTel it specifies Business Days. IDA should take the opportunity of this RIO Review to ensure appropriate and consistent periods – one or the other of Calendar or Business Days, but not the patchwork quilt that currently exists.

Enforceable SLAs required

To address excessive SingTel discretions in the RIO and ensure that the principle of non-discrimination is upheld, there should be binding SLAs setting out processes and definite timeframes for SingTel performance of interconnection tasks. SLAs should cover key processes such as ordering, provisioning and fault management. The processes should be

kept simple, with all superfluous steps deleted from the current RIO. This would in itself reduce the overall timeframe for a process, however, even timeframes for remaining steps should be shortened. .

To make this proposal effective, SLAs should be backed by penalties. Just as IDA has recognised that SingTel has no incentive to voluntarily negotiate interconnect agreements, equally it has no incentive to implement them and provide a high quality of service. Operators currently have no real remedy where SingTel fails to perform. There are only a few instances under the RIO where SingTel will provide charge credits when it has caused delay and may other examples where there is no relief whatsoever. While SingTel may claim its *ad hoc* rebates on recurring charges for services during periods of delay is a 'genuine' pre-estimate of the loss suffered by other operators, clearly there is nothing genuine about it. Accordingly, a real 'stick' is required to compensate operators for their losses. For example, the regime could provide that aside from rebates, additional amounts are payable where service falls below what is acceptable industry practice.

Including SLAs as part of the interconnection regime and under the RIO would represent a regulatory best practice approach. For example, Oftel's interconnect regulation requires such SLAs for interconnect processes across a range of services, including LLCs as pointed out in the REACH submission to IDA's LLC Consultation. Oftel publications stress the importance of supporting such SLAs with real penalties. We understand that IDA has sought and obtained useful information on eg. UK approaches to SLAs and trust that IDA will put this to use in directing SingTel to include specific SLAs in the RIO, rather than leaving these to SingTel's manipulative drafting.

REACH is pleased to see IDA's directions in the IDA Letter that SingTel must include SLAs in the RIO, including for co-location, duct and manholes and connection services. IDA has specified the RIO must include service quality, standards and timeframes for ordering and provisioning, as well as fault restoration and has also specified compensation must be payable for failure to meet SLAs. However, as we comment further in Part B of this submission, the SingTel Amendments not only do not include these matters, in some instances they seek to backtrack on any SingTel responsibility for service. IDA must now specifically direct SingTel what to include in the RIO and we refer to our comments above in this regard.

To the extent SingTel has simply retained current provisions, REACH stresses that the current timeframes, procedures and "rebates" in the RIO do not constitute SLAs and are ineffective in regulating interconnect quality of service. Therefore, IDA should not take comfort from the current RIO that it has covered off its regulatory obligations to ensure quality of service. IDA needs to include non-discriminatory, streamlined procedures, fixed timeframes with no SingTel discretion and real penalties for non-compliance.

In this regard, it is critical for IDA to understand the effect of SingTel's current delay tactics. In today's environment, provisioning speed in particular is critical, and often the deciding factor for a potential customer in choosing a supplier. SingTel is able to determine the speed with which its competitors can provision their services. This often cripples competitors given that SingTel at the same time seemingly has no time problems in provisioning for itself. While SingTel is theoretically prohibited from such conduct, REACH submits that it does occur.

Need to include mechanisms to implement non-discrimination principle

The Code and RIO currently require SingTel to act in a non-discriminatory fashion. While it is critical to retain overall obligations requiring non-discrimination, there should be mechanisms to ensure this for all RIO processes. Some of the measures proposed by REACH in this submission are designed to do so. For example, introduction of SLAs would help ensure non-discrimination.

We believe that non-discrimination principles could also be enforced through imposition of non-price record keeping rules as found in other jurisdictions. IDA would then take a more proactive role by requiring SingTel to report on actual performance under the RIO vis-à-vis other operators and itself.

The World Bank “*Telecommunications Regulation Handbook*” outlines these two complementary best practice approaches in discussing quality of service for interconnection (3-52) and the difficulty of implementing non-discriminatory interconnection:

“...policies in many countries require “non-discriminatory” interconnection by an incumbent. In practice, it is very difficult to ensure the implementation of such policies ... The practical tools available to a regulator to promote high quality interconnection are:

- *Establishing interconnection quality of service monitoring requirements;*
- *Monitoring complaints seriously, and establishing significant penalties for clearly unequal service quality; and*
- *Establishing an independent Interconnection Services Group within the incumbent’s organization [to measure QoS provided to different operators] ...*

A monitoring regime may require reports from incumbents on two types of quality of service performance:

- *Absolute performance based on established standards or international benchmarks, and*
- *Relative performance by the incumbent in providing interconnection facilities to itself and to interconnecting operators.”*

REACH urges IDA to move Singapore ahead of those countries where regulators simply impose non-discrimination principles, which lack any substance. Real implementation measures should be developed, with the first step being changes to the RIO as suggested above.

Schedule 4B Submarine Cable Connection Service requires amendment

Introduction of new systems could be done more quickly

REACH is pleased that concerns we had previously expressed to IDA in relation to introduction of new systems under Schedule 4B have largely been addressed by recent

changes to the RIO. However, the RIO still needs further amendment to improve the speed at which SingTel updates the RIO to include new cable systems. As per REACH's submission on the RIO Consultation, a new system should be included by the Ready For Service ("RFS") date of the system, rather than SingTel only having to provide proposed amendments to the RIO 14 days after this date, with further delay while IDA approves the amendment. Inclusion of a new system prior to the RFS date should be workable for SingTel as it would have plenty of notice of the RFS date. In its Explanatory Memorandum to the SingTel Direction dated 10 September 2004, IDA itself pointed out that "*SingTel, as the cable administrator or landing party, should know the technical characteristics of that cable system well in advance of the "ready for service" date of the cable system.*"

REACH points out that the current situation is completely unsatisfactory for other licensees. FBOs which have an interest in a new cable but no current interest in a cable system cannot even get inside the cable station to see what is needed for co-location/connection. They have to wait until after a new cable has landed and then wait even longer until it is included in the RIO to get access and do their planning/provisioning. Even then, although the current RIO says new systems will be included in the RIO within 14 days, SingTel may change the requirements, which means FBOs have to do a lot more to gain access, thus imposing further delay. This situation is completely unreasonable and FBOs should be able to use new cables at the same time as SingTel – such new cables must be included under the RIO and accessible to other licensees by their RFS date.

Evidence requirement for cable interest should be reasonable

IDA should also reduce SingTel discretion as to what it will treat as 'evidence' of an FBO's interest in a cable system, when determining eligibility for connection and co-location. Again, REACH refers to its previous correspondence with IDA on this point outlining problems we have experienced. REACH suggests that a letter confirming an FBO's interest should suffice as there may be competitive or commercial confidentiality concerns in providing actual capacity contracts for example.

IDA should be proactive in curbing SingTel abuses

REACH also submits that the RIO should contain strengthened provisions for IDA to intervene in instances where SingTel has abused discretion to reject FBO requests for services such as cable connection. A more proactive IDA role will serve to discourage SingTel from such behaviour.

Connection service charges must be cost based

In the specific context of connection services, REACH reiterates that interconnection charges must be cost-based. Core interconnect services should not be based on 'commercial' retail rates or a top down approach but rather based on independently conducted bottom up cost studies.

REACH is aware that IDA has required LRAIC pricing but we reiterate our concerns above that there is no visibility of how prices are really set. We believe that the outcome may well be prices above cost. This is indicated by aspects of RIO pricing that just do not make sense if a rigorous cost model is used. As an example of inconsistency in SingTel pricing at least as

stated in the RIO, interconnection charges are currently in multiples of STM1 prices. However, these costs do not vary directly with capacity and charges should reflect this cost behaviour.

REACH observes that the Singapore – US FTA specifically identifies cable connection as an area requiring regulatory attention and requires that connection be provided at cost-oriented rates that are reasonable, non-discriminatory and transparent.

Timeframe for connection should be shortened

The SingTel 30 Business Day period in the current RIO for providing connection services is too long, particularly when compared to industry best practice and the timeframe that carriers actually need for this task. REACH also believes that the 20 Business Day period in the SingTel Amendments, while an improvement, is still too long. For example, REACH is able to provide connection services within a 10 day period in Hong Kong. In Australia, the timeframe is also 10 days. REACH also has extensive experience of what other operators provide in the region and a 2 or 3 week period is typically the maximum we have experienced as a matter of practice (aside from any committed timeframes):

- NTT: 2 weeks for cable interconnection APCN2/JUS
- KDD: 2 weeks for cable interconnection APCN2/CUS
- JT: 3 weeks for cable interconnection AJC/JUS
- CT: 3 weeks for cable interconnection SMW3/CUS
- KT: 3 weeks for cable interconnection APCN2/CUS.

We are aware that SingTel is able to provide interconnection in a timeframe significantly faster than the current 30 or even 20 Business Days limit in practice such that the reduced timeframe in the SingTel Amendments is easily achievable. However, we stress that the RIO period is meant to be an outer limit. IDA should require a shorter timeframe that reflects SingTel's abilities. This will ensure that SingTel cannot exploit maximum timeframes where circumstances do not justify.

Aside from the fact that interconnection is generally too slow, REACH is also concerned that delays may only be inflicted on new FBOs and that SingTel is experiencing a better quality of service itself. SingTel should not treat itself preferentially when providing interconnection – cost or speed wise. As per our comments above, IDA needs to introduce mechanisms to ensure that its non-discrimination principles are really being complied with.

Scope of interconnection service

Interconnection should not be limited to STM1 capacity and under. It should cover the full interconnection range, including 10G fibre connections. Providing a competitive service is often based on accessing a block of bandwidth greater than STM1 to gain economies of scale. If interconnection is limited to STM1 level then competition is constrained.

Backhaul and capacity to be addressed in RIO

REACH believes that there are aspects of backhaul services that should be regulated under the RIO in order to promote infrastructure competition in Singapore. This is necessary to ensure reasonable access to other RIO services. REACH is pleased that some of our concerns in this area have been addressed by recent RIO amendments. For example, the RIO has been clarified to the effect that co-located equipment can and should be able to be used to serve multiple cable systems. This will ensure efficient use of that equipment and of space where it is co-located.

However, further amendments are necessary to address backhaul and capacity issues. The RIO should require SingTel to unbundle international capacity from backhaul so that SingTel cannot effectively evade obligations to allow other FBOs access at cable stations and connection to that international capacity. To illustrate, SingTel currently sells i2i capacity on a PoP to SingTel PoP basis only, with cable capacity and backhaul bundled. This means that other FBOs are unable to co-locate at Tuas and acquire i2i connection services under the RIO in order to provide backhaul for themselves or third parties. SingTel is effectively using the fact that backhaul and IRUs are currently outside the RIO to make services provided for in the RIO meaningless.

We are concerned that IDA accepted this anti-competitive conduct in approving changes to Schedule 4B in 2004.¹ Schedule 4B should not restrict provision of connection services to where there is an IRU or an LTL is shore-to-shore as this just incents SingTel to only offer POP-to-POP LTLs. While it may be true that other licensees should not have an absolute right of access to every cable landing at a SingTel station, IDA should certainly discourage, rather than incent, SingTel in its attempts to evade RIO obligations. As the Singapore licensee dominant in the supply of ICS such as IRUs and LTLs, SingTel should be required to unbundle backhaul from capacity and this should be reflected in the RIO.

From a competition perspective, SingTel's behaviour has adverse impacts as FBOs are locked out of providing competing i2i services, given SingTel and Bharti are the exclusive agents for this cable system, with SingTel having control from a Singapore perspective. Such bundling is not conducive to competition in international markets, including the supply of alternative backhaul, and does not encourage investment in underlying infrastructure. Alternative backhaul is only effective if FBOs can force access at cable stations and this can only occur if SingTel services are unbundled.

REACH observes that the Singapore – US FTA places some emphasis on supply of cable systems and related services/facilities, with suppliers such as SingTel obliged to offer reasonable and non-discriminatory terms. We question whether SingTel's bundling of i2i capacity is discriminatory and in any event submit that it clearly is not reasonable with regard to its competitive effects.

¹ Explanatory Memorandum to IDA's Direction dated 10 September 2004, issued to SingTel.

Schedule 8D Colocation at Submarine Cable Landing Station requires amendment

Eligibility for co-location should not hinge on cable interest

REACH is extremely concerned that SingTel has been able to delay launch of REACH services by exploiting the fact that Schedule 8D has not been amended in line with the IDA's December 2002 decision to expand the scope of connection services. By this, we mean that while connection services can now be used for third party transit, Schedule 8 still provides that a licensee is only eligible for co-location if it has an interest in a cable landing at the station, albeit this has now been expanded to allow for LTLs. REACH submits that further amendment must be made so that a licensee can obtain co-location in order to provide backhaul or transit for third parties that have an interest in a cable landing at the station, without the need for a licensee to itself also an interest.

An appropriate alternative criterion for eligibility may be that the FBO should have built backhaul to the cable station. In this case the FBO has made contributions to infrastructure build and can provide competition in backhaul services. On this basis, they should merit regulatory support and there can be no justification for protecting SingTel interests ahead of such FBOs.

We note that our concerns have been partially addressed by the recent changes to the RIO, which clarify that if a licensee has space to connect its cables it can also connect other cables including those of third parties. However, the changes do not address where the licensee does not have an IRU or LTL interest in a cable landing at the station but provides backhaul to the station to service itself and third parties.

REACH notes that its earlier concern in relation to SingTel restrictions on use of co-location space for multiple cables has been addressed in recent changes to the RIO.

Co-location prices must be cost-based

Co-location charges must be cost-based. Core interconnect services should not be based on 'commercial' retail rates or a top down approach but rather based on independently conducted bottom up cost studies.

REACH is aware that IDA has required LRAIC pricing but we reiterate our concerns above that there is no visibility of how prices are really set. We believe that the outcome may well be prices above cost.

REACH observes that the Singapore – US FTA specifically identifies co-location as an area requiring regulatory attention and requires that co-location be provided at cost-oriented rates that are reasonable, non-discriminatory and transparent.

Schedule 7A FLLCs requires further amendment

REACH is concerned that a number of the issues we raised when IDA consulted on the draft of Schedule 7A have not been addressed in the current RIO. In some cases, the SingTel Amendments further exacerbate the situation. In the following section, REACH updates the comments on specific provisions that it previously provided to IDA in relation to the current

Schedule 7A (when IDA first consulted on SingTel's draft of this schedule). However, at this point we wish to stress that our key concern remains that SingTel should not be able to use the fact that FLLCs are provided under the RIO to offer terms and conditions that are worse than it offers its retail LLC customers. This would completely defeat the purpose of IDA regulating LLCs to promote competition. FLLCs must be provided on a non-discriminatory basis as compared to the way SingTel supplies its customers but also itself with LLCs.

IDA must also look ahead at what might happen when LLCs become an IRS instead of an MWS. REACH is concerned that the service SingTel provides will be even worse. IDA should make sure that, whatever regime applies, LLCs are provided on either the same basis (other than a lower wholesale price) as retail LLCs or better. This must be the underlying principle for all terms of supply to ensure that other licensees can offer competitive retail services.

REACH also takes this opportunity to highlight a matter not addressed in the RIO. SingTel does not provide G.703 to V.35 converters to sell to customers. While we acknowledge that the interface for standard 2M circuits is G.703 (which is the same as retail), SingTel retails the converter to customers that need V.35. Further, staff will bring this to the customer and install together with the circuit. REACH cannot understand why this cannot also be done for the wholesale FLLC product since the same circuits and installers are involved.

2. COMMENTS ON SPECIFIC PROVISIONS IN CURRENT RIO

In this section, REACH comments on specific RIO provisions that are critical to its business, with a particular focus on RIO service schedules for cable connection, lead-in duct and manholes, FLLCs and cable station co-location. We then follow with comments on core RIO provisions in the main agreement and schedules dealing with broader matters such as dispute resolution processes.

So that IDA does not have to refer to multiple versions of the RIO, we refer to clauses as per the RIO containing the SingTel Amendments, rather than the current RIO, unless otherwise stated.

We use the term “**RL**” to refer to “Requesting Licensees” in this and subsequent tables.

Service Schedules

Clause	Subject	REACH Comment	REACH Proposed Change
Schedule 4B Submarine Cable Connection Service			
1.2	Definition of service	The connection service is defined by reference to connection with a “Cable System” which is then defined in Annex 4B.5 by listing existing cables. REACH is concerned to make sure SingTel cannot use this to delay connection to new cables.	Amend definition of Cable System to clarify that this includes a New Cable System introduced under clause 2.2.
1.3	Purpose of service	As explained above, SingTel is frustrating access to the service by rejecting evidence of proposed use of the service when there is no basis for this under clause 1.3.	Clarify rights of FBOs by adding to end of clause 1.3 that SingTel may not reject a request provided an FBO has produced a letter stating that the proposed use of the service complies with clause 1.3 in a format of the FBO’s choice.
1.7	Remedies for delays	This clause provides that SingTel only has to rebate recurring charges for the period of SingTel delay and claims that this is a ‘genuine’ pre-estimate of an FBOs loss	REACH refers to its comments above that there should be enforceable SLAs with compensation that acts as a ‘stick’ to ensure compliance. There should be some additional

Clause	Subject	REACH Comment	REACH Proposed Change
		from delay, Clearly an FBO's loss will be much more extensive and such a minimal remedy gives SingTel no incentive to prevent delays.	amount payable over and above rebates where service falls below industry accepted levels or the standard SingTel provides itself.
2.2	New cable systems	As discussed above, REACH believes that the process for introducing new cables could be even shorter.	Require that a new cable be included in the RIO by RFS date in a manner that allows RLs to access the cable as early as SingTel can.
3.1	Non-discrimination	As discussed earlier, we believe there should be mechanisms to ensure that the obligation not to discriminate is complied with.	There should be further expansion of how non-discrimination principles apply.
3	Ordering and provisioning	SingTel should not be allowed to abuse its ability to delay activation by requiring unnecessary evidence of third party authorisations to access capacity.	Add to clause 3.3 that SingTel must accept any form of authorisation letter provided the letter states the FBO can access the relevant third party capacity.
4	Activation	<p>As noted above, the requirement for 20 Business Days notice of link and capacity activation is still unduly long, particularly with regard to SingTel's ability to perform this task in a shorter period and overseas experience.</p> <p>The timeframe for other processes in clause 4 is also vague including under clause 4.5.</p> <p>Further, under clause 4.2, it is not clear what grounds SingTel has to delay an activation date beyond that requested and</p>	<p>Reduce the notice period for link and capacity activation to 10 Business Days (ie. 2 calendar weeks) in line with best practice.</p> <p>It should be clear that SingTel must seek confirmation of an activation request under clause 4.5 within the 5 Business Day period set by clause 4.2.</p> <p>The grounds on which SingTel may delay an activation date should be specified in Schedule 4B and SingTel should be required to provide evidence or an explanation to</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		what proof it must provide.	requesting FBOs.
7	Standard terms	This provision is very vague in terms of SingTel obligations to provide SLAs for the service, including in particular for faults.	Include specific SLAs for processes such as ordering, provisioning and fault management. REACH refers to its comments above that there should be enforceable SLAs with compensation that acts as a 'stick' to ensure compliance. There should be some additional amount payable over and above rebates where service falls below industry accepted levels or the standard SingTel provides itself.
9	Fault resolution	This clause is currently weak due to it only providing 'guidelines' for action not proper SLAs.	Include binding SLAs and shortened timeframes as per above.
10	Expiry	The term of the connection service currently expires when the co-location space term expires.	Clause 10 should be clarified to provide that the term of connection service will not expire where there is other useable co-location space.
12	Termination	Under clause 12.1(d), SingTel should not be free to decide when a service is being used for a purpose other than under clause 1.3 as it may not have full information nor may it correctly be interpreting clause 1.3. We note the differences of interpretation that have arisen to date as highlighted in previous REACH IDA correspondence.	Add a requirement for SingTel to have necessary confirmation from IDA that use of the service is not within clause 1.3. This comment also applies to the various other parts of the RIO where SingTel currently gives itself this discretion.

Clause	Subject	REACH Comment	REACH Proposed Change
Schedule 5A Licensing of Lead-in Duct and Associated Lead-in Manholes			
1.5	Remedies for delays	This clause provides that SingTel only has to rebate recurring charges for the period of SingTel delay and claims that this is a 'genuine' pre-estimate of an FBOs loss from delay, Clearly an FBO's loss will be much more extensive and such a minimal remedy gives SingTel no incentive to prevent delays.	REACH refers to its comments above that there should be enforceable SLAs with compensation that acts as a 'stick' to ensure compliance. There should be some additional amount payable over and above rebates where service falls below industry accepted levels or the standard SingTel provides itself.
2	Criteria for assessing availability	REACH submits that SingTel has too much discretion to decide availability and that its decisions are not transparent enough to other operators.	FBOs should have the opportunity to verify lack of availability through inspection. SingTel should also be required to maintain some form of register of availability, which could also be managed by IDA. This would provide industry with certainty and avoid time and resource wastage in making applications for unavailable facilities and having to pay related fees regardless of application success.
3, 4	Ordering, provisioning and studies	REACH supports the IDA proposal in the earlier RIO Consultation to remove the superfluous requirement for SingTel to estimate its processing time for requests and to require SingTel to get on with the Project Study within a set timeframe from the date of request. However, we believe the timeframe set by IDA should be shorter where there is an immediately obvious	Delete Processing Date provision in clause 3.5, although retain requirement for confirmation of request to be provided. Require Project Study to be completed within 10 Business Days of request if rejection on basis of availability but 5 Business Days in other cases. REACH submits that an even better

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>reason for rejection.</p> <p>Further, it is unnecessary for SingTel to have a 10 Business Day Project Study period and then a 20 Business Day Project Study period to assess the same matter – availability of lead-in duct and manholes.</p>	<p>alternative would be to combine the desk and Project Study as both currently involve examination of the same key issue – availability. With this approach, SingTel would have 5 Business Days to reject a request on grounds under clause 4.3 except availability under (d), for which it would have 10 Business Days to complete a Project Study.</p> <p>If a longer time for a Project Study is required in order to determine scope of work, this should be carried out once a request is finally approved. SingTel should not have the opportunity to delay matters with a Project Study and only then reject a request on the grounds of non availability.</p>
5	Delivery	<p>Currently, only SingTel can construct ducts to connect FBOs to designated SingTel lead-in manholes. Greater flexibility is needed to promote infrastructure competition.</p> <p>REACH is concerned with the current provision in clause 5.3 for SingTel to give an estimated date of provision, with no real boundaries on this. Clause 5.5, while specifying 25 Business Days, still allows SingTel to freely notify an FBO that it may take longer.</p>	<p>REACH supports the IDA proposal in the RIO Consultation to allow FBOs to undertake their own construction to connect ducts to SingTel’s Lead-in Manhole. However, IDA needs to ensure that any requirements to protect SingTel do not create effective obstacles to taking up this option.</p> <p>Amend clause 5.3 and clause 5.5 to set an outer limit on SingTel delivery.</p>
9	Standard terms	REACH is concerned by the lack of SingTel	Include binding SLAs and shorten timeframes

Clause	Subject	REACH Comment	REACH Proposed Change
		obligation to fix anything within a certain time.	as per comments above.
12.1 (d)	Physical access	<p>This provision currently allows SingTel to freely impose access requirements on FBOs.</p> <p>A similar concern exists in relation to Annex A (v) safeguards for SingTel plant.</p>	Amend clause 12.1(d) and Annex A (v) to at least require SingTel instructions to be reasonable or in line with industry practice.
16.3	Termination	RL termination notice periods for use of IRS such as duct and manhole under Schedule 5 should be significantly reduced. Current periods are difficult to justify – and we believe the onus should be on SingTel to do so.	As per comments
Schedule 7A Wholesale Local Leased Circuit (Full Circuit) Service			
1.1, 7.3(a)	Scope	<p>The current clause 1.1 is silent on the point of resale of LLCs despite concerns that REACH has previously raised, and despite SingTel's attempts to draft the clause to obstruct resale. SingTel's intent has again been made clear in the SingTel Amendments. IDA must ensure that SingTel complies with the Code as amended.</p> <p>Further, while it is unlikely that FLLCs will be used for other than digital communications, the clause 1.1 limitation to digital communications appears both</p>	<p>Redraft clause 1.1 to expressly state that FLLCs may be used to provide services to an End User of the RL or the RL's customer and may also simply be resold.</p> <p>Remove reference to "digital".</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		restrictive and unnecessary. SingTel should be required to supply all types of LLC as directed by the IDA.	
1.4(b)	Scope	SingTel will only provide FLLC to pre-notified RL sites.	Clarification of the pre-notification requirements is needed, as is clarification of arrangements for notification of changes – particularly lead times.
1.8	Scope	REACH refers to its earlier comments in relation to SLAs.	REACH refers to its earlier comments in relation to SLAs.
3	Project Study	<p>Project Studies are not required currently for the provision of LLCs, and REACH cannot see why they should now be required just because of the introduction of a mandated wholesale LLC price – REACH is not aware of any proposal by SingTel to now require Project Studies before provisioning its retail customers. REACH considers that this is just another blatant example of SingTel attempting to make the wholesale LLC provisioning process as complex, complicated, and prolonged as possible, while providing as many opportunities as possible for SingTel to find excuses to reject LLC requests from RLs.</p> <p>REACH notes the string of “reasons” in paragraphs 3.2 and 3.3 for which SingTel can effectively reject a LLC request from a RL. In most cases, these reasons are</p>	Delete Project Study process or at least reduce the time that SingTel has to reject a request, particularly where it is a matter that SingTel can readily determine.

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>founded on SingTel's views without recourse to any other body. If the mandated wholesale LLC service were to be incorporated into the RIO as an IRS, the RL should have an expedient means of challenging SingTel's reason for rejecting a LLC request.</p> <p>REACH's past experience of SingTel is that for existing IRS, if there is a "Project Study" or similar SingTel review period, then SingTel will use the full period allowed for the study before advising the RL that the request has been rejected – even if SingTel is aware early on that it will reject the RL's request. This SingTel practice reduces the time available to the RL to arrange an alternative (and the RL is highly likely to have a time-sensitive customer waiting). Also, another SingTel tactic is to wait until the end of the study period before advising the RL that a minor non-critical piece of information was omitted from the RL's request, and the RL has then to re-submit its request – re-setting the processing clock to zero</p>	
5.1, 5.2	Re-routing	SingTel can re-route LLCs at will and without explanation, causing service disruption to RLs.	Tighten this provision to reduce SingTel discretion and require reasons or "evidence" to be provided to RLs.

Clause	Subject	REACH Comment	REACH Proposed Change
5.3	Change of Bandwidth	<p>If a RL requests relocation of an LLC or a change in bandwidth, SingTel will treat this as a termination (and impose termination charges) and a new request for LLC service (which means that the RL has to start the whole request process again, with the associated prolonged processing times). This again is a particularly damaging and anti-competitive requirement as it is common for RLs' customers to upgrade their bandwidth requirements as their circumstances dictate – and they generally require the upgrades in shorter timeframes that the RIO proposals allow. There are currently no such restrictions on LLC upgrades, and this proposal would appear to unfairly discriminate against RLs as REACH is not aware of any SingTel initiative to impose similar restrictions on its own End Users.</p>	<p>Replace with provision allowing change in bandwidth using a process that is more simple and shorter than termination and submitting a new request.</p>
7.4	Standard terms	<p>This clause requires RLs to pay SingTel for any additional costs which SingTel incurs beyond the normal costs of provisioning LLCs. While this does not seem unreasonable in principle, SingTel does not provide any indication of what it considers the cost of normal provisioning of LLCs. Therefore, RLs will not be able to assess whether the level of additional charges is reasonable. There is also no restriction on SingTel in terms of making sure that any</p>	<p>Limit SingTel discretion as per comments.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		additional cost is reasonable and reasonably incurred.	
8.2	Access	<p>This clause requires a RL to obtain the permission of the End User to allow SingTel to access the End User's site. This does not appear to be an unreasonable request, but it can be open to abuse. Where the End User is a customer of a Licensee to whom a RL resold LLC services, despite reasonable endeavours of the RL to ensure that the End User will admit SingTel to its site, it is inevitable that communication breakdowns occur occasionally. On these occasions, SingTel may not be able to gain immediate access on all site visits. Such instances should not, especially during the provisioning period, be considered non-conformance with SingTel's procedures – requiring the LLC request process to be wound back to the beginning and the 30 Business Days prior notice clock restarted.</p> <p>REACH is even more concerned with the SingTel Amendments to this clause, as discussed in Part B.</p>	<p>Add a clarifying provision that if SingTel is unable to gain access, the RL will make arrangements to address this and then SingTel will try again as soon as possible. The main point to clarify is that this does not mean SingTel can require a RL to start the whole request process again.</p>
11	Term	<p>Despite IDA requiring some changes to this provision before approving its inclusion in the RIO, REACH remains of the view that the effective term for provision of RIOs is shorter than what it should be given that the</p>	<p>This is perhaps an issue IDA needs to address in a context broader than the RIO Review. When it includes timeframes in decisions, it should take into account how long it will take to even put the decision in</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		start date is defined by reference to when LLCs became a wholesale service. REACH submits that the commencement date should be when Schedule 7A was actually included in the RIO so that RLs could effectively make use of FLLCs.	place and use this as the commencement date for any timeframe.
12	Suspension	The SingTel RIO proposals for the circumstances under which SingTel can suspend service allow SingTel a great deal of latitude, and no effective check.	REACH suggests that, if mandated wholesale LLC service were to be treated similarly to IRS under the RIO that SingTel be required to provide RLs with service free of charge for a period equal to the length of the period of service suspension.
13	Termination	Again, SingTel is allowed a great deal of freedom under the RIO for termination of service, and RLs should be allowed a means of challenging SingTel's decisions. Further, the proposal to allow only seven Calendar Days to remedy a breach is insufficient – 14 days would be more appropriate.	As per comments.
Schedule 8D Co-location at Submarine Cable Landing Stations			
1.2	FBO eligibility	As detailed above, clause 1.2 currently defeats the purpose of IDA's December 2002 changes to Schedule 4B as it still requires an FBO to have a cable interest to obtain co-location.	Amend clause 1.2 to allow FBOs to use co-location space as providers of third party backhaul and transit services for cable systems.
1.7	Included stations	The current provision gives SingTel the	Even under the current RIO, there should be

Clause	Subject	REACH Comment	REACH Proposed Change
		option of changing included cable stations with IDA approval and worse still the SingTel Amendments propose removing the requirement for IDA approval.	less SingTel discretion and a clearer process for inclusion of new cable stations. In Part B, we comment below on why SingTel Amendments to this provision should also be rejected.
1.11	Remedies for delays	This clause provides that SingTel only has to rebate recurring charges for the period of SingTel delay and claims that this is a 'genuine' pre-estimate of an FBOs loss from delay, Clearly an FBO's loss will be much more extensive and such a minimal remedy gives SingTel no incentive to prevent delays.	REACH refers to its comments above that there should be enforceable SLAs with compensation that acts as a 'stick' to ensure compliance. There should be some additional amount payable over and above rebates where service falls below industry accepted levels or the standard SingTel provides itself.
2	Criteria for assessing availability	REACH submits that SingTel has too much discretion to decide availability and that its decisions are not transparent enough to other operators.	FBOs should have the opportunity to verify lack of availability through inspection. SingTel should also be required to maintain some form of register of availability, which could also be managed by IDA. This would provide industry with certainty and avoid time and resource wastage in making applications for unavailable facilities and having to pay related fees regardless of application success. There is precedent for similar availability registers in Hong Kong, where OFTA managed a public register of available space.

Clause	Subject	REACH Comment	REACH Proposed Change
3.1	Ordering and provisioning	SingTel should not be allowed to manipulate clause 3.1(b) by requiring unreasonable evidence of eligibility for co-location.	Clarify clause 3.1(b) to provide that such evidence may be by way of letter from the FBO confirming eligibility with no requirements as to form.
4.4, 5	Site preparation work	<p>SingTel currently has discretion to set the timeframe for site preparation work (“SPW”).</p> <p>This is one instance of the need to remove excessive SingTel discretions as mentioned earlier in our submission and the change is important to provide certainty to FBOs.</p> <p>However, IDA must be mindful that it does not set a timeframe that is designed as a maximum to cover all scenarios, which SingTel will use as its actual timeframe, even if there is minimal site preparation work to be done.</p> <p>REACH is also concerned that this clause does not deal adequately with the scenario where SingTel charges are beyond those estimated under clause 4.</p>	<p>REACH supports IDA’s proposal in the earlier RIO Consultation to actually specify a timeframe for completion of work rather than leaving this to SingTel under clause 4.4.</p> <p>To make the timeframe meaningful, it should be covered by an SLA with compensation payable as discussed above. SingTel should be required to keep FBOs informed of likely changes to charge estimates as soon as it is aware and seek ongoing approval OR it should be restricted to charging in line with its estimate. Any additional charges must be reasonably incurred.</p>
7	Term of licence	SingTel should not be free to decide when a service is being used for a purpose other than under clause 1.2 and clause 1.12 as it may not have full information nor may it correctly be interpreting these clauses. In this regard, we note the differences of interpretation that have arisen to date as	Add a requirement for SingTel to have necessary confirmation from IDA that use of the service is not within clause 1.2 and 1.12.

Clause	Subject	REACH Comment	REACH Proposed Change
		highlighted in previous REACH correspondence with IDA.	

Main Agreement

Given the shortness of time, REACH does not comment extensively on the current RIO Main Agreement. However, we note our support of the changes proposed by IDA in the earlier RIO Consultation and make some additional comments. We believe:

- Clause 2.1(e) of the Part I Acceptance Procedures should be deleted as irrelevant. Further, clause 2.4(a) should be amended to provide a timeframe defining what it means to respond to an interconnection request “promptly”.
- Some of the warranties under clause 3.1 should be made reciprocal under clause 3.2, such as clause 3.1(c). Further, it does not make sense that clause 3.4 liability for warranties provided by both a requesting licensee and SingTel only apply to the licensee – this provision should also be reciprocal.
- Clause 5 needs to be strengthened to ensure that new services are included in the RIO within a certain timeframe. This is a point we stress elsewhere in this submission. The objective should be that licensees be able to enjoy use of a service as early as SingTel is able to use the service itself. This may mean that preparatory work for including a service under the RIO needs to be done before its activation date.
- Insurance requirements must be reduced well below the current \$20 million as this is excessive compared to normal commercial levels of insurance in other industries and operators tend to exclude consequential loss in their dealings in any event. We discuss insurance further in relation to the unreasonable proposals in the SingTel Amendments.
- SingTel should not be allowed to retain security once a RIO agreement is terminated and all outstanding amounts paid. IDA should also review security requirements generally as they currently provide another avenue for SingTel to raise rivals’ costs in a manner that is not entirely justified by SingTel’s need to protect itself. We discuss security further in relation to the unreasonable proposals in the SingTel Amendments.
- Clause 8.1 should be clarified to ensure that it is not unreasonably used to refuse RIO services. For example, SingTel should not be able to argue that a RL’s use of SingTel resources contributed to a “network deterioration”.
- Clause 23 should be reviewed as we question whether it is necessary to have so many confidentiality requirements and believe there should be greater transparency.

Schedule 11 Dispute Resolution

REACH submits that Schedule 11 needs to be streamlined and made more user-friendly. We believe that SingTel exploits dispute resolution processes in a similar fashion to other RIO provisions by using maximum days allowed rather than treating these as an outside boundary. Periods for triggering dispute escalation and for consideration of disputes at

each level should therefore be reduced. We are pleased to see statements in the IDA Letter, which direct SingTel to streamline the current process including by reducing overall timeframes. However, we are concerned that there are no SingTel Amendments to timeframes in Schedule 11, as we point out in Part B.

The RIO should also contain provisions requiring quick referral of disputes to IDA on the initiative of one party. We do not believe parties should be forced to go through the internal dispute resolution process if it is clear that SingTel will not really come to the table. The interconnection context is entirely different from standard commercial agreements where it may be reasonable to require parties to attempt to resolve disputes themselves before external recourse. We are pleased to see statements in the IDA Letter, which direct SingTel to remove the current inter-working group roadblock, and unhighlighted provisions in the SingTel Amendments implementing the IDA Letter.

A further improvement under Schedule 11 would be to allow parties to seek guidance from IDA about RIO implementation disputes in addition to seeking formal IDA intervention by way of regulatory direction. IDA guidance may be more appropriate in the case of the smaller disputes that arise on a regular basis but which currently remain unresolved, or are only resolved after extensive delays due to the current formal nature of RIO dispute resolution. We would hope that IDA would necessarily intervene to facilitate dispute resolution rather than see its role as discretionary.

REACH believes that the above requires not only changes to the RIO but a fundamental shift in approach for IDA. The IDA must change its dispute resolution policy as elaborated in the *“Advisory Guidelines Governing Requests for Dispute Resolution Between Licensees under Sub-section 11.3 of the Code of Practice for Competition in the Provision of Telecommunications Services 2005”*. Although only just released, the process spelt out in that document is out of touch with the speed in which telecommunications businesses need to operate and the need for IDA to be pro-active with dispute resolution.

The need for IDA to intervene in interconnection disputes rather than deciding whether and when it will assist has been identified in the Singapore – US FTA, which requires that operators have recourse to the regulator for such disputes within a reasonable period of time. It is not a true recourse option where IDA may and often does turn away complainants or requests them to continue to deal direct with SingTel. REACH strongly urges IDA to be more proactive in interconnection disputes involving implementation matters.

PART B COMMENTS ON THE SINGTEL AMENDMENTS

In this part, REACH comments on RIO amendments proposed by SingTel that have been highlighted in the RIO Review draft. We have also commented on unhighlighted changes where we have noticed these. We stress again that to the extent that amendments have not been highlighted, they should not be approved to the extent that they may be in SingTel's favour. Otherwise, SingTel would obtain a dishonest advantage as such amendments may not have been given adequate regulatory scrutiny nor subjected to real public consultation.

REACH only comments on specific RIO provisions that are critical to its business, with a particular focus on RIO service schedules for cable connection, lead-in duct and manholes, FLLCs and cable station co-location. We then follow with comments on core RIO provisions in the main agreement.

1. COMMENTS ON SINGTEL TREATMENT OF IDA LETTER

We make some reference at the outset to the IDA Letter as some of our comments arising from this letter apply to a number of provisions detailed below.

In terms of the substance of the amendments, SingTel claims in many instances to be streamlining procedures. IDA should largely reject these changes as SingTel has made no serious attempt to streamline what it does – rather it has deleted processes that are helpful to other licensees. IDA should enforce what it has told SingTel to do and direct inclusion of specific amendments that streamline processes, eliminating unnecessary or onerous processes and reducing timeframes.

REACH is extremely concerned at SingTel's complete disregard for IDA's directions in the IDA Letter that SingTel must include SLAs in the RIO, including for co-location, duct and manholes and connection services. IDA has specified service quality, standards and timeframes for ordering and provisioning, as well as fault restoration and has also specified compensation must be payable for failure to meet SLAs. The SingTel Amendments not only do not include these matters, in some instances they seek to backtrack on any SingTel responsibility for service, despite IDA saying that the directions it provided were the minimum requirements on SingTel and that SingTel should do more to add in new SLAs and improve existing provisions. As REACH has stated earlier, SLAs are needed in the RIO because the regime in Singapore does not otherwise provide necessary protections in this area. Further, SLAs are relevant to the existing SingTel non-discrimination obligations and benchmarks should relate to this.

We also believe that SingTel is wrongly interpreting the IDA Letter as giving free rein to de-commission sites as and when it chooses. When the IDA Letter provides that decommissioning is an operational issue, our interpretation from the rest of the text in para 3(f) of the IDA Letter is that IDA was simply distinguishing handling of such matters under the RIO from exemptions under the Code. The fact that the IDA Letter provides for decommissioning to be a matter between the RL and SingTel under the RIO does not preclude IDA continuing to approve this under the RIO – it simply clarifies that there is no need to go through the broader industry process of an exemption.

2. SERVICE SCHEDULES

Clause	Subject	REACH Comment	REACH Proposed Change
Schedule 4B Connection Services			
3.6(b)	O&P	<p>SingTel has failed to highlight this new provision that, where work is to be carried out by SingTel under this Schedule, the RL must pay all the costs incurred by SingTel in provisioning the Submarine Cable Connection Service.</p> <p>As REACH comments throughout this submission, if SingTel has costs to pass on these should already be part of the Charges in Schedule 9. SingTel has already been providing IRS under the RIO and should be aware of the applicable charges. It is unreasonable for it to have further discretion to impose extra costs on RLs. What is particularly worrying is that there are no controls on it incurring costs for example that they reasonably incurred, that full information be provided to a RL etc.</p>	Reject amendment
4.1	Link and Capacity Activation Request (“LCAR”)	REACH is pleased that SingTel has at least reduced the notice period for a LCAR from 30 to 20 Business Days. However, as per REACH’s submission to the RIO Consultation, this is still unduly long having regard to best practice.	Further reduce activation period to 10 Business Days.

Clause	Subject	REACH Comment	REACH Proposed Change
4.3	Link and Capacity Activation Request	<p>SingTel has failed to highlight this new clause. This provides that the RL must inform SingTel in writing of any changes in the information provided in the LCAR Form no less than three Business Days prior to the requested date of activation of the link and/or capacity otherwise SingTel is not obliged to activate the link and/or capacity. REACH submits that this is unreasonable and no doubt why SingTel chose not to highlight the change. Just because a minor piece of information changes does not justify SingTel rejecting an activation request and imposing delays on competitors by making them start the whole process again.</p>	Reject amendment
5	Delivery	<p>This entire clause has been added by SingTel but not highlighted in the SingTel Amendments. It appears to give RLs the ability to delay activation but at a high cost that SingTel does not justify. Further, deferment is limited to 30 days otherwise SingTel can cancel an activation request and charge for doing so.</p> <p>REACH again points out that SingTel is attempting to impose unjustifiable costs on competitors and reduce their flexibility. It is also including every opportunity to reject requests. This demonstrates its anti-</p>	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		competitive intent and underscores why IDA needs to give clear directions as part of the RIO Review that SingTel must improve its terms of supply, rather than increase obstacles for RLs.	
6.2	Deactivation	SingTel has added, but not highlighted, a provision for it to charge for LCDRs. Again, SingTel should not be able to constantly increase the costs of interconnection in Singapore.	Reject amendment
Schedule 5A Licensing of Lead-in Duct and its Associated Lead-in Manholes			
2.2	Availability	REACH is concerned that SingTel is trying to slip in even more reasons to refuse duct and manhole access by providing for its customers to be able to restrict such access. As opposed to the existing government agency restriction, restrictions imposed by other customers have the potential to be more of a commercial matter. SingTel could also manipulate the process to encourage customers to restrict access by SingTel competitors. IDA must not allow SingTel the room to evade its Code obligations in this way. In any event, to the extent there are security issues, REACH submits that this would or should have been assessed at an earlier stage.	Reject amendments As per the IDA Letter, require SingTel to include a timeframe that is reasonable for it to reject a request on the basis of decommissioning, such as 2 months. Similarly, require SingTel to provide notice upon receipt of a request that a duct or manhole is scheduled for decommissioning and the date. Provide flexibility for the RL to determine whether to cancel or proceed without penalty.

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>REACH also observes that there are other changes to clause 2.2 compared to the current RIO. These have not been highlighted by SingTel:</p> <ul style="list-style-type: none"> • Paras (a) and (b) have a one year reservation period for SingTel requirements, reduced from two years. Of course REACH supports this change. We understand this is a result of the IDA Letter, which SingTel refers to eg. in the context of reduced reservation periods for co-location (Schedule 8D, clause 2). • Paras (f) and (g) appear to have been added. REACH opposes these as they give SingTel too much leeway to reject access requests. <p>REACH is further concerned that none of these amendments address the requirements of the IDA Letter, and para (e) allowing rejection of a request on the basis of decommissioning remains as is.</p>	
3.3	Ordering and Provisioning (“O&P”)	SingTel has added a provision, which appears to dictate that if a RL requests more than one duct for connection, SingTel may itself decide how many ducts and manholes it will allow access to, based on the number of cables to be installed by the	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>RL. Its justification is purely that it wants to efficiently use its resources. REACH strongly objects to this provision as SingTel should not be able to dictate how RLs will operate on such loose grounds.</p>	
3.4	Ordering and Provisioning	<p>SingTel's proposed road block to processing access requests is completely unacceptable. Just because an agreement provides for a maximum number of requests each day does not mean that a party must resource itself to deal with these requests each and every day of the year. Rather, it simply needs to be able to deal with the typical number of requests but be able to gear up for the odd occasion where the requests might reach a maximum amount. If SingTel is aware that this almost never or never happens, then as a normal business it would not be fully resourced to deal with 4 requests every day.</p> <p>If it really is the case that hardly any requests are received, and REACH would expect some transparency on this before IDA accepts any SingTel amendments, then perhaps the RIO maximum could be reduced but not to the extent proposed. It is ridiculous and unfair as between RLs to only obligate SingTel to process <u>one</u> request from <u>all</u> RLs per <u>week</u>. This would</p>	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>allow for a situation where the staff member allocated to this task could process a single request and then, even if they had time, could refuse to do more because of this unreasonable limit proposed by SingTel.</p>	
3.5	Ordering and Provisioning	<p>SingTel has deleted the requirement that SingTel notify a RL that it has received an access request and provide a date for processing. SingTel purports to do this on the basis of the IDA Letter, which requires streamlining of the O&P process in general terms.</p> <p>We were most interested to see what direction IDA gave SingTel prior to the RIO Review and believe that these sorts of letters should necessarily form part of the public consultation process, rather than only being provided on request and late in the process after industry has already wasted time playing guessing games. We also submit that, in these sorts of letters, IDA should be more specific with directing SingTel's drafting from the outset, as IDA knows that SingTel will otherwise respond with inadequate proposals, which IDA will then have to in any event handle by giving specific directions. The current process wastes time and resources.</p>	<p>Require SingTel to properly streamline its O&P process as per the IDA Letter by eliminating processes and reducing timeframes, such as where the processes are not necessary or onerous. For example, there is no need for the 2 stages (10+20 Business Days) of Desk Study and Project Study. If SingTel feels the need to split between its desk work and when it will do a site survey then less time should be allowed for each. For example, it should not take 10 days to do the superficial paperwork required for a Desk Study nor 20 days to do a site survey.</p> <p>We refer to Part A for further comments in this regard.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>In any event, we trust that the intent of the IDA Letter was to require SingTel to shorten its procedures to the extent that they imposed an unnecessary delay on competitors. We are sure that it was not intended that SingTel use this to only make such minor changes.</p> <p>Further, this change does not remove any 'onerous' burden on RLs as per para 3(a) of the IDA Letter. Rather, REACH submits that it is important that a request be acknowledged to ensure an efficient process as otherwise a RL could waste time if SingTel had not received its request. At the same time, REACH is less concerned with SingTel advising a processing date – rather SingTel should just get on and do this within a set time.</p>	
4.5	Ordering and Provisioning	SingTel has deleted the opportunity for a licensee to decide not to go ahead with a Project Study. Again, REACH is shocked that SingTel purports to do so on the basis of the IDA Letter, which requires streamlining of the O&P process in general terms. In any event, we trust that the intent of the IDA Letter was to require SingTel to shorten its procedures to the extent that they imposed an unnecessary delay on competitors. We are sure that it was not	Reject amendments and require SingTel to otherwise streamline its O&P process as per the IDA Letter by eliminating processes and reducing timeframes, such as where the processes are not necessary or onerous. For example, there is no need for the 2 stages (10+20 Business Days) of Desk Study and Project Study. If SingTel feels the need to split between its desk work and when it will do a site survey then less time should be allowed for each. For example, it should not

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>intended that SingTel use this to delete procedures that assisted competitors.</p> <p>However, REACH does approve of the earlier trigger for completion of a Project Study. SingTel has changed the timeframe to 20 days from its In-principle Approval, indicating that it can do this in a shorter period than its current provision for 20 days from the later date of a RL confirming it wants to go ahead with a Project Study.</p>	<p>take 10 days to do the superficial paperwork required for a Desk Study nor 20 days to do a site survey.</p> <p>We refer to Part A for further comments in this regard.</p>
5.3	Delivery	<p>REACH is uncomfortable as to SingTel motives for including with a Final Approval, information on SingTel labour costs in providing ducts and manholes and share of costs of manhole. We are concerned that SingTel is looking for ways to increase its charges or is instead hiding these costs somewhere.</p>	<p>Reject amendment as unnecessary</p>
5.6	Delivery	<p>Once again, REACH is amazed that SingTel can attempt to justify this change on the basis of the IDA Letter, which requires streamlining of the O&P process in general terms. All that SingTel has done is provide that if a RL does not connect its duct within an approved extended period, the request for duct and manhole will lapse. We trust that IDA's intent was that SingTel shorten its procedures to the extent that</p>	<p>Reject amendment and streamline procedures properly through reduction of timeframes for SingTel to undertake tasks and reduction of the types of tasks in the O&P process as per IDA Letter.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		they imposed an unnecessary delay on competitors. However, SingTel appears to be trying to make it look like it is complying when in fact the changes it is proposing have no streamlining effect at all.	
6.5	Cable pulling	Our comment is the same as per clause 5.6 as SingTel has proposed a similar change on the same unsound basis.	As for clause 5.6
6.12	Cable pulling	SingTel has amended this clause without highlighting it. The change is detrimental to RLs and unreasonable as it requires a RL to change its installation if different in any way from plans, rather than the current provision that RLs need only reinstall if significantly different from plans.	Reject amendment
6.13	Cable pulling	REACH observes that SingTel has deleted this clause without highlighting it. We query why SingTel should be able to remove the right of a RL to cancel requests. However, we agree with deletion of the 'processing' charge for cancellation as this is a questionable cost.	Reject amendment
7.1	Additional equipment	SingTel has added a provision (without highlighting) that requires a RL to pay all costs of processing an application under this clause. As we comment throughout this submission, it is unreasonable for SingTel	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		to have so much discretion to impose costs on competitors.	
9.1	Standard terms	SingTel has added a provision (without highlighting) that ducts and manholes are provided on an “as is where is” basis. REACH is concerned that SingTel might manipulate this to lower the quality of service experienced by RLs.	Reject amendment
11	Unauthorised access	<p>SingTel has made various changes to this clause including providing that failure to obtain proper approval to use a duct or manhole is a material breach allowing SingTel to suspend or terminate the whole of Schedule 5A or is a breach that allows SingTel to direct removal of RL equipment. While REACH of course believes that proper approval should be obtained by RLs, SingTel should not be allowed to disrupt provision of services to telecommunications customers in Singapore by dictating immediate (5 Business Days) removal of equipment or by terminating the whole of Schedule 5A. REACH believes that it is in the best interests of customers to retain the current RIO requirement for a RL to have to move quickly to obtain proper approval to use duct and manholes.</p> <p>We also note that SingTel has not</p>	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>highlighted some changes to this clause, including a reduction of the period which a RL has to remove equipment from 20 to 5 Business Days (clause 11.4 and 11.7). Sufficient time is needed to ensure that a RL's operations are not disrupted to the detriment of customers.</p>	
16.2	Term	<p>REACH does not believe SingTel has the right to dictate when an IRS need not be supplied. Its new clause 16.2(c) provides that it can terminate licences for duct and manhole, even if IDA has not removed the requirement to provide this IRS, provided IDA has removed the requirement to supply local loop or sub loop. REACH submits that this matter should be left to IDA to determine, not SingTel. Further, use of duct and manhole is not limited to licensing of loop and sub loop.</p>	Reject amendments
16.3	Term	<p>SingTel has tried to limit competitor flexibility by tying them to a minimum two year term. It suggests that this is to give SingTel certainty and avoid frivolous requests from competitors. We question whether SingTel has any real evidence that competitors have made frivolous requests to date justifying this onerous minimum term. REACH suspects the amendment is more designed to hamper competitors than</p>	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		to address any real SingTel concerns.	
17.2	Suspension	<p>REACH does not believe that a provision for SingTel to repair duct and manholes belongs in a suspension provision. SingTel appears to be slipping in a back way to suspend access, exclude liability and impose costs on competitors.</p> <p>In terms of notice of suspension, REACH has some concern as to whether 14 Calendar Days is sufficient. We also point out that SingTel has again used Calendar Days when it suits its interests, rather than the Business Day delays it imposes on competitors.</p>	<p>Reject amendment. If any provision is to be made for repairs it should be in a separate clause from suspension and provide sufficient protection to RLs eg. that SingTel will carry out repairs in a way that will best minimise impacts on RLs etc. This comment applies more broadly to all parts of the RIO where SingTel reserves the right to carry out repairs. Restrictions must be placed on this right.</p>
17.4	Suspension	<p>SingTel seeks to impose the costs of suspension on RLs. However, there is no clarification of the sort of costs, quantum etc. The clause is unreasonably broad and vague and, in any event, REACH does not believe it is justifiable to charge for suspension.</p>	<p>Reject amendment</p>
18.1	Termination	<p>Our comment is the same as per clause 5.6 as SingTel has proposed a similar change on the same unsound basis.</p> <p>SingTel has also made an unhighlighted change reducing the time for installation of</p>	<p>As for clause 5.6</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		underground equipment from 30 to 25 Business Days. Again, REACH is concerned that SingTel's idea of 'streamlining' RIO processes is to make life harder for its competitors rather than simplifying and shortening its own procedures.	
18.5	Termination	REACH is extremely concerned at the inaccuracy when SingTel claims that it has removed the 6 month notice requirement for closing a POA or Building MDF room altogether to accommodate the circumstances where it might be required by a third party to close the site. REACH suspects that SingTel is simply trying to get out of the notice requirement altogether, which would be harmful to competitors and their customers.	Reject amendment. If SingTel is genuinely concerned about being required to close a site by a third party, the 6 month notice period should be left as is and there should be a special provision for closure by a third party. This provision should be subject to appropriate checks, for example, SingTel must provide adequate proof and obtain clearance from IDA. It must also provide notice to RLs within a set timeframe from when it receives notice from the third party.
19.1	Expiry	SingTel has made an unhighlighted change reducing the time for removal of underground equipment from 30 to 5 Business Days. Again, REACH is concerned that SingTel's idea of 'streamlining' RIO processes is to make life harder for its competitors rather than simplifying and shortening its own procedures.	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
19.3	Expiry	REACH objects to SingTel raising rivals' costs by constantly trying to add on new charges. REACH does not believe that it is legitimate for SingTel to charge for 'verifying' the state of duct and manhole on expiry of a licence or for 'updating SingTel's records'.	Reject amendment
19.5	Expiry	REACH objects to SingTel raising rivals' costs by constantly trying to add on new charges. REACH does not believe that it is legitimate for SingTel to charge for any termination of a licence, especially when not due to any RL fault.	Reject amendment
19.6	Expiry	SingTel has added a provision that a RL's right to access duct and manhole terminates on termination of a licence. However, REACH points out that physical access is required to meet a RL's obligation to remove equipment.	Reject amendment as unnecessary and confusing
Annex B, 1.4, 2.4 and 3.8	Physical access	REACH objects to SingTel raising rivals' costs by constantly trying to add on new charges. REACH does not believe that it is legitimate for SingTel to charge for processing requests for physical access or for updating Master Lists of authorised personnel (unhighlighted change in clause 1.4).	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
Schedule 7A Wholesale Local Leased Circuits (Full Circuits)			
		REACH is surprised SingTel has further amendments, given how new this schedule is and that the latest amendments were on 30 March 2005.	
1.1	Scope	We are concerned that this is more than a 'clarifying amendment' and could be read as SingTel requiring that the FLLC be used as an input to an End User service, with no resale allowed.	REACH submits that a more appropriate clarifying amendment would be for SingTel to state that the FLLC service can be used to connect a RL's site to an End User site, including the End User of another licensee, for the purposes of resale or for use in the provision of telecommunications services.
1.4(a)	Scope	SingTel has included a restriction on provision of FLLCs with an A end terminating at FBO sites. REACH queries whether this could unduly restrict the service eg. where customers may be located at FBO sites.	
1.4(b)	Scope	REACH objects to SingTel raising rivals' costs by constantly trying to add on new charges. REACH does not believe that it is legitimate for SingTel to charge for updating Master Lists of authorised personnel (unhighlighted change).	Reject amendment
2.3	Ordering and	Once again, REACH is amazed that SingTel can attempt to justify this change	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
	Provisioning	<p>on the basis of the IDA Letter, which requires streamlining of the O&P process in general terms. All that SingTel has done is remove its obligation to acknowledge receipt of a FLAR. We trust that in the IDA Letter SingTel refers to, IDA's intent was that SingTel shorten its procedures to the extent that they imposed an unnecessary delay on competitors. However, SingTel appears to be trying to make it look like it is complying when in fact the changes it is proposing have no streamlining effect at all and are detrimental to competitors.</p> <p>As a practical matter, REACH notes that if there is no acknowledgement receipt, how are we to know a request has been received and is being processed? Precious time would be lost if we later discovered that SingTel did not receive our fax. We stress that in the retail context we do receive acknowledgement of requests.</p>	
2.5	?	SingTel refers to a new clause 2.5 but this appears to have been omitted. REACH is very concerned by the explanation SingTel has provided that the clause is intended to restrict FLLCs to RLs planning to construct to the SingTel exchange. REACH finds it difficult to comment properly without seeing the clause but we believe that it will be	Reject any amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>open to abuse by SingTel. More importantly, we believe that SingTel is incorrectly interpreting IDA's Direction in relation LLCs. While the objective of network build was stated, it was not set as a prerequisite for obtaining FLLCs under the RIO. Rather, mandating FLLCs under the RIO for an interim period was simply to be an incentive to build network.</p> <p>Ultimately, REACH believes that this is a policy matter or dispute which should not be dealt with in the RIO Review.</p>	
3.2(b)	Project Study	<p>REACH is concerned that SingTel is trying to slip in even more reasons to refuse FLLCs by providing for its customers to be able to restrict such access. As opposed to the existing government agency restriction, restrictions imposed by other customers have the potential to be more of a commercial matter. SingTel could also manipulate the process to encourage customers to restrict access by SingTel competitors. IDA must not allow SingTel the room to evade its Code obligations in this way. REACH in any event has its doubts as to whether customers would legitimately refuse to let SingTel provide an LLC to another licensee. To the extent there are security issues, REACH submits that this</p>	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>would or should have been assessed at an earlier stage.</p> <p>As with other provisions, REACH again points out that there is no similar security standard for LLCs in the retail context.</p> <p>REACH also observes that there are other changes to this clause compared to the current RIO posted on the IDA website eg. paras (c) and (d), which give SingTel additional reasons to reject FLLC requests. REACH submits that SingTel should not be given too many opportunities to evade its obligations.</p>	
3.3(h)	Project Study	SingTel has added, but not highlighted, another reason to reject a FLAR on the basis that the mandated term is expiring. REACH believes this provision unnecessary and could hamper transitional arrangements depending on what IDA decides to do with LLC regulation in future.	Reject amendment
8.2	Access and Approvals	REACH is surprised at SingTel's numerous attempts to introduce new obstacles into the RIO using as a justification the IDA Letter, which requires streamlining of the O&P process in general terms. It is completely unreasonable for SingTel to require a RL to provide an End User's	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>permission to access its site at the same time as submitting an initial FLLC request (which has to be at least 15 Business Days before activation). REACH submits that it is highly unlikely that an End User will refuse access when it wants the service. If this is a legitimate concern of SingTel's we believe SingTel should have to prove that this sort of conduct happens on a regular basis. In any event, it is unnecessary to require provision of End User consent so far in advance of access.</p> <p>REACH notes again that in the retail context we are not required to attach permission slips to LLC requests so this should not be necessary for wholesale supply. Further, if the aim is to increase efficiency, this is more likely to be achieved by the current practice of ensuring consent for access to an End User site in parallel with an LLC request being processed.</p>	
Schedule 8 Co-location			
		<p>There are no highlighted changes to the main body of Schedule 8. We have noticed an unmarked change to clause 1.7 where SingTel has changed the reference to virtual co-location to Virtual Interconnection defined by reference to Schedule 1.</p>	

Clause	Subject	REACH Comment	REACH Proposed Change
		REACH is uncertain as to the significance of this change but is concerned whether it might restrict virtual co-location possibilities where Schedule 1 does not apply.	
Attachments			
A 1.1.2	Installation	SingTel has added a requirement that it approve a RL's engineer. REACH objects to this as it should suffice that the engineer is duly licensed by the relevant professional body in Singapore – this should be more authoritative than SingTel's view. We believe that SingTel is simply trying to add in new ways to obstruct rivals from gaining access rights.	Reject amendment
A1.6.3	Installation	<p>SingTel has added a new provision that it need not initially provide power for co-location space as required by the RIO. Rather a RL must first request it and then pay for it to be 'installed' as part of SPW.</p> <p>REACH submits that power for co-location space is an inherent part of the obligation to provide co-location in interconnection regimes. It is also part of the service that a RL pays for when acquiring co-location. SingTel should not be allowed to present this as a separate service requiring a separate request at separate cost as this</p>	<p>Reject amendment</p> <p>REACH observes that the power requirements have been part of SingTel's RIO to date and so it is reasonable to assume that its cable stations are built to handle these requirements. If SingTel's proposal is accepted, SingTel should at least have to provide clear evidence and justification as to why it cannot meet the requirements. If IDA lets SingTel charge additional costs, these should also be one off for power installation with no recurring costs for 'extending' co-</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>negates the value or use of the underlying co-location that has been requested and paid for. Further, it allows SingTel to delay and frustrate matters. For example, at what point will SingTel even advise of the power situation – RLs will not be in a position to know that they need to request power ‘installation’ as part of SPW. SingTel should assume that this is required and the cost should be part of the existing co-location charge. Further, the costs that SingTel can incur and recover should not be unlimited as per SingTel’s proposal.</p>	<p>location.</p>
<p>C1.2, 1.4 1.5.2, 1.6.4</p>	<p>Physical access general</p>	<p>SingTel seeks to impose charges for updating its list of a RL’s authorised personnel and processing physical access requests. REACH objects to SingTel raising rivals’ costs by constantly trying to add on new charges. REACH does not believe that it is legitimate for SingTel to charge for updating SingTel’s records or processing simple access requests. This should all be caught by the existing co-location charges, including for the escort service. We note that, in Hong Kong, REACH only charges for an escort with processing costs factored into this charge.</p> <p>In relation to charges for updating records, in REACH’s experience the master list does</p>	<p>Reject amendment</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>not change often so there is no reason for SingTel to charge for this.</p> <p>We note that SingTel has made yet another change to clause 1.4 without marking it, with a limitation on access to cable landing and frontier stations.</p>	
1.5.5-1.5.7	Physical access	<p>SingTel has added these new provisions, allowing it to charge a RL for the costs of physical access based on the approved time for access, rather than actual time, with the RL having to give 6 hours notice of any changes. SingTel has also imposed a minimum 2 hour charge. REACH submits that these provisions are too inflexible and do not reflect operational reality. They also provide SingTel with yet another opportunity to raise rival's costs in a manner not justified in the Singapore context.</p> <p>From REACH's experience, SingTel staff simply escort us to the room/rack and then leave until we need to be escorted out. No value is added and the staff are not 'escorting' the whole time so it does not make sense to pay based on a 2 hour minimum or even on a time basis. There should just be a charge for letting us in and out. In any event, we assume that the cable</p>	Reject amendments

Clause	Subject	REACH Comment	REACH Proposed Change
		stations are manned 24/7 and even SingTel security guards could let us in and out, without the need for SingTel to incur additional costs for special staff, which it passes through to us.	
1.6.3(f)	Emergency access	SingTel has not highlighted a new limit of 4 personnel allowed physical access in an emergency. REACH considers that this limit for standard access may not be appropriate in the emergency context.	Reject amendment
1.6.5	Emergency access	<p>SingTel has slowed down the time within which it will provide access for a service-affecting emergency from one to two hours. It claims that its existing obligations are too onerous and that other FBOs do not provide a similar emergency access. REACH disputes this in the Singapore context, where provision of access is much easier than, for example, Hong Kong. In REACH's view, one hour is reasonable in Singapore as there is no obligation on SingTel to perform any tasks in this time. All it needs to do is let a RL into the premises, which should not be difficult given the presence of security guards on site (we refer to our comments above in this regard).</p> <p>In any event, REACH believes that the RIO should set the industry standard rather than</p>	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		the other way around.	
Attachments E, F, G		It appears that SingTel has changed these forms but we have been unable, in the time given for the RIO Review, to ascertain the significance of any changes. We trust IDA will ensure that the interests of RLs are protected before approving these new Attachments.	
Schedule 8D Co-location at Submarine Cable Landing Station			
		<p>REACH observes that SingTel has introduced, but not highlighted, a new defined term “Submarine Cable Co-location Equipment”, which is referred to throughout Schedule 8D and defined in Schedule 12. Previously there was just a generic reference to “Co-location Equipment” which simply meant equipment approved for co-location.</p> <p>SingTel has also changed its definition of Co-location Equipment to be more restrictive and REACH is concerned that this may be manipulated against RLs.</p>	Reject amendments. Could accept the new reference to Submarine Cable Co-location Equipment but redefine it broadly to include any equipment appropriate for co-location or connection. A generic definition of co-location equipment will prevent SingTel attempts to obstruct competitors.
1.7	General	SingTel has removed the express reference to IDA approval being required to vary the list of co-location sites. SingTel refers to the IDA Letter as its justification, however, we	If SingTel wishes to retain the reference to variation of sites being done in accordance with the RIO, that is fine, so long as it retains the reference to IDA approval being required.

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>are concerned that SingTel is wrongly interpreting it as giving free rein to decommission sites as and when it chooses. When the IDA Letter provides that decommissioning is an operational issue, our interpretation from the rest of the text in para 3(f) is that IDA was simply distinguishing handling of such matters under the RIO from exemptions under the Code. The fact that the IDA Letter provides for decommissioning to be a matter between the RL and SingTel under the RIO does not preclude IDA continuing to approve this under the RIO – it simply clarifies that there is no need to go through the broader industry process of an exemption.</p> <p>We are also concerned that there is no clear lead time for changing the list and no requirement for SingTel to provide justifications for changes.</p>	<p>This is an essential protection for competitors.</p>
2.1(a), (b)	Availability	<p>REACH is pleased to see that the IDA Letter required SingTel to shorten reservation periods, and SingTel has accordingly changed these from two years to one year. We are concerned that the IDA Letter was too generous in giving SingTel discretion to determine what “reasonable” period it should be allowed for reservation.</p>	

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>We submit that IDA should have given SingTel more specific instructions in relation to the RIO Review. In this case, SingTel did make some concession, obviously because a shorter reservation period was easy for it to accommodate, given current unduly long periods. However, across the board IDA's direction to SingTel prior to this review should have been more specific. This would have ensured that SingTel did not abuse the process eg. in its false attempts to shorten O&P procedures and would have included key requirements such as SLAs in the first instance.</p>	
2.1(e)	Availability	<p>SingTel has introduced a 'limit' on its ability to reject co-location requests on the basis of plans to decommission a site, by stating that this must be within 6 months. However, REACH is concerned that from SingTel's explanation of this change, it sees this as giving it even greater scope to reject requests. REACH believes that the provision should be restricted to real and immediate plans for decommissioning, to ensure that SingTel does not frivolously claim to be planning this or obstruct access when RLs could still enjoy a significant period of co-location prior to</p>	<p>Amend clause so that SingTel can only claim space unavailable if plans to decommission site within 2 months of a co-location request. We also believe proposed decommissioning should be reported to IDA in advance and IDA should monitor such an event.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>decommissioning.</p> <p>This is consistent with the IDA Letter, which specifically addresses decommissioning under Schedule 8. IDA should enforce its requirement that decommissioning only be grounds for rejecting co-location if within a reasonable timeframe from a co-location request. IDA should clarify how it will determine what is reasonable, including by reference to what SingTel does itself and what an RL would find an acceptable or worthwhile period of remaining use.</p> <p>There is no reason why a RL cannot use space if SingTel is still using it. Otherwise, there would be no competitive access to associated cable systems for the last few months of operation. REACH is hard-pressed to see why co-location in a separate space would interfere with any preparatory decommissioning work SingTel might have to do.</p> <p>REACH submits that IDA should also provide that certain IDA Letter requirements for decommissioning under Schedules 3, 5 and 7 also apply to Schedule 8, such as that SingTel must notify an RL on receipt of a request that a site is scheduled for decommissioning and the date. The RIO</p>	

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>should then provide flexibility for the RL to cancel or proceed with its request without penalty.</p>	
3.3	Ordering and Provisioning	<p>SingTel has deleted the requirement that SingTel notify a RL that it has received a co-location request and accepted it on a preliminary basis. REACH is shocked that SingTel purports to do so on the basis of the IDA Letter requesting streamlining of the O&P process.</p> <p>We trust the intent of IDA when drafting the IDA Letter was that SingTel shorten its procedures to the extent that they imposed an unnecessary delay on competitors. We are sure that it was not intended that SingTel use this to delete procedures that assisted competitors.</p> <p>We note that this proposed amendment ties in with clause 4.1 as the idea of providing for 'automatic' acceptance of a co-location request is not so much to help competitors but rather to lock them in to a Project Study.</p> <p>We suspect another reason SingTel has proposed this change is that rather than accepting a request early before the expiry of the 3 day limit, it will also have the maximum amount of time before</p>	Reject amendments and require SingTel to otherwise streamline its O&P process in accordance with the IDA Letter.

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>acceptance is deemed. This delayed acceptance then flows through to delay other steps in the O&P process, for example, delaying the trigger for the period by which a Project Study must be completed.</p> <p>In any event, as a practical matter, REACH needs to know when an application has been received as otherwise precious time may be wasted if we find out later that SingTel did not get the request.</p>	
3.6 and 3.7	Ordering and Provisioning	<p>Whereas previously there was no limit on processing, SingTel is seeking to introduce a limit of <u>3</u> co-location requests in <u>total under Schedules 8A, 8B and 8D per week</u>, with requests being processed on a 'first come, first served' basis.</p> <p>SingTel's proposed road block to processing co-location requests is completely unacceptable. Just because an agreement provides for an unlimited number of requests each day does not mean that a party must resource itself to deal with these requests each and every day of the year. Rather, it simply needs to be able to deal with the typical number of requests but be able to gear up for the odd occasion where the requests might reach a</p>	<p>Reject amendment</p> <p>There should continue to be no limit on requests. There will generally only be activity when a new cable system is landing and it will be quiet the rest of the time. SingTel should be able to gear up for the known busy period.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>maximum amount eg. when it knows a new cable system is landing and that there will be several requests. If SingTel is aware that the rest of the time activity is quiet, then as a normal business it would not be fully resourced to deal with unlimited requests every day.</p>	
4.1, 4.3	Project Study	<p>SingTel has deleted the opportunity for a RL to decide not to go ahead with a Project Study. Again, REACH is shocked that SingTel purports to do so on the basis of the IDA Letter requesting streamlining of the O&P process. We trust that IDA's intent was that SingTel shorten its procedures to the extent that they imposed an unnecessary delay on competitors. We are sure that it was not intended that SingTel use this to delete procedures that assist competitors.</p> <p>REACH is also concerned at SingTel's attempt to mislead IDA and industry by only highlighting this change and not pointing out that it has increased the timeframes for providing co-location. It has introduced a new provision that it can delay 15 Business Days before even <u>starting</u> a Project Study (clause 4.1). To make this worse, this period starts from the expiry of the maximum 3 day timeframe for rejection of</p>	<p>Reject amendments and require SingTel to otherwise streamline its O&P process as per IDA Letter. As an example, REACH questions the need for a Project Study. SingTel will have considered the issues from the very first co-location request and doesn't need a Project Study to re-examine these for each subsequent request. It certainly does not need 15 Business Days to do so if it needs any time at all.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>an application or deemed acceptance, rather than there being any provision for earlier acceptance. It then has a further 15 Business Days to complete the Project Study (clause 4.3). This increases the O&P timeframes by 15 to 18 Business Days (given the 3 day delay for deemed acceptance). REACH submits that this is completely against IDA's instruction for SingTel to streamline procedures. We are extremely disappointed that SingTel has been allowed to propose this sort of change without highlighting it and providing reasons. Again, we reiterate our earlier point that SingTel should be required to provide fully marked up amendments, with IDA treating as invalid any proposed amendments that are not highlighted and explained.</p>	
4.2	Project Study	REACH is confused as SingTel says it is deleting the former clause 4.2 but has not.	
5.1	Site Preparation Work	<p>REACH is again confused as SingTel says it has to amend this clause to be consistent with SPW procedures under other co-location schedules. Firstly, we do not believe that this is an adequate justification. Just because SingTel may want to have a process for another schedule does not of itself justify changing the process under</p>	<p>Reject amendments</p> <p>In relation to revised SPW dates (current clause 5.2), SingTel should be required to have a revised SPW date that is as soon as practicable after the advised date and should have to provide reasons for the delay.</p>

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>Schedule 8D. Secondly, REACH is hard-pressed to see the difference between the <i>current</i> SPW provisions under eg. Schedule 8A, and 8D so we do not see why changes for consistency with existing RIO provisions are even an issue. Rather, SingTel appears to be making new changes to each co-location schedule.</p> <p>More importantly, REACH does not agree with the substance of the change, which allows SingTel to raise rivals' costs by changing SPW charges 'as notified by SingTel from time to time' and increasing the cost of SPW above initial estimates. Even worse, SingTel is attempting to introduce further delays by providing that it can suspend SPW until a RL has agreed to revised price estimates. This also forces RLs to accept what may be unreasonable price increases if they do not want to suffer loss from delayed provision of co-location.</p> <p>SingTel has also added a further change to this provision to the effect that if it cannot meet the advised SPW completion date then it only has to complete within a 'reasonable period of time'. REACH submits that this allows SingTel too much discretion to delay SPW and act in a discriminatory manner. SingTel should be</p>	

Clause	Subject	REACH Comment	REACH Proposed Change
		<p>required to have a revised SPW date that is as soon as practicable after the advised date and should have to provide reasons for the delay.</p>	
7.1, 9	Term and Termination	<p>REACH submits that clause 7.1 only needs to provide that a licence will terminate early in accordance with the Schedule. SingTel's additions are unnecessary and could fetter the IDA. If the RIO is revoked or IDA removes the obligation to provide co-location, IDA should be able to determine at that time how it wants to transition existing licences. It is not for SingTel to dictate not in the RIO that it can immediately terminate.</p> <p>REACH is unconcerned if SingTel wants to move termination provisions to a new section but we note that SingTel has added in a new ground for it to immediately terminate a licence in clause 9.4(i). This provides SingTel can immediately terminate where its right to own, maintain or operate a site is revoked, terminates or expires. REACH submits that this provision must be rejected by IDA as it is inconsistent with the standard decommissioning procedures eg in clause 9.5, which requires 6 months notice. SingTel's new proposal allows for immediate termination with no notice to a RL, for example at the same time that</p>	Reject new provisions.

Clause	Subject	REACH Comment	REACH Proposed Change
		SingTel receives notice that it has to close the site. REACH is sure that SingTel will be given at least 6 months' notice of this, allowing it to comply with the standard decommissioning procedure.	
8	Suspension	SingTel has introduced this clause and has not highlighted it at all. It is a substantive change allowing SingTel to suspend co-location if it might cause harm to a network, with SingTel not liable for any loss a RL might suffer as a result. This clause gives SingTel too much discretion, for example, as to when harm is "likely", when suspension is really necessary and for how long. Given this discretion, it is also unreasonable for SingTel to exclude liability. This gives it no incentive to exercise its suspension rights judiciously.	Reject amendment
9.4(i)	Termination	SingTel has added a new ground for termination without highlighting it. This provides for immediate termination if SingTel's right to a site is revoked. REACH submits that this clause is unreasonable as is. SingTel should have to give RLs as much notice as possible eg. as soon as it finds out its right to a site is revoked. In most cases it would have some notice and RLs should have the same right,	Reject amendment

Clause	Subject	REACH Comment	REACH Proposed Change
		rather than SingTel sitting on its hands and requiring immediate termination at the last minute.	
11.1	Additional space and equipment	<p>SingTel seeks under this clause to recover any costs of processing a request under this clause. There is no limit on this.</p> <p>Aside from being unreasonable, and another attempt to raise rivals' costs, REACH submits that this amendment is unnecessary as clause 11.2 already provides that additional requests will be treated as under clause 3. Clause 3 sets out charges for requests.</p>	Reject amendment

3. MAIN AGREEMENT AND OTHER SCHEDULES

	Subject	REACH Comment	REACH Proposed Change
Main Agreement Part 1			
1.3(e), also Part 2, 6.6, 22.3	Acceptance	REACH is shocked that SingTel claims to impose security requirements on all RLs (as opposed to those with paid up capital under \$1,000,000) on the basis that it wants to be non-discriminatory. If SingTel wants to be non-discriminatory it should <i>remove</i> security requirements for all RLs. SingTel's proposal	<p>Reject amendments, particularly given absence of explanation from SingTel as to why these changes are now needed after several years of RIO operation.</p> <p>Remove blanket security requirements altogether in the best case and rely on credit checks, which would provide for security</p>

	Subject	REACH Comment	REACH Proposed Change
		<p>to extend security requirements should be rejected as a form of entry barrier being imposed on competitors.</p> <p>Rather than reduce existing security requirements, SingTel has also just imposed a meaningless minimum \$20,000 security deposit. While this may give the appearance of reducing requirements, it only applies if the current method of calculating security based on likely service charges would amount to less than \$20,000. This is highly unlikely given the amount that most FBOs pay SingTel under the RIO each month.</p> <p>The SingTel Amendments to security requirements are yet another way SingTel is trying to create obstacles for RLs seeking IRS and MWS and raise their costs of doing business. They are unjustified from a business perspective as FBO's have already established their credentials when applying for an FBO licence. Overseas practice (for example, BT's) is to undertake a credit review and only ask for deposits where considered necessary.</p> <p>Aside from our objection to security requirements generally, the particular method of calculation chosen by SingTel is unreasonable. Given the charges that eg.</p>	<p>appropriate for different licensees.</p> <p>Alternatively, leave the security requirements as is restricted to FBOs with capitalisation under \$1,000,000 but change the method of calculation to the flat figure proposed by SingTel of \$20,000.</p> <p>It is essential that IDA remove the provision for security based on monthly charges.</p>

	Subject	REACH Comment	REACH Proposed Change
		<p>the larger FBOs pay, the amount of security required has the potential to put some out of business. Not only does it result in the amounts involved being too high, the method is also impractical to implement. For example, as the numbers of circuits/services vary throughout the month, RLs would constantly have to go to the bank to adjust deposit money (eg. refer clause 6.6). Also, the method does not address the issue of refunds when service levels reduce.</p> <p>REACH is also concerned that the current RIO bases the deposit on monthly service value whereas SingTel is now trying to capture all charges, including one off costs eg. that might relate to service establishment and which are not relevant to a deposit designed to secure monthly recurring service charges.</p> <p>SingTel has pointed out that it has made further consequential amendments to Attachments A and B but then has not highlighted the relevant provisions. While REACH has identified these, we still submit that SingTel should be required to highlight all changes to allow for proper regulatory scrutiny and public consultation. In any event, we disagree with the consequential changes for the same reasons we believe</p>	

	Subject	REACH Comment	REACH Proposed Change
		<p>the changes to clause 1.3(e) should be rejected.</p> <p>REACH also makes the point that to the extent that services under the RIO are similar to retail services eg. MWS such as FLLCs, deposit requirements should be similar to ensure a pro-competitive outcome. We note that there is no deposit requirement if LLCs are ordered from SingTel by licensees or End Users under SingTel's retail pricing scheme and IDA has already made clear to SingTel that RLs should not be worse off if they acquire FLLCs under the RIO.</p> <p>REACH also points out that SingTel appears to have made an unhighlighted change to clause 6.6(a) requiring that a bank guarantee be from a bank acceptable to SingTel rather than just the current requirement for it to be in a specified form. REACH submits that this change is unnecessary as SingTel should not decide how a RL conducts business in this way.</p>	
1.4	Acceptance	SingTel has removed the requirement that discussions on implementation of the RIO commence within 7 days of a RL accepting the RIO. It does so on the basis of the Code, which simply provides for a 30 day limit on	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
		discussions. REACH submits that this is no justification as the whole idea of the RIO is to supplement the Code. The RIO should contain further protections for RLs and clarifications of the RIO process such as this requirement for SingTel to start discussions within 7 days.	
2.1(g)	Assessment	SingTel's new clause allows it to stop a licensee signing up to the RIO if it has breached another interconnection agreement including by failure to pay. The justification it has provided is insufficient given how critical the RIO is. If a licensee has breached another agreement then it will be sanctioned accordingly under that agreement. IDA should not let SingTel use the RIO/refusal to implement the RIO as a tool it can use against competitors. REACH is also concerned that while SingTel uses the example of an individualised interconnection agreement being breached, with a licensee then switching to the RIO, the definition of interconnection agreement it has borrowed from the Code is too broad in this context, also covering any arrangements related to interconnection. A licensee could breach a minor agreement and seek different services under the RIO but SingTel's new provision would effectively force the licensee from the	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
		market as it would not be able to interconnect. IDA cannot intend this to happen.	
2.5	Assessment	REACH does not have an issue with SingTel's proposal that a licensee execute the RIO as soon as reasonably practicable rather than the current requirement for 'immediate' execution.	
5	New Services	SingTel has deleted the current clause 5 which provides for acquisition of New Services under the RIO, leaving such services to be dealt with under clause 4, Additional Services. REACH is concerned to ensure that SingTel does not then hinder provision of New Services. For example, it could try to make tricky arguments that a New Service was not an Additional Service as at the time the RIO was entered into. Worse still, it could manipulate the wording of clause 4.1, which provides that an Additional Service is one that is not already supplied to the RL, to argue that if a service is already supplied outside the RIO but then is later included under the RIO it does not fit the definition of an Additional Service. For example, using the case of LLCs, if this change had been in the current RIO, SingTel could have argued that LLCs were already being supplied to RLs (albeit on	<p>Reject amendment</p> <p>If IDA is to accept SingTel's proposal that New Services be treated as Additional Services under clause 4, we ask that IDA require SingTel to expressly clarify that a "New Service" will become an "Additional Service" upon IDA approving the RIO schedule for the service.</p> <p>Further, "Additional Service" should then be redefined as an IRS or MWS (including any new IRS or MWS) not already being supplied to a RL as an IRS or MWS under the RIO.</p> <p>REACH also submits that SingTel must include a provision to the effect that where it is aware that a new service or facility will fall under the RIO, eg. a new cable system, it must amend the RIO in advance so that the new service or facility can be used by other</p>

	Subject	REACH Comment	REACH Proposed Change
		<p>retail terms) so that they did not fit the definition of Additional Service.</p> <p>REACH also points out that section 6.3.3.3(h) of the Code requires that the RIO sets out the means by which a RL can acquire IRS not currently specified in the RIO so the RIO should expressly refer to this, rather than it being assumed new IRS will be treated as Additional Services.</p> <p>As a broader point related to new services under the RIO, REACH believes there should be a process whereby SingTel has to review the RIO regularly to ensure that it includes new services or facilities. We use the example of access to SMW4, which will become an issue later this year.</p>	licensees at the same time that SingTel is able to use it.
Main Agreement Part 2			
Recitals, 3, 5.1	Reciprocity	<p>REACH is astounded at SingTel's bald attempt to go against IDA's clearly expressed policy that RLs are not required to provide SingTel with reciprocal interconnection rights.</p> <p>SingTel's argument that IDA did not exclude the possibility of reciprocal terms is flawed and goes against IDA's intent, however expressed. IDA can and should</p>	Reject amendment and reprimand SingTel for its blatant disregard of IDA instructions.

	Subject	REACH Comment	REACH Proposed Change
		<p>clarify this.</p> <p>SingTel also justifies its amendments on the basis that reciprocity is necessary for interconnection and any to any connectivity. REACH submits that this is misleading as the current RIO already provides for the necessary level of reciprocity for any to any connectivity in terms of provision of OT&T and number portability. It is outrageous that SingTel is now trying to slip in the right to acquire all kinds of IRS and MWS on RIO terms. This is tantamount to enforcing an industry wide RIO. Clearly this is not the way that IDA intended the RIO regime to work, and is also out of line with best practice which limits imposition of RIO obligations to dominant operators.</p>	
4.2(d)	Term	<p>The current and proposed RIO provide that the RIO will terminate on 28 September 2006. This is in contrast to earlier versions of the RIO which simply provided that if IDA reviewed the Code around 29 September (then 2003), SingTel could review the RIO and amend it subject to approval. There was no automatic termination.</p> <p>REACH submits that it is dangerous to</p>	<p>IDA needs to ensure that the effective term of the RIO as reviewed is sufficient to give industry certainty, and to make this RIO Review exercise worth the resources that have been put into it. A three year term is appropriate from the date the revised RIO is approved.</p>

	Subject	REACH Comment	REACH Proposed Change
		<p>provide for such automatic termination in the RIO and clumsy to refer to a specific date. Rather the RIO should be consistent with section 6.2.1 of the Code, which requires a RIO to be offered for 3 year periods, with renewal by IDA notice in the Gazette. Para (d) should therefore simply state that the RIO will terminate at the expiry of any 3 year term notified by IDA in the Gazette, unless a further 3 year period is notified.</p> <p>REACH also submits that IDA should give industry certainty that this RIO Review is not just an interim measure with the RIO being withdrawn or changed as soon as next year. IDA should give advance notice under section 6.2.1 of the Code that it will renew the RIO for a further 3 years.</p>	
5.2	Charges	SingTel has removed the requirement for IDA to approve recover by SingTel of costs or imposition of charges outside of Schedule 9. REACH strongly objects to this change and consequential changes to the Schedules as an attempt by SingTel to raise rivals' costs. The unlimited nature of the proposed amendment is particularly worrying and demonstrates SingTel's anti-competitive approach to interconnection.	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
		<p>There is no reference, for example, to costs being relevant. Further, there is no explanation as to why they could not be foreseen when initially setting charges. There is no control to make sure that costs are avoidable by SingTel as it may often have to incur costs in any event.</p> <p>REACH notes that these concerns are relevant to the various Schedules where SingTel has made new provision for imposition of additional charges so our comments should be read with regard to these specific provisions also.</p>	
8.1	Network protection	SingTel has added a reference to a RL ensuring its "Network Facilities" do not cause harm. REACH does not believe this change is necessary as the clause already applies to a RL's side of the Network and Network operations. We query why SingTel has made this change.	
8.3	Network protection	REACH is not concerned with SingTel's clarifying amendment.	
10.3	Network alteration	SingTel suggests that its amendment is just to clarify matters but REACH believes it changes the substance of the provision. Rather than providing that the 6 month notice period for network alteration does not	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
		<p>apply if IDA requires an alteration in a shorter period, SingTel's amendment means that there is no notice period for alterations if required by IDA. REACH is sure that this is not IDA's intention.</p>	
11.3	Quality of service	<p>REACH submits that SingTel's amendment should be rejected as another attempt to push back against industry pressure for real QoS standards/SLAs in the RIO. As we have commented, in the Singapore context RIO SLAs are needed as other regulation does not provide adequate protection. We disagree with SingTel's claim that "<i>Issues such as faults and network quality should not be matters that are subject to enforcement by a party to an interconnection agreement</i>". Such matters go to the heart of whether interconnection is effectively being provided at all. We also believe they indicate whether discrimination is occurring, which is why SLAs should be set with regard to SingTel's self provisioning.</p> <p>In any event, parties to the RIO are already subject to fault identification and reporting procedures.</p>	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
12.1(d), 13.1(d)	Suspension, Termination	<p>REACH is not concerned with the idea of abbreviation of invoices and bills under a new defined term, Invoice, at least in the context of these clauses. SingTel has not highlighted how this new definition impacts other clauses so we reserve our comment in this regard.</p> <p>REACH does object to inclusion of the reference to “request for payments” in the definition of Invoice or otherwise in these clauses as this cannot be construed as an invoice from a legal view point. The reference could cover many informal requests such as an email after circuit activation. A RL’s finance or other team could not properly act on this without a proper invoice.</p>	Reject inclusion of ‘request for payment’ in these provisions or definition of Invoice
12.1(i)	Suspension	SingTel has introduced an extremely broad basis for suspending the RIO on the basis that it is consistent with the Code. REACH disputes this as the relevant Code provision only provides for suspension in the case of insolvency whereas SingTel’s clause covers a wide range of financial issues. For example, it would seem to cover even normal trade disputes in its reference to any action by a creditor to recover assets.	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
12.1(j),12.7	Suspension	SingTel has introduced grounds for suspension where a party fails to satisfy the Schedule 1 requirements for interconnection. REACH strongly submits that this is no reason to suspend provision of all services under the RIO. Further it gives SingTel too much discretion to determine whether interconnection requirements are satisfied in the first place. We also stress that interconnection under Schedule 1 is not essential for obtaining other services under the RIO and certainly should not be required. REACH's RIO with SingTel does not include Schedule 1 as we are not interconnected for the purposes of acquiring OT&T services.	Reject amendment
12.4(b) 13.5(a)	Suspension Termination	Yet again, SingTel has introduced provisions allowing it to recover its costs on an unlimited basis – in these instances, for reconnection and reinstatement after suspension and for termination costs. REACH submits that this clause is too open to abuse and in any event SingTel will be adequately compensated by reconnection and reinstatement charges, as well as termination charges, it is already allowed to impose. Further, a RL should not have to pay connection/disconnection charges if it did not request this action.	Reject amendment

	Subject	REACH Comment	REACH Proposed Change
12.6, 13,4	Suspension Termination	<p>REACH strongly objects to SingTel's unreasonable amendments, which would allow it to refuse to act on <u>any</u> service or additional service requests (not even limited to a relevant service) prior to IDA actually approving suspension or termination of a particular service schedule or the RIO. Aside from this being too broad, IDA should decisively reject SingTel's attempt to usurp IDA's right to approve suspension and termination in advance. IDA's role is essential to curb the SingTel discretion to decide when grounds for suspension exist.</p> <p>Further, it may be appropriate for SingTel to act on requests for service even during a period of suspension, for example where the period approved by IDA is short (eg. due to a short term network safety issue), so that the new services will be ready once the suspension is lifted.</p>	Reject amendment
21.1, Attachment D	Insurance	<p>SingTel has introduced a new insurance scheme on the basis of the IDA Letter, which no doubt was intended to push SingTel to reduce insurance requirements. This would largely be the result of IDA's request for insurance to be related to the type and quantity of services acquired by an RL. IDA should reject SingTel's proposal to complicate insurance provisions in an</p>	Reject amendments and require more reasonable insurance as per para 3(d) of the IDA Letter.

	Subject	REACH Comment	REACH Proposed Change
		<p>attempt to disguise the fact that SingTel's changes do not decrease insurance requirements when one looks at the detail of Attachment D. For example, REACH would still be required to have a \$20 million insurance policy as would all other FBOs currently signed up to the RIO. SBOs would also still need to have a \$1 million insurance policy.</p> <p>Even looking at the specific requirements of the IDA Letter, while SingTel has tried to make it look like insurance relates to the type of services supplied, clearly there is no substance to the change. Further, it is difficult to see how SingTel's proposal relates insurance to the quantity of services acquired by an RL when a flat fee applies per service type.</p> <p>The new definition of "Applicable Insurance Amount" in Schedule 12 is also wrong as it states that this is the amount of insurance a RL must have, whereas clause 21.1 provides the alternative scenario of \$20 million for FBOs or \$1 million for SBOs.</p> <p>REACH also makes the point that to the extent that services under the RIO are similar to retail services eg. MWS such as FLLCs, insurance requirements should be</p>	

	Subject	REACH Comment	REACH Proposed Change
		similar to ensure a pro-competitive outcome. We note that there is no insurance requirement if LLCs are ordered from SingTel by licensees or End Users under SingTel's retail pricing scheme and IDA has already made clear to SingTel that licensees should not be worse off if they acquire FLLCs under the RIO.	
28.1, 28.2	Notices	REACH does not believe that SingTel's change is necessary nor does it 'streamline' notice procedures in a beneficial way. This clause should continue to require that a copy of the transmission report confirming a fax transmission be provided to the intended recipient.	Reject amendment
Schedule 9 Charges			
		SingTel has not highlighted any changes to this Schedule and so none should be approved.	
Schedule 10 Billing			
		SingTel has not highlighted any changes to this Schedule and so none should be approved.	

	Subject	REACH Comment	REACH Proposed Change
Schedule 11 Dispute Resolution			
		<p>SingTel has not highlighted any changes to this Schedule and so none should be approved to the extent they are detrimental to RLs or favourable to SingTel. We do note that SingTel has made changes as per the IDA Letter, without marking these up. REACH has no issue with the increased flexibility whereby parties do not first have to go through the inter-working group process to resolve disputes before going to IDA, mediation or arbitration. However, the IDA Letter also requires SingTel to otherwise reduce overall dispute resolution timeframes. It also more generally asks SingTel to streamline the process so that disputes can be settled more expediently and efficiently. SingTel appears to have completely ignored IDA's requirements, given the absence of highlighted changes to this schedule.</p>	<p>Require SingTel to comply with IDA Letter principles but IDA should specify exact changes rather than leaving SingTel to interpret its principles – or ignore them altogether.</p>
Schedule 12 Dictionary			
		<p>We note that it appears SingTel has made some unhighlighted changes to this Schedule, for example, the new definition of Submarine Cable Co-location Equipment referred to in our comments on Schedule 8D. We also refer to various other</p>	

	Subject	REACH Comment	REACH Proposed Change
		<p>definitions where they have been pointed out by SingTel in other parts of the RIO. However, SingTel has not highlighted other changes to this Schedule and so none should be approved.</p>	



CONCLUDING COMMENTS

REACH trusts that the above provides some useful feedback on the RIO Review, which IDA will give due consideration to. We remain ready to discuss the RIO with IDA as and when required.