

## **APPENDIX 1**

### **GENERAL REQUIREMENTS AS TO SINGTEL'S RIO**

IDA directs SingTel to modify its RIO to incorporate the following general requirements:

1. Applications under Multiple Schedules of RIO

- 1.1 It is conceivable that a service which a Requesting Licensee wants to obtain from SingTel entails an application under more than one schedule of the RIO. For example, if the Requesting Licensee wants to obtain Local Loops/Sub Loops under Schedule 3A, it will also be required to make an application for Subscriber Tie Cable, Termination Block and Co-Location Space under Schedules 3D, 3E and 8B respectively. Similarly, if the Requesting Licensee requires Connection Services under Schedule 4B, it will also be required to make an application for Co-Location Space at Submarine Cable Landing Stations under Schedule 8D.
- 1.2 In such a situation, SingTel's RIO only provides for a sequential process – that is, the Requesting Licensee must have obtained a licence for Co-Location Space as a pre-requisite for SingTel to approve the request for Local Loops/Sub Loops and/or Connection Service. In the case of a request for Local Loops/Sub Loops, SingTel also requires the Requesting Licensee to have obtained and installed the necessary Subscriber Tie Cable and Termination Block prior to its request.
- 1.3 IDA is of the view that this process is inefficient and unnecessarily lengthy. For example, if the Requesting Licensee obtains Co-Location Space under Schedule 8B for the purpose of accessing Local Loops/Sub Loops at a particular exchange and subsequently its application for Local Loops/Sub Loops under Schedule 3A is rejected because of unavailability, the Requesting Licensee would have incurred unnecessary costs in respect of obtaining Co-Location Space. Further, as the Requesting Licensee is prevented from applying for Local Loops/Sub Loops under Schedule 3A until it has obtained the necessary Co-Location Space under Schedule 8B, the Requesting Licensee's use of Local Loops/Sub Loops to provide services is unnecessarily delayed.
- 1.4 Accordingly, IDA's position is that Requesting Licensees must be allowed to decide when and in what order they want to submit their applications under the relevant schedules. For illustration, in the case of a Requesting Licensee's request for Local Loops/Sub Loops, SingTel must not reject an application under Schedule 3A even if the Requesting Licensee has not yet obtained and installed the necessary Subscriber Tie Cable and Termination Block under Schedule 3D or 3E or obtained a licence for Co-Location Space for POA under Schedule 8B. Instead, where the Requesting Licensee requires licences under more than one schedule of the RIO, SingTel must permit the Requesting Licensee to determine how best to time its applications – this includes permitting the Requesting Licensee to submit its applications under the different schedules concurrently or in any sequence it deems fit.

- 1.5 SingTel must process the Requesting Licensee's applications in accordance with the relevant provisions of the applicable schedules. However, in the event that SingTel approves an application under a particular schedule but subsequently rejects an application under another related schedule, SingTel must permit the Requesting Licensee to cancel the application that was approved. To compensate SingTel for its reasonable costs incurred, IDA will permit SingTel to recover from the Requesting Licensee its reasonable costs incurred up till the point of cancellation.
- 1.6 IDA believes this position is reasonable as it balances the interests of both SingTel and the Requesting Licensee: SingTel is compensated for its reasonable costs, and the Requesting Licensee may apply for the relevant licences under a more efficient and effective process for service provisioning.

## 2. Each Party is Responsible for its own Termination Costs

- 2.1 Under the current RIO, there is no provision for recovery of costs incurred for processing termination requests. IDA does not see any merit in changing this current practice. The imposition of charges for processing termination requests is not in line with general business practice.
- 2.2 However, to the extent that SingTel needs to recover costs for necessary reinstatement works (e.g., physical works to restore co-location space, lead-in ducts and manholes) following the termination of the relevant underlying services by Requesting Licensees, SingTel may recover such costs on a reasonable basis. IDA views that the recovery of such costs is reasonable, as SingTel could have avoided such costs if the underlying services had not been provided to the Requesting Licensees.

## 3. Service Level Guarantees

- 3.1 Sub-section 6.3.3.3(a) of the Code 2005 provides that the RIO must contain "a description of the quality of service that the Dominant Licensee will provide – including the means by which quality of service will be measured, the timeframe within which any short-comings will be corrected, and the amount and manner in which the Requesting Licensee will be compensated for any failure by the Dominant Licensee to meet the quality of service standards." Sub-section 6.3.3.3(f) of the Code 2005 further provides that, in relation to each service offered under the RIO, SingTel must specify the "expected number of days from order to provisioning, the means by which provisioning will be monitored (including quality of service testing procedure), the procedure for reporting operational and technical problems, the procedures and timeframes for correcting any such problems, and the amount and means by which the Dominant Licensee will compensate the Requesting Licensee for any unreasonable provisioning delays."

- 3.2 Arising from the requirements specified in Sub-sections 6.3.3.3(a) and 6.3.3.3(f) of the Code 2005, IDA had in its 21 February 2005 letter required SingTel to propose service level guarantees for inclusion into the RIO. In proposing its modifications to the RIO, SingTel failed to provide effective and comprehensive service level guarantees that comply with the requirements of the Code 2005.
- 3.3 Accordingly, IDA directs SingTel to propose service level guarantees that fully address the requirements in Sub-sections 6.3.3.3(a) and 6.3.3.3(f) of the Code 2005. Specifically, SingTel must propose service level guarantees for each service under each schedule that:
- (i) provide for the following:
    - (a) quality of service standards;
    - (b) timeframes for ordering;
    - (c) timeframes for provisioning; and
    - (d) timeframes and quality of service standards for fault rectification;
  - (ii) provide the Requesting Licensee with effective remedies for SingTel's failure to comply with such guarantees; and
  - (iii) meet the following requirements:
    - (a) subject to sub-paragraph (b) below, where there is a similar retail or wholesale offering, the proposed service level guarantees and corresponding remedies for that service must not be worse off than that provided under SingTel's retail or wholesale offering;
    - (b) the proposed service level guarantees and corresponding remedies will not place the Requesting Licensee at a competitive disadvantage vis-à-vis SingTel in offering any similar service; and
    - (c) in relation to service level guarantees for ordering, provisioning and fault rectification timeframes for each service under each schedule, SingTel must ensure that it adopts the timeframes to be approved by IDA with respect to such works under the relevant schedule.

#### 4. Recovery of Charges and Costs

- 4.1 IDA notes that several provisions in SingTel's RIO provide that SingTel may recover its costs incurred in performing work under those provisions (for example, please see Clause 9.11 of Schedule 3D, Clause 2.8 of

Schedule 5A Annex C; Clause 1.3 of Schedule 5C and Clause 7.4 of Schedule 7A).

- 4.2 Any costs that SingTel wants to recover under the RIO must be subject to IDA's approval. In implementing this requirement, IDA adopts the following position. The starting premise is that, generally, all costs that SingTel wants to recover under the RIO must be proposed as a Charge for inclusion in Schedule 9 of the RIO. All Charges in Schedule 9 and any amendment thereto, must be audited and approved by IDA. Once approved, SingTel may recover such Charge from the Requesting Licensee without further IDA approval.
- 4.3 However, IDA recognises that certain costs cannot be determined upfront and can only be determined on a case-by-case basis depending on the circumstances of the request (for example, the costs for Site Preparation Work in relation to Co-Location Space under Schedule 8D). For these cases, if SingTel wants to recover such costs, SingTel must specifically provide in the relevant schedule a provision describing the specific work item and its right to recover the reasonable costs incurred for such work item. Further, SingTel must notify and obtain the Requesting Licensee's agreement prior to the incurrence of such costs. For this purpose, SingTel must seek IDA's approval for incorporating such a provision into its RIO (including specifying the work item and basis for recovery). Once IDA approves the provision for incorporation into the RIO, IDA will generally not require SingTel to obtain IDA's approval in determining the reasonable costs to be recovered on a case-by-case basis. Should there be any dispute in determining the reasonable costs, the parties may refer the dispute to IDA in accordance with the requirements of the Code 2005.