

Case Reference	R/E/I/115
Title	NetLink Trust's Failure to Comply with IDA's Quality of Service Standards on Service Provisioning Timeframe for Residential End-User Connections from January to June 2014
Date of IDA's Decision	5 November 2014
Licensee	CityNet Infrastructure Management Pte Ltd (as Trustee-Manager of the NetLink Trust) (" NetLink Trust ")
Case Summary	<p>NetLink Trust completed its acquisition of OpenNet Pte Ltd's ("OpenNet") business and assets on 1 October 2014. In this regard, NetLink Trust has taken over the systems, services and obligations previously undertaken by OpenNet under the OpenNet's Facilities-Based Operations licence. OpenNet will henceforth be referred to as NetLink Trust.</p> <p>For the period January to June 2014, NetLink Trust failed to meet the Quality of Service ("QoS") standard of 98% and 100% respectively for the following indicators:-</p> <ul style="list-style-type: none"> a) "Percentage of Residential End-User Connection service orders provisioned within (i) three business days of the date of service order or (ii) by Request for Activation ("RFA")¹ date"; and b) "Percentage of Residential End-User Connection service orders provisioned within (i) seven business days of the date of service order or (ii) by RFA date + 4 business days". <p>For the period January to June 2014, NetLink Trust's performance for the two QoS indicators ranged between 85.34% to 92.48% and between 89.10% and 94.85% respectively.</p> <p>NetLink Trust submitted that it has exercised reasonable diligence and foresight in catering to the industry's changing needs, including but not limited to increasing the service activation capacity and seasonal slots under the Interconnection Offer ("ICO")², deploying a fifth service activation timeslot on business days, introducing service activation slots on Saturdays and accepting service orders submitted by its Requesting Licensees on Saturdays and Sundays. NetLink Trust therefore sought IDA's consideration that its failure to meet the QoS</p>

¹ The RFA date refers to the date requested by Requesting Licensees beyond the service provisioning timeframes stated in the QoS framework despite activation slots being available within the said period.

² The ICO def/in...es the terms and conditions under which the NetLink Trust may offer its services to any Qualifying Persons.

	<p>indicators for Residential End-User Connection Services was due to factors it claimed were beyond its reasonable control, such as uneven demand for its services, orders requiring the activation of the second fibre strand in the First Termination Point, and delays due to third parties (e.g. denial of access by building owner/management, pipe blockage, on-site issues, and end-user's premise undergoing renovation).</p>
IDA's Determination	<p>IDA's QoS standards on the timeframe for NetLink Trust's provisioning of Residential End-User Connection services took effect on 1 January 2013 and was revised with effect from 1 January 2014 to take into consideration NetLink Trust's performance for service orders requested to be activated on RFA dates.</p> <p>For failing to comply with the residential QoS standards for the period January to June 2014, NetLink Trust is liable for a financial penalty under the QoS framework. In determining the appropriate enforcement action against NetLink Trust, IDA took into consideration the following:</p> <ul style="list-style-type: none">(i) NetLink Trust's efforts in increasing and/or adjusting its service activation capacity and processes to meet the demand for its fibre connection services;(ii) NetLink Trust's efforts in improving processes to manage delays arising from end-users' transition from one service provider to another; and(iii) The significant improvement in performance compared to previous quarters in 2013, as the failure margin is much smaller for the period January to June 2014. <p>Having considered all factors, IDA decided to impose a financial penalty of \$50,000 on NetLink Trust.</p>