

Case Reference	REG/INTC/001
Title	Dispute on Request for Introducing of New Call Type “SingNet Enquiry 1610”
Case Opened	3 January 2002
Case Closed	15 March 2002
Referring Party	StarHub Pte Ltd (“StarHub”), Singapore Telecommunications Limited (“SingTel”)
Non-referring Party	-
Case Summary	<p>SingTel submitted its request to StarHub to implement a new call type “SingNet Enquiry 1610” under their RIO Agreement. Both parties were in dispute over the implementation charge for introducing the new call type in StarHub’s network. StarHub sought to impose two implementation charges, the charge for an IGS/SGS and the charge for a local switch¹, for the work required in implementing the new call type on each of its integrated switches². SingTel viewed that the implementation charge for an IGS/SGS would be sufficient to reflect the work performed by StarHub on each of its integrated switches since the additional work required in implementing the new call type for the local switch functionality residing in these switches are minimal.</p> <p>The dispute was referred to IDA for resolution pursuant to the Interconnection Dispute Resolution Framework after both parties had failed to resolve the dispute in accordance with the dispute resolution procedures set out in Schedule 11 of their RIO Agreement.</p>
IDA’s Determination	<p>IDA determined that:</p> <p>a) StarHub requires additional effort to implement the new call type for each of its integrated switches. However, StarHub’s attempt to impose the two implementation charges will not accurately reflect the work and costs that it would incur, as it is reasonable to expect some synergistic cost savings arising from work performed on its integrated switches. SingTel’s proposed implementation charge for an integrated switch based on per IGS/SGS only is also inappropriate, as this ignores the additional work and costs that StarHub would incur for the additional local switch functionality that resides in its integrated switches.</p>

¹ The implementation charges for an IGS/SGS and a local switch were determined by IDA and incorporated in Schedule 9 of the SingTel RIO.

² Each of the integrated switches performs the IGS and local switch functionalities.

b) IDA's determined RIO charges for implementation of a new call type at the IGS/SGS and a local switch only reflects the costs for a standalone IGS/SGS and a local switch. As SingTel informed during the dispute that its IGSs and SGSs are also similarly built integrated switches, it is therefore necessary to assess and determine the implementation charge for an integrated switch to reflect accurately the costs that would be incurred. This is consistent with IDA's approach to ensure the structure of RIO charges mirrors the cost behaviour of provision of Interconnection Related Services.

In the circumstances, IDA directed SingTel and StarHub as follows:

- a) IDA will conduct an assessment of the work processes required by SingTel on its integrated switches and determine the appropriate call type implementation charge using the FLEC costing methodology. The determined charge will be incorporated into the SingTel RIO, where the parties will apply such charge for a new call type implementation that involves an integrated switch.
- b) In the interim, StarHub shall proceed with the implementation of the new call type "SingNet Enquiry 1610". IDA will also require both parties to continue to implement new call type requests that are received in the future while IDA conducts its assessment and determination of the appropriate call type implementation charge for an integrated switch. Both parties can recover the outstanding implementation charges associated with their integrated switches once IDA has completed its assessment and determination. IDA intends to complete the assessment and determination of the call type implementation charge by end April 2002.