

Case Reference	R/E/I/131
Title	NetLink Trust's Compliance with IMDA's Quality of Service Standards on Service Provisioning Timeframe for Residential End-User Connections from July 2017 to June 2018 and Non-Residential End-User Connections from April 2017 to March 2018
Date of IMDA's Decision	4 December 2018
Licensee	NetLink NBN Management Pte. Ltd. (in its capacity as trustee-manager of NetLink NBN Trust) NetLink Management Pte. Ltd. (in its capacity as trustee of NetLink Trust) (Collectively known as " NetLink Trust ")
Case Summary	<p><i>Residential End-User Connections</i></p> <p>For the period July 2017 to June 2018, NetLink Trust failed to meet the residential Quality of Service ("QoS") standards 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 July 2017 to June 2018, NetLink Trust's performance for the two QoS indicators ranged between 95.11% to 97.84% and between 96.16% to 98.83% respectively.</p> <p><i>Non-Residential End-User Connections</i></p> <p>For the period April 2017 to March 2018, NetLink Trust has passed the first QoS standard of provisioning at least 80% of the service orders within four calendar weeks or by the RFA date. However, NetLink Trust failed to meet the non-residential QoS standard of 100% for the following indicator: -</p> <ul style="list-style-type: none"> a) "Percentage of Non-Residential End-User Connection service orders provisioned within (i) eight

¹ The RFA date refers to the date requested by Requesting Licensees beyond the service provisioning

	<p>calendar weeks of the date of service order or (ii) by RFA date + 4 calendar weeks”.</p> <p>For the period April 2017 to March 2018, NetLink Trust’s performance for the above QoS indicator ranged from 96.48% to 99.70%.</p> <p>Overall, NetLink Trust’s performance in the fulfilment of residential and non-residential end user connection service orders has improved compared with the previous assessment periods. Failure margins have also narrowed to between 2.5% and 1.5% from the required standards.</p>
<p>IMDA’s Determination</p>	<p>For failing to comply with the QoS standards for residential end-user connections for the period July 2017 to June 2018 and non-residential end-user connections for the period April 2017 to March 2018, with the exception of NetLink Trust’s “T+4 Calendar Weeks” performance for the non-residential end-user connections, NetLink Trust is liable for a financial penalty under the QoS frameworks.</p> <p>In deciding the financial penalty quantum for NetLink Trust’s non-compliance for both the residential and non-residential QoS standards, IMDA has considered the efforts by NetLink Trust to provision services on time and the improvement in performance. For instance, for residential end user connections, NLT had fulfilled the first QoS standard of completing more than 98% of first-fibre orders within three business days or by RFA date. IMDA also took into consideration delays outside of NetLink Trust’s control despite NetLink Trust’s best efforts, such as the time taken by building owners to allow site access into buildings.</p> <p>IMDA also noted the high adoption of fibre broadband services amongst households today. The competitive fibre broadband service plans in the market have resulted in an increasing number of households switching service providers to take advantage of plans that offer more value. As the pre-existing fibre broadband service is delivered through an optical fibre, to provision service to these households, either a second optical fibre, or handing over of this first optical fibre between service providers, is required. It has thus taken a longer time to provision some orders for the second optical fibre.</p> <p>Having considered all factors, IMDA has decided to impose a financial penalty of \$50,000 on NetLink Trust for not</p>

timeframes stated in the QoS framework despite activation slots being available within the said period.

	<p>meeting the residential QoS standards and \$20,000 for not meeting the “T+8 Calendar Weeks” non-residential QoS standard.</p> <p>IMDA also notes that there were prolonged delays in the provisioning of some orders, which could be due to the provision of a second optical fibre or other operational issues. Going forward, IMDA expects NetLink Trust to minimise the prolonged delays, and also consider compensating end-users for such prolonged delays. Such mitigating measures will be taken into consideration for future assessments of NetLink Trust’s QoS performance.</p>
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