

ASIA PACIFIC CARRIERS' COALITION
(Incorporated in the Republic of Singapore)

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Aileen Chia (Ms)
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By Email: IDA_Consultation@ida.gov.sg

Dear Ms Chia

Submission by the Asia Pacific Carriers' Coalition (APCC) in response to IDA's Consultation Paper on the Interconnection Offer For The Provision Of Services On The Next Generation Nationwide Broadband Network (NGNBN) – Review of OpenNet Pte Ltd's Interconnection Offer

This submission is provided by the Asia Pacific Carriers' Coalition ("APCC") in response to IDA's consultation paper referred above.

APCC DESCRIPTION AND INTEREST

The APCC is an industry association of global and regional carriers operating in the Asia Pacific region, formed to work with governments, national regulatory authorities and consumers to promote open market policies and best practice regulatory frameworks throughout the Asia Pacific region that will support competition and encourage new and efficient investment in telecommunications markets. APCC's submission reflects the consensus of opinion among at least a majority of the APCC members. Therefore none of the views expressed in this submission should be attributed to any individual member of the APCC.

APCC has strong interests in Singapore with majority of our members being present in Singapore as Facilities-Based Operator (FBO) licensees. We are business market players in Singapore and require a truly competitive market to enable us to ensure that we can maximize our investment opportunities in the Singapore telecoms market. In this regard, we would take up services from the NGNBN service offerings if it makes commercial sense to do so.

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SUMMARY OF POSITION

Whilst APCC agrees with IDA's opening statement in the consultation paper that the NGNBN is of strategic importance to drive Singapore's economic and productivity growth into the next decade, there are a number of challenges in the NGNBN implementation. We believe that the detail of what is necessary to be addressed to ensure effectiveness and efficiency of the NGNBN is challenging and complex, and it is the details which will determine the ultimate success.

It is on this basis that we've since the introduction of the NGNBN service offerings by OpenNet (ON) and Nucleus Connect (NC), been putting efforts to reach out to the key stakeholders, both the IDA as well as ON and NC, to address the needs of the business markets. We've covered in our discussions on issues relating to the scope and operational perspectives of the NGNBN service offerings which we believe would have an impact on the costs that business market customers will need to bear if they wish to subscribe to NGNBN-supported services.

APCC notes that in addition to this consultation paper, IDA has before the issuance of the consultation paper, conducted two (2) closed roundtable sessions with ON, NC, and the RSPs to discuss and address various operational issues (some of which are included within this consultation paper). We appreciate IDA's initiative in gathering the immediate NGNBN stakeholders to resolve operational issues. However, this approach may not cover potential gap within the NGNBN structure without considering feedbacks from the wider telecoms industry players who may have been in discussions with ON and/or NC to work out suitable service offerings based on their customers' needs commercially, but may not have signed up the ICOs with ON and/or NC due to operational and cost related issues.

We support IDA's view that it would require changes to be made to the NetCo Interconnection Offer (NetCo ICO) to address operational issues effectively. We would recommend to the IDA that the holistic review should be extended to the OpCo Interconnection Offer (OpCo ICO) and to the extent how the NetCo ICO and OpCo ICO stack up to fully resolve the operational issues effectively.

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SUMMARY OF COMMENTS

	Comments	Impact (Performance or Cost)
Orders	<p><u>Classification/Definition of Buildings (Schedule 18)</u></p> <ul style="list-style-type: none"> - Lack of clarity and certainty in the classification/definition of buildings may result in the delay of orders, processing and delivery of services, and unnecessary rejected orders. - Suggestion that the IDA and the relevant authority develop a set of specific guidelines on the classification or definition of buildings. <p><u>Coverage</u></p> <ul style="list-style-type: none"> - There are gaps in the definition of coverage: <ul style="list-style-type: none"> o Coverage should be defined more specifically by buildings and not by areas. o There is lack of clarity and certainty in terms of new buildings coverage. - In terms of coverage by areas, although technically ON may serve in these covered areas, physically this may not be the case. For an example, when ON may experience issues with the building management to access certain buildings. - ON should be allowed to claim coverage only if they have achieved true access to the buildings they claim they have coverage, instead of claiming coverage by areas. - Where ON has already claimed coverage, there would be no incentive for ON to "fight" their way into the buildings to achieve physical coverage. If ON may only claim coverage after they successfully enter a building, then they will have to "fight" for it hence truly providing coverage. - In relation to the gaps in the definition of coverage, ON's portal may show that certain buildings/areas are covered. However, Requesting Licensee(s) may then find that orders are rejected due to building coverage related issues notwithstanding the status shown on ON's portal. These rejected orders are then considered as cancelled. In return, Requesting Licensee(s) will have to front their end-user customers with valid reasons why their orders are rejected when the portal is 	<p>Performance</p> <p>Performance</p>

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	<p>indicating that there is coverage in the buildings/areas of interests. This issue of “pseudo coverage” makes no commercial sense to the business market service providers.</p> <ul style="list-style-type: none"> - Suggestion that IDA requires ON to make available to the public on their portal, a list of actual buildings covered with monthly updates. This has a two-pronged benefit, i.e. providing clarity and certainty to Requesting Licensee(s) on actual buildings’ coverage status as well as adding pressure to building managements by listing the buildings which are already covered to create competition for those which are not covered to catch-up/cooperate with ON to achieve coverage in order to increase their buildings’ appeal to potential properties tenants/buyers. <p><u>Order Quota</u></p> <ul style="list-style-type: none"> - Sch 2 Para 5.2 in effect would reduce the total order quota by setting a cap of 480 orders per day which will contribute towards further inefficiency in processing of orders. - Sch 2 Para 6.1.4 on a maximum 40 express service orders per day which applies only under specific circumstances (which would not be in the same category as normal orders) should be allocated in addition to the total order quota which ON is required to process within a week or a day. - Sch 2 Para 18, where every relocation would require 2 orders, it will contribute towards further inefficiency in processing of orders. 	Performance
Delivery	Sch 2 Para 5.4(b) will enable ON to reject an application if there is any breach of regulatory requirements by building owner, building management, home owner or end-user, which essentially leaves the discretion with ON to decide whether one is in breach of regulations. There should be clarity in terms of how ON would arrive at the position that one is in breach of a regulatory requirement.	Performance
Performance and Faults	<p><u>Service Level Guarantees</u></p> <ul style="list-style-type: none"> - This should be considered and solutions to be thought through thoroughly at every layer and between each layer, in view of the cascading effect of the 3-tier NGNBN structure. 	Performance and Cost

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	<ul style="list-style-type: none">- There will always be the situation where a key stakeholder within the 3-tier NGNBN structure is not privy to the contract between the other 2 stakeholders hence exempted from relevant obligations to perform.- Generally, failure to deliver any NGNBN service will not be considered a breach due to faults by a party from another tier.- The end-user customer expecting performance guarantee from RSP will not be able to claim any rebate due to any fault not within the RSP's control.- RSP will not be able to claim any rebate from NC due to any fault not within NC's control.- NC will not be able to claim any rebate from ON due to any fault not within ON's control. <p><u>Fault Reporting and Clearing</u></p> <ul style="list-style-type: none">- There should be a one-stop fault reporting system to avoid the extended delay of time and additional unnecessary fault related administrative costs which a stakeholder may be required to take and pay to another stakeholder from another tier of the NGNBN structure.- The overall administrative inefficiency and unnecessary costs incurred in between the different layers will ultimately impact the end-to-end performance and costs of the NGNBN-supported services to the end-user customers.	Performance and Cost
Costs/ Charges	<p><u>Banker's Guarantee/Security Deposit (Main Body)</u></p> <ul style="list-style-type: none">- This is unnecessary in consideration of market practice.- Suggestion to the IDA to consider exempting FBO from this requirement.- ON's proposed Clause 18.8 in the Main Body is not justified. <p><u>Onsite Charge</u></p> <ul style="list-style-type: none">- Sch 2 Para 9.16 enables ON to charge onsite charges whenever Requesting Licensee requests for ON to be onsite for any reason, which may include reasons due to the negligence of ON and any other third party.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	Cost Cost

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	<p><u>Missed Appointment Charge</u></p> <ul style="list-style-type: none">- Sch 2 Para 11.10 enables ON to impose a Missed Appointment Charge where the Requesting Licensee changes an appointment for the joint investigation without at least 1 business day notice.- ON should in return provide an equivalent amount as rebate in the event ON changes an appointment for the joint investigation without at least 1 business day notice. <p><u>Joint Fault Investigation Charge</u></p> <ul style="list-style-type: none">- Sch 2 Para 11.8(c) enables ON to impose a Joint Investigation Charge in the event the process was initiated by the Requesting Licensee.- This promotes the behaviour of ON having to only actively resolve the issue during a joint investigation. Together with this, more often than not the root cause is not disclosed and ON can put it as No-Fault-Found hence resulting in another charge.- In addition, it also enables ON to charge in the event the Requesting Licensee-initiated joint investigation relates to an outage due to third party fault.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service. <p><u>Fault Cancellation Charge</u></p> <ul style="list-style-type: none">- Sch 2 Para 11.2 enables ON to charge for cancellation of any fault reported regardless of the response or stage of investigation by ON, which include situation where a fault gets cancelled upon ON addressing a fault caused by ON.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	<p>Performance and Cost</p> <p>Performance and Cost</p> <p>Cost</p>
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	<p><u>No-Fault-Found Charge</u></p> <ul style="list-style-type: none">- Sch 2 Para 11.6 enables ON to impose a No-Fault-Found Charge where ON determines that no fault is found or the fault is due to a third party's fault.- Addressing faults within the 3-tier NGNBN structure is challenging both administratively as well as from cost perspective.- It is inevitable that RSP will report a fault with NC and NC with ON, and there may be situation where a fault may be due to delay in delivery by one or more parties or due to inefficient coordination between different parties in delivery (after all the performance of the NGNBN services is dependent on 3 key stakeholders) leading to No-Fault and No-Fault-Found charge will be incurred.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	Cost
	<p><u>Second Termination Point Charge</u></p> <ul style="list-style-type: none">- Sch 15 Para 1.3.3 enables ON to impose an installation charge for the Second Termination Point at a cost which is up to 50% higher than the installation charge for the First Termination Point without any justification.	Cost
	<p><u>Patching Charges</u></p> <ul style="list-style-type: none">- Sch 15 Para 2.3.4 enables ON to impose additional patching charges without any justification.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	Cost
	<p><u>Relocation Charge</u></p> <ul style="list-style-type: none">- Sch 15 Para 2.15 enables ON to impose a Relocation Service Charge in addition to the charges payable for installation, activation and deactivation of patching in the CO and MDF room, without justification.- This adds up to the costs to deliver the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	Cost

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	<p><u>Misc Charges</u></p> <ul style="list-style-type: none">- Sch 15 Para 2.3.3 enables ON to impose other additional undefined and non-prescribed charges at their discretion, in addition to the Standard Installation Charge and Installation of Network Charge, for the purposes of termination point removal, site reinstatement, overtime charges (after office hours, weekends and public holidays), non-standard installations (e.g. special trunking, scaffolding), access fees or other fees.- This lacks clarity and certainty, potentially causing the effect of incurring hidden costs that adds up to the costs of delivering the NGNBN-supported service which will ultimately impact on the costs that end-user customers will need to bear in order to subscribe to NGNBN-supported service.	Cost
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We note that the IDA will separately review ON's proposed new charges under the draft revised NetCo ICO. We would request that the IDA allows the industry an opportunity to comment on the proposed new charges for IDA's consideration before IDA makes a decision on the same, as the charges may be cascaded to the overall costs which customers will have to bear in the end in order to subscribe to the NGNBN service offerings.

Last but not least, APCC would recommend that IDA reviews the OpenNet ICO in consideration of the industry's views mentioned above, as the businesses and customers of our members will either benefit or be impacted from the outcome of the review.

APCC would appreciate any opportunity to provide further inputs on this as IDA may consider appropriate.

Thank you.

Yours sincerely

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