

Date: 28th December 2011

INFOCOMM DEVELOPMENT AUTHORITY OF SINGAPORE ("IDA")

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Attention: Ms Aileen Chia / Deputy Director-General (Telecoms & Post)

<u>PUBLIC COMMENTS ON REVIEW OF INTERCONNECTION OFFER FOR THE PROVISION OF</u> SERVICES ON THE NEXT GENERATION NATIONWIDE BROADBAND NETWORK

We refer to the consultation open for public comments on Review of Interconnection Offer for the Provision of Services on the Next Generation Nationwide Broadband Network dated 8th November 2011.

Viewqwest submit herein our views and comments for IDA's consideration.

Please do not hesitate to contact the undersigned should IDA require any clarification on this submission.

Yours sincerely,

Goh Kah Lin General Manager



PUBLIC CONSULTATION ON THE REVIEW OF INTERCONNECTION OFFER FOR THE PROVISION OF SERVICES ON THE NEXT GENERATION NATIONWIDE BROADBAND NETWORK

RESPONSE BY VIEWQWEST PTE LTD TO THE CONSULTATION PAPER ISSUED BY IDA ON 8th NOVEMBER 2011

(1) Statement of Interest

Viewqwest Pte Ltd ("Viewqwest") is a Facilities Based Operator (FBO) in Singapore since year 2007. We have signed the Interconnection Offer Agreement with Opennet Pte Ltd ("Opennet") in year 2010 and has since provided NGNBN services to corporate users. Viewqwest intends to extend our services to residential users from year 2012.

Viewqwest welcomes the opportunity to submit our views and comments on the review of Interconnection offer (ICO) for the provision of services on the next generation nationwide broadband network. Viewqwest supports most of IDA's and Opennet's initiated changes

(2) General Comments

While Viewqwest recognizes the importance of the agreement in the operations of the NGNBN, we like to comment that the agreement respectfully does not satisfactorily cover aspects that the NetCo faces on the ground. We believe that this is the root cause of most delays that we are facing now. We hope that with the changes in the ICO and Code of Practice for Infocommunication Facilities in Building ("COPIF"), processes can be more efficient as lines are drawn clearer on the responsibilities of stakeholders.

(3) Specific Comments

For the avoidance of doubt, any reference of clauses herein will be to the Proposed Opennet's Revised ICO as posted on IDA's website.

a. Main ICO Body

i. Clause 18.8, b, ii – ON has suggested that based on annual review, ON may "increase the amount of the Security Requirement to the higher of \$\$30,000 or three (3) times of the Requesting Licensee's highest invoice in the past year." A Requesting Licensee's highest invoice in a year, especially when it just started, will tend to have high One Time Charge (OTC). Hence in congruence with the basis set in Clause 18.3 in determining the amount of security requirement, Monthly Recurring Charge (MRC) of the highest invoice should be used as the basis instead of the highest invoice in totality which may include OTC and MRC.

b. Schedule 1 Residential End-User Connection

- i. Clause 3.1, A, c ON initiated a separate charge to the Requesting Licensee for patching service at ON's FDF at the Building MDF. Viewqwest does not agree to such a cost. The cost of the said patching must have been included in the initial proposed ICO charges and the imposition of such a cost would then be deemed unfair to late entrants whose cost per subscriber would increase thus skewing their business planning.
- ii. Clause 5.14 ON initiated charges for missed appointment by Requesting Licensee. While we do not oppose to these charges, we find that a corresponding clause to missed appointments by ON and/or its contractors is not present. ON also did not address lack of punctuality by ON and/or its contractors.



- Viewqwest sees the inclusion of such a clause as a current slack of communication between ON, its contractors and the Requesting License, which could be address effectively by stronger communications processes.
- iii. Clause 6.11 Viewqwest noted that there is no provision of a switch from a normal lead time activation order to an express activation order. Given the current delays of activation date, an End User may not be able to decide on an Express Service until they receive the first proposed activation date. It is our opinion, then, that an express activation charge can be imposed but no cancellation charge of the normal lead time activation should be imposed should such a switch be required.
- iv. Clause 6.11, e ON stated that the maximum number of Requests for express activation is limited to 40 per day and if Requesting Licensee's request is the 41st case, the Requesting Licensee will be charged Express Service Activation Request Charge in accordance with Schedule 15 (Charges). As no expressed phrase was made with regards to the checks in the ordering portal, Viewqwest like to point out that available slots should be visible in the normal order management process. Hence the reference to Clause 6.1, b should be avoided.

c. Schedule 2 Non-residential End User Connection

- i. Clause 3.1, A, c ON initiated a separate charge to the Requesting Licensee for patching service at ON's FDF at the Building MDF. Viewqwest does not agree to such a cost. The cost of the said patching must have been included in the initial proposed ICO charges and the imposition of such a cost would then be deemed unfair to late entrants whose cost per subscriber would increase thus skewing their business planning.
- Clause 6.14 ON initiated the provision of a request for express service activation with the conditions that they listed from (a) to (h). Viewqwest notes that clause (a), "OpenNet's fibre network has already been rolled out from the Central Office to the serving cabinet and from the serving cabinet to the First Termination Point in the Non-Residential Premise (which must already been installed and where the location of the First Termination Point remained unchanged)" can hardly be met now. For non-residential End User connection, a normal process will need a site survey appointment followed by the installation appointment. The First Termination point is laid during the installation appointment. The current delays that Requesting Licensees faces, if any, are the time needed for negotiations where Building Managers have imposed non-uniform approvals, restrictions or charges creating a grey area of whose responsibility should this lie with. Currently within 2-3 days after installation, the activation will be done and order completed. Hence an express service for Non-residential End Users may not be efficient for now. However, this is not to say that express service will not be useful. When more Non-residential End-user premises are equipped with a Fiber Termination Point (FTP) i.e. previous tenant or owner installed, express service will be a very well received option.
- iii. Clause 18.1, ii NRIC/FIN/Passport Number of the End User required. Since this is Schedule 2 Non-residential End User Connection, a more appropriate identification like the Company Registration certificate or its equivalent, should be requested.

d. Schedule 15 Charges

 i. Cancellation charges of Schedule 2 – cancellation charges can be differentiated to 2 types. Firstly, current process of Non-Residential End User connection does not seem to have any physical resource usage (request submitted through portal)



should the cancellation be done before the site survey. Instead of the cancellation charge that is the full installation charge (which may include Installation of Network Charge), we propose a lesser cancellation charge, at IDA's fair discretion, be imposed at such juncture. Then if site survey was done and a cancellation be placed before the installation appoinement, it would be reasonable then to charge based on the current cancellation charges.

ii. Monthly Charge for 1 month term Non-residential End User Connection is noted to be 6 times higher than the monthly charge for 12 months term. While it is reasonable that there should be a differential to the monthly charge, 6 times higher is not a reasonable increase according to the market today. A reasonable multiplier is probably 3 times which the market is familiar with.

(4) Conclusion

Viewqwest appreciates the opportunity to provide comments to IDA's public consultation on the Review of Interconnection Offer for the Provision of Services on the Next Generation Nationwide Broadband Network. Should IDA require any clarification on this response, please do not hesitate to contact us.