

Citycom Networks Pvt Ltd comments on TRAI's Consultation Paper no 14/2012 on Estimation of Access Facilitation Charges and Co-location Charges at Cable Landing Stations

Q1. Cost data and costing methodology used for estimating the access facilitation charges and co-location charges in this consultation paper. In case of a different proposal, kindly support your submission with all relevant information including cost and preferred costing methodology.

Comments

We agree with the costing methodology/approach adopted by TRAI for estimating the access facilitation charges /Co-location charges as have been indicated in the various tables under the present circumstances. We believe that the costing methodology is fine.

In para 13, TRAI has noted that there is only one passive element i.e. Optical Distribution Frame (ODF) which is required for the provisioning of access facilitation at 10G level or any other level which is provided by the consortium . Some OCLSs also agree with this point of view .

In view of above, we support the TRAI's costing methodology for estimation of AFC and further suggest that the DXC and its cost should be excluded from the cost model and final charges for access facilities at cable landing station may be finalized. This should result in costs which are may be comparable with other competitive telecom market in other jurisdictions.

Q2.On the power requirement of the transmission equipment i.e. DWDM, DXC equipped with different capacities, supplied by different equipment manufacturers.

Comments

We believe that up-to 6 KVA is typical for a DWDM/DXC.

Q3. Percentage used for OPEX and capacity utilization factor with supporting data on each OPEX item specially on space and power consumption of various equipments.

Comments

OPEX percentage

It appears that the percentage (30%) used for OPEX for this segment for estimation of charges of access facilities at cable landing stations is okay.

Capacity utilization factor

We have noted that capacity utilization factor taken by TRAI is in line with best international regulatory practices; therefore we support the capacity utilization factor of 70% for estimation of AFC.

Q4. Whether ceiling of uniform Access Facilitation Charges may be prescribed for all Cable Landing Stations in two categories i.e. AFC at CLS and AFC at alternate Co-location, or these charges should be dependent on submarine cable system or location of cable landing stations?

Comments

TRAI has very rightly noted in Para 22 of the consultation paper that “work done for access facilitation at cable landing station is the same for all cable landing stations. Therefore, it may not be required to estimate the cost based charges separately for each cable landing stations. The only variation could be due to space and electricity charges if the cable landing stations are located at two different cities, which may be a small portion of total costs. In case of access facilitation at Meet Me Room (MMR) the difference could also be because of length of optical fiber link between CLS and MMR”.

We support the TRAI’s view noted in Para 22 and recommend that the ceiling of uniform cost based access facilitation charges should be prescribed by TRAI for AFC at CLS and alternate collocation in all cases.

Q5. Whether prescribing the access facilitation charges on IRU basis is required?

Comments

We believe that AFC on IRU basis is also required. This will allow the access seekers to match the contracts looking for IRU Contract term.

Q6. Whether uniform co-location charges may be prescribed or such charges should be location dependent?

Comments

We recommend that TRAI must prescribe the location based range or band for the collocation charges.

Q7. Whether the restoration and cancellation charges should be either a fixed charge or based on a percentage of the AFC. In case of fixed charge, should the present charges be continued or need revision?

Comments

We believe that existing charges are on higher side. We understand that restoration / cancellation is equivalent to plug-in or plug-out for connection or disconnection for any circuit.

We recommend that the present charges should be revised to the tune of Rs. 10000/- (Rs Ten thousand) per instance of restoration / cancellation.

8. Any other comment related to Access Facilitation Charges, Co-location charges and other related charges like cancellation charges, restoration charges along with all necessary details.

Comments

As per the CLS Regulations, 2007 the review of access / co-location was due in the year 2010. We have been contesting since 2010 through facts and figures that these charges may

be reviewed immediately and should be brought down to the level of charges prevailing in other jurisdictions. These charges have not been reviewed and fixed in 2010 itself and the standalone ISPs would have been forced to pay the high charges to the OCLSs till date. It can be well understood through Table 7(a) and 7(b) of the consultation paper which shows the annual CLS / Co-location charges at merely 2~5% of the existing prevailing charges

We further suggest that a suitable provision may be made in the CLS regulations, 2012 for periodic review of AFC/CLS .