

Telecom Regulatory Authority of India

January 12 , 2007

Press Release No. 5/ 2007

TRAI issues draft amendment in the Regulations on Port charges for stakeholders' comments

Telecom Regulatory Authority of India (TRAI) today issued a draft amendment Regulations on Port charges for comments of stakeholders.

With the induction of the competition in the telecom sector in the country, the interconnection among the service providers has become an essential requirement for the development of the sector. In the multi-operator multi-service scenario, establishment of effective interconnection helps the consumers of one network to communicate with the consumers of another network. Port is an essential part for the establishment of the interconnection between two networks. Port may be defined as a place of termination on a switch/exchange to provide Point of Interconnection (POI) for ingress and egress of traffic between the two interconnecting networks. The Port charges are payable by the interconnection seeker to the interconnection provider for terminating interconnection links on the network interface of the interconnection provider.

The proposed amendment in these Regulations reduces the existing Port charges by about 23% to 29% for various slabs. TRAI expects that service providers will pass the benefit of reduction in Port charges to the consumers.

These draft amendment Regulations also mandate interconnection seekers to place their demand for the required number of Ports, on every Point of Interconnection (POI) on the basis of traffic projection, on an annual basis. This would facilitate the Interconnection Provider to take timely action to procure the expansion equipment for provisioning of Ports. This will also help effective and timely interconnection among different networks thereby improving the quality of service to consumers.

On 28th May 1999, the Authority had notified “The Telecommunication Interconnection (Charges and Revenue Sharing) Regulation 1999”, which specified arrangements among service providers for interconnection charges and revenue sharing for all telecommunication services including Port charges. TRAI, after consultation with the industry notified a revised Regulation on port charges: “The Telecommunication Interconnection (Port Charges) Regulation 2001”, on 28th December 2001. In the said Regulation, it was also mentioned that the Authority may also at any time, on reference from any affected party and for good and sufficient reasons, review and modify the Port charges. Moreover, there is a long pending demand by interconnection seekers that port charges need to be reviewed to align with the current switch/exchange costs. It is in this background, the Authority has proposed amendment in the Regulations of Port charges for seeking views of all stakeholders.

The proposed draft amendment in the Regulations is available on TRAI’s website: (www.trai.gov.in). All the stakeholders are requested to send their written comments through email or fax and letter by 22nd January 2007.

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Authorised for Issue

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