

**Spectra ISP networks 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 support costing methodology/approach adopted by TRAI for estimating the access facilitation charges /Co-location charges. We further assert that the costing methodology is right.

We note that 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 . It is very important to note that that few large OCLS also agree with this point of view .

In view of above, we support the TRAI's costing methodology for estimation of AFC and 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 comparable with other competitive telecom market in other economies.

**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**

We feel 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 variation of space and electricity charges if the cable landing stations are located at two different cities should not be material as it a small fraction. In case of access facilitation at Meet Me Room (MMR) the difference of course would be due to the distance of the of optical fiber link between CLS and MMR”.

We support the TRAI's view 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 reference colocation charge with specifying a variation with upper ceiling of location based charge.

**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. 10,000/- (Rs Ten thousand) per instance of restoration / cancellation. This is typical of Internet industry.

**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 these charges need review immediately and should be brought down to the level of charges prevailing in other economies. The delay has resulted in ISPs bearing the burden thus far. Hope the burden would ease now.

We further suggest that a suitable provision may be made in the CLS regulations, 2012 for periodic review of AFC/CLS at least once in 3 years or earlier as required by the industry.