

To,
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TRAI Consultation Paper on Issues related to amendments to the Interconnection Regulations applicable for Digital Addressable Cable TV Systems & Tariff Order applicable for Addressable Systems dated 20th December, 2012

VOICE comments are as under:-

Issues for Consultation:

A. Issues related to amendments to the Interconnection Regulations applicable for Digital Addressable Cable TV Systems.

Carriage fee

(1) Whether the following proviso should be introduced in the clause 3(2) of the interconnection regulations for DAS and the clause 3(5) of interconnection Regulation for DAS should be deleted.

“provided that the provisions of this sub-regulation shall not apply in the case of a multi-system operator, who seeks signals of a particular TV channel from a broadcaster, while at the same time demanding carriage fee for carrying that channel on its distribution platform.”. (2) If no, the reasons thereof.

VOICE COMMENTS: No comments.

Minimum Channel Carrying Capacity of 500 Channels for MSOs

(3) Whether there is a need to specify certain minimum channel carrying capacity for the MSOs in the interconnection regulations for DAS.

(4) If yes, what should be the different categories (example cities/town/rural area) of areas for which minimum channel carrying capacity should be prescribed and what would the capacity for each category.

VOICE COMMENTS: Minimum carrying capacity for MSOs needs to be mandated otherwise it will defeat the very purpose of digitization. May be we can do it in stages prescribing say 300 channels immediately and 500 by say March'2014.

Placement Fee

(5) Whether there is a need for regulating the placement fee in all the Digital Addressable Systems. If so, how it should be regulated.

VOICE COMMENTS: There is no justification for charging of placement fees by MSOs as carriage fee already exists. This will make entry for new channels extremely difficult impacting

not only freedom of speech/open society but will also lead to reduced competition for incumbent channels.

B. Issues related to amendments to the Tariff Order applicable for Addressable Systems.

Twin conditions at retail level

(6) The stakeholders are requested offer their comments on the following twin conditions, to prevent perverse a-la-carte pricing of the pay channels being offered as part of the bouquet(s).

“ a. The ceiling on the a-la-carte rates of pay channels forming part of bouquet(s) which shall not exceed three times the ascribed value# of the pay channel in the bouquet;

b. The a-la-carte rates of pay channels forming part of bouquet(s) shall not exceed two times the a-la carte rate of the channel offered by the broadcaster at wholesale rates for addressable systems.

#ascribed value of a pay channels in a bouquet is calculated in the following manner:

1. Proportionate Bouquet Rate for pay channels [A]= Bouquet Rate x (Sum of a la carte rate of Pay channels)/(Sum of a la carte rate of Pay channels+ Total no of FTA channels x factor*)

2. Ascribed value of a pay channel in a bouquet = [A] x a-la-carte rate of a pay channel/ (sum of a-la-carte rate of all the pay channels)

*factor=1 if uniform rate of free-to-air channel is less than or equal to Rupees three. The factor = uniform rate of free-to-air channel/ 3, if the uniform rate of free-to- air channel is greater than Rupees three.”

VOICE COMMENTS: An alternative and consumer friendly option is-

1. All service providers should offer a bouquet of only FTA channels – say at price X
2. All other bouquets should be priced in such a way that sum of X+ rates of additional channels in a bouquet should be at least 20% higher than the rate of bouquet on offer.

Illustration-----FTA channels only bouquet rate = X

Bouquet on offer rate = Y (containing FTA + say 4 pay channels)

Rate of these 4 pay channels = a,b,c & d

Hence calculated a-la-carte rate of the bouquet on offer = X+a+b+c+d

Then X+a+b+c+d >1.2 Y

Minimum Subscription Period

(7) The stakeholders are requested to offer the comments, if any, on the proposed deletion of the word ‘pay’ in clause 6 and 6(2) of the principal tariff order dated 21.07.2010.

VOICE COMMENTS: No comments.

Freedom to choose the channel(s) on a-la-carte and/or bouquet(s)

(8) The stakeholders are requested to offer their comments, if any, on the proposed inclusion of the following provision after sub-clause 6(4) in the tariff order dated 21.07.2010, as amended.

“It shall be open to the subscriber of the addressable systems to subscribe to any bouquet(s) or any bouquet(s) and any channel(s)(pay or free to air) or only free to air channels or only pay channels or pay channels and free to air channels”.

VOICE COMMENTS: No comments.

Offerings of Bouquet(s) of channels which require special Set Top Boxes (STBs) such as High Definition Television (HDTV) or Three Dimensional Television (3D TV) channels etc.

(9) Whether the channels that require special type of STB be offered only on a-la-carte basis or as part of separate bouquets that consists of only those channels that require a particular type of specialised STB.

VOICE COMMENTS: Agree.

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18/01/2013

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