

RJIL/TRAI/2018-19/165

18th May 2018

To,

Sh. S.K. Singhal

Advisor (BB&PA),

Telecom Regulatory Authority of India,

Mahanagar Doorsanchar Bhawan,

Jawahar Lal Nehru Marg, New Delhi 110002

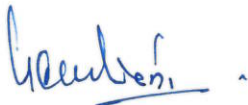
Subject: Comments on “Draft Telecommunication Interconnection (Amendment) Regulations, 2018” released on 08.05.2018.

Dear Sir,

Please find enclosed herewith comments of Reliance Jio Infocomm Ltd. on the “Draft Telecommunication Interconnection (Amendment) Regulations, 2018” released on 08.05.2018, for your kind consideration.

Thanking You,

For **Reliance Jio Infocomm Limited,**



Kapoor Singh Guliani

Authorised Signatory



Enclosure: As above.

**RELIANCE JIO INFOCOMM LTD'S COMMENTS ON TRAI'S CONSULTATION ON
"THE DRAFT TELECOMMUNICATION INTERCONNECTION (AMENDMENT) REGULATION,
2018"**

General Comments:

1. At the outset, we submit that we are surprised at the timing of this draft amendment to the Telecommunication Interconnection Regulations 2018 ("TIR 2018"). As the Authority is aware, the TIR 2018 was effected only on 1st February 2018 and mere 4 months is too short an interval to judge a regulation that was promulgated after extensive Consultation spanning over one year.
2. We bring to your attention that consultation preceding the TIR 2018, was a culmination of inordinate delays caused by interconnection providers in allocating and augmenting the E1 ports. The Interconnection providers were misusing the terms of one-sided interconnection agreements and antiquated outer limits for augmentation prescribed by the Authority in past to cause massive call failures in new entrants network. These violations were also recorded by the Authority in its recommendations dated 21st October 2016.
3. We submit that the perpetrators of above violation are now running a protracted campaign against the clear-cut and crisp timelines for Point of Interconnection ("POI") augmentation defined under TIR 2018 and the Authority should be wary of such actions.
4. Another issue being raised by the incumbent telecom service providers ("TSPs") is that the alleged wastage of resources on ensuring that the POI utilization is less than 60% post augmentation of POIs. We submit that 60% utilization criteria for requesting additional ports is a reasonable expectation in view of the fact that the interconnection agreements prescribed by TSPs anyhow mandate that the POI utilization be maintained at 70% at all times. Further voice traffic is continuously increasing across all operators as a result of subscriber additions and competitive tariffs. Thus sufficiently lower utilization is required to provide for headroom for growth of traffic and to ensure that augmentation is not a daily activity.
5. We sincerely submit that the existing TIR 2018 provisions should not be influenced by the representations by the incumbent telecom service providers as these protests are a manifestation of extremely parochial and anti-competitive mindset that was witnessed by one and all in the last quarter of year 2016. We must ensure that no customer is inconvenienced and uncongested call completion for all customers is ensured forever to all telecom subscribers in India.



6. Notwithstanding the above submissions, we will now respond issue-wise to the proposed amendment. The draft amendment can be segregated into four distinct issues as detailed below:

- A. **Applicability of the agreed port charges and infrastructure charges**
- B. **Bi-annual Traffic Forecast by TSPs**
- C. **The timelines and POI utilization levels pertaining to request for POI**
- D. **The timelines for various activities in POI augmentation**

7. Our issue wise response is as below:

A. Continuation of port charges and infrastructure charges, as per terms and conditions applicable before 01.02.2018

(Ref. Sr. No. 2 of the Draft Amendment suggesting amendment in Regulation 6 of the TIR 2018)

RJIL Submissions:

1. We submit that Clause 6 of the TIR 2018 is relating to "Seeking ports at POIs" and do not prescribe any arrangement regarding Port-Charges and infrastructure charges. The port charges are being governed by separate regulations issued by TRAI and the infrastructure charges are applicable as per the terms and conditions in interconnection agreements.
2. We respectfully submit that addition of the proviso to maintain status quo on applicability of port charges and infrastructure charges for all ports provided before the 1st February, 2018 is against the spirit of the regulations and unnecessary.
3. The TIR 2018 Regulations clearly provide that both interconnected parties should split the E1 ports to one-way E1 ports, post 2 years of establishment of Interconnection, in ratio of their respective outgoing traffic.
4. A necessary and logical corollary to this provision is that henceforth the interconnecting parties shall take care of their outgoing traffic. Thus the payment of port charges or infrastructure charges has no relevance post conversion to One way E1 ports and both parties shall bear all expenses and media requirements for their outgoing traffic only.
5. In view of this, we submit that there is no need to include this provision and in fact that Authority should clarify that the infrastructure and cost of maintaining the E1



ports for outgoing traffic lies with the TSP itself post 2 years of establishing interconnection. This provision should be made applicable to all TSPs including PSUs.

B. Bi-annual Traffic Forecast by TSPs

(Ref Sr. No. 3 (1) of the Draft Amendment suggesting amendment in Regulation 8 of the TIR 2018)

RJIL Submissions:

1. We understand that the provision for bi-annual traffic forecast in the draft amendment is just for the purpose of informing the interconnected partners of the impending traffic growth patterns and have no relation with actual demand of E1 ports, which should be calculated separately as per the provisions of the Regulations.
2. We submit that this requirement is redundant in view of the continuous process of augmentation of E1s based on past and impending traffic growth. The bi-annual traffic forecast will serve no real purpose and therefore this provision should be dropped from the Regulations.
3. In fact, if retained, this will lead to a new point of contention between a new entrant and TSPs, who would start disputing projections provided for E1 augmentation. It may also lead to a situation where the incumbent TSPs might refuse immediate augmentation in the absence of availability of traffic projections, which can be submitted only bi-annually. Thus we strongly recommend removal of this proposed provision.
4. In today's dynamic industry landscape where new and innovative services are being offered to customers, its detrimental to stick to archaic bi-annual planning. We must ensure that no customer is inconvenienced under the garb of bi-annual planning and unrestricted, uncongested call completion for all customers is ensured forever to all telecom subscribers in India.

C. The timelines and POI utilization levels pertaining to request for POI

(Ref Sr. No. 3 (2) of the Draft Amendment suggesting amendment in Regulation 8 of the TIR 2018 and "Schedule II")

RJIL Submissions:

1. The TIR 2018, mandates that a service provider should make the demand for additional ports, in case the POI utilization at the end of 30 days is going to be more than 70%, basis the traffic growth of preceding 30 days. Further the demand should be made so that the POI utilization at the end of 30 days should be less than 60%.



2. As discussed above, this provision is in line with the interconnection agreements that mandated that POI utilization should be continually kept below 70%. As the incumbent operators practically dictate the interconnection agreements, it is safe to assume that they were also in consonance with keeping the utilization below 70%. Further the augmentation to bring the traffic back to 60% utilization provided sufficient headroom for growth of traffic and avoided any possibility of POI congestion and call failures.
3. The proposed amendment alters this provision at two levels. Firstly, the traffic growth monitoring period for making a demand is proposed to be increased to 60 days and the demand is required to be based on the traffic projection 60 days from the date of demand.
4. We submit that the time period of monitoring traffic for preceding 60 days is extensively long for using as projection of traffic for next 60 sixty days as it presumes that the traffic growth will be similar for 4 months, which is highly unlikely, thus it will always differ from the actual traffic. Therefore, we submit that the existing time period of 30 + 30 days is optimum and should continue unchanged.
5. The second proposed change is that the demand should be made when the projected traffic post 60 days will exceed 85% in order to bring the projected utilization levels to 75% in 60 days' time. Thereby proposing to increase the traffic threshold levels by 15% at both stages.
6. We submit that this increase in projected traffic limits and proposed revised timelines of 42 working days (approximately 60 days) for augmentation will substantially increase the risk of POI congestion and call failures. For instance, if the traffic is brought down to only 75% post augmentation and the demand is made only at projected traffic utilisation level of 85%. Then even a slight variation in actual traffic growth will correspond to increased utilisation of more than 95%, thus by the time augmentation happens the call failures would have already started.
7. We submit that this proposal will leave precariously low headroom for sudden growth in traffic especially for a new entrant with exponential traffic growth and will result into failure of call causing inconvenience to customers.

In view of the above, we submit that in order to maintain sufficient headroom for increase in traffic to avoid call failure and thereby inconvenience to consumers, the current criteria for provision of Interconnect capacity should remain same and need not be amended.



D. The timelines for various activities in POI augmentation

(Ref Sr. No. 4 of the Draft Amendment suggesting amendment in Regulation 9 of the TIR 2018)

RJIL Submissions:

1. We submit that the increase in timelines for all stages of POI augmentation is not required. The draft amendment increases the time frame for provisioning of E1s has from a minimum of 16 days to 28 days (in case requesting party makes payment of demand note within one day and keeps the transmission links ready).
2. We submit that these timelines are excessive, as both parties monitor traffic at POIs and are aware of the impending requirements. Thus the other TSP is also aware of growth of its incoming traffic at the POIs and should be ready for augmentation instead of starting the planning of POI augmentation all over again on receipt of request of augmentation.
3. We submit that the timelines are optimum in the TIR 2018 and there is no need to change the same, the draft amendment, if implemented, will increase the risk of call failures and non-compliance with Quality of Service Benchmarks.

E. Other Issues

RJIL Submissions:

1. In view of the above submissions, there is no need for any amendment as proposed in the Draft Amendment. We submit that the Authority should prescribe financial disincentives for delay in provisioning of E1s ports in violation to the provisions of the Regulations. We propose a financial disincentive of Rs 5000/port/week of delay in augmentation. This should be in addition to the financial disincentives for violation of QoS Regulation benchmark of POI congestion < 0.5% to be levied separately.
2. We further submit that the Authority should make it clear that the provisions of TIR 2018 are equally applicable to all TSPs irrespective of the status of interconnection provider or seeker and all TSPs are required to E1 demands based on the traffic projections. We request the inclusion of this clarification in view of the ongoing trend, where incumbent TSPs are self-allocating E1s for their outgoing traffic without adhering to any of the provisions of the regulation.

