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May 18, 2018

Shri S. K. Gupta  
Secretary,  
Telecom Regulatory Authority of India  
Mahanagar Doorsanchar Bhawan,  
Jawaharlal Nehru Marg,  
New Delhi-110002

Kind Attention: Shri Kapil Handa

**Subject: The Draft Telecommunication Interconnection (Amendment) Regulations, 2018**

Dear Sir,

This is with reference to the Draft Telecommunication Interconnection Regulations, 2018 issued by TRAI on 08<sup>th</sup> May, 2018.

In this regard, we would like to enumerate some technical and practical challenges in the proper implementation of the Regulation for kind consideration of the Authority:

**A, Request for additional Ports at POIs based on estimated traffic**

- The proposed Draft Regulations stipulate the following:

*"A service provider may request the other service provider for additional ports at a POI, if the projected utilization of the capacity of such POI, calculated in the manner as contained in Schedule II to these Regulations, at the end of sixty days from the date of placing the request, is likely to be more than eighty-five per cent and such projected utilization of the capacity of POI shall be determined on the basis of the daily traffic for the preceding sixty days at the POI during busy hour:*

*Provided that the service provider shall request for such number of additional ports which is likely to bring the utilization of the capacity of such POI, at the end of sixty days from the date of making request, to less than seventy-five percent.*

- In this context, we have earlier also submitted that in the present day situation, telecom networks need to operate under extremely complex and challenging environments where newer demands are constantly being imposed upon them on a real time basis for various reasons such as changes in technology / business relationships / standards and other areas of business practice. **That being the case, any augmentation demand placed on the telecom network cannot and should not be looked at in isolation and needs to be viewed in its entirety and its overall impact on the functioning of the network.**
- Infact this issue of inter-dependency within the telecom networks has also been acknowledged by the Authority itself under para 103 of its original Regulation dated 1<sup>st</sup> Jan 2018, when it says:



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*“The Authority, while examining the afore-mentioned matter, took note of the fact that when an interconnecting TSP provides ports on a POI, it has to incur not only the cost of ports but also has to plan for deployment of commensurate radio network (BTS, BSC, transmission links) and core equipment to cater to the increase in traffic and hence, the augmentation of ports requires to be done on the basis of a justifiable demand well corroborated with actual traffic.”*

- Thus, as also stated earlier from our side in our submissions to the Authority, any mandate to fulfil demands for augmentation of ports based on a projected utilization of the capacity of such POI serves to take away a telecom operator’s flexibility to effectively operate its network under the increasingly complex environment, and instead puts him under the obligation to fulfill any POI related demands placed upon it without even having the opportunity to mutually discuss the issue with the other party.
- It is pertinent to mention here that traditionally Interconnection has been a relationship-oriented arrangement that has rested on mutual understanding between two operators. Having such an arrangement has allowed operators to understand and appreciate each other’s dependencies and to renegotiate solutions based on mutually agreeable terms. However, the new Regulation does not allow for this much-needed flexibility. **We thus strongly recommend that the issue of augmentation of ports be left to mutual discussions between operators and no regulatory mandates such as the ones being proposed be imposed.**
- Further, we would also like to draw the kind attention of the Authority to its already prescribed 0.5% POI Congestion norm that it has been regularly monitoring vide its monthly reports. Since this norm is already laid out, and the results from having this norm in place naturally address the need for new ports, **we feel that there is no need to have any additional norms based on capacity utilization.**
- Finally, in order to ensure that the Interconnection seekers treat the exercise of calculation of the projected traffic with utmost seriousness, **we recommend that the TRAI introduce suitable provisions that prohibit the Seeker from demanding fresh augmentation of POI capacity before the lapse of 60 days from its last POI Augmentation demand.** This will ensure that the limited resources of the Interconnection Provider are not unduly strained because of unreasonableness on the part of the Interconnection seeker.

#### **B. Framework for provisioning of Ports within 42 days**

- In this regard, we wish to reiterate the point made by us in our earlier submissions to the Authority that there should be no additional mandates in respect of the matter of provisioning and augmentation of ports. However, the proposed Regulation imposes a timeline of 42 days for completion of the entire process including acceptance testing.
- In that context, it is re-iterated that augmentation of ports is a complex process which requires involvement of multiple steps such as building of transmission media on equipment such as DWDM Network & SDH MUX, testing of transmission media, creation of new TG and signaling links, placement of test calls, etc. and various technical, commercial, procurement and logistical

issues pertaining to these steps, all of which together consume between 60 – 90 days under normal working conditions. In addition, there can also be a situation where capacity is required to be procured that can take around 8-12 weeks from the time of placement of order to the final installation depending on whether it's a card level upgrade or a network level upgrade.

- **We thus feel that the revised TRAI mandate for completing the entire process including the Acceptance Testing within 42 working days is extremely stringent under normal working conditions and should not be imposed. Instead we feel that the earlier mandate of 90 days provided for in the Authority's Direction dated 07.06.2005 is most reasonable and proper, and should be continued.**
- The Authority has also laid down individual timelines for various steps in the augmentation process. However, constraints of space and power availability, major network upgrades that demand "No interference", RoW issues due to local bodies, issues around reconciliation of CDRs in case of acceptance testing, etc. can all lead to non-compliance with the laid down timelines. We thus feel that the Authority need not mandate such individual timelines that tantamount to unnecessary micro-management of issues. **It is requested that while reviewing the 42 working days period for initial interconnection / augmentation to the earlier 90 days, as requested by us in the earlier paragraph, the Authority should do away with the mandate of individual timelines completely.**

#### **C. Regulation 6-Port Charges & Infrastructure Charges:**

- We also note that the following clause has been proposed to be inserted as proviso after sub-regulation (3) of Regulation 6:

*"Provided that the port charges and infrastructure charges for all ports provided before the 1st February, 2018 shall continue to be payable as per the terms and conditions which were applicable to them before the 1st February, 2018."*

- In this regard, we would like to submit that the insertion of such a proviso would have the effect of regularizing continuation of the unilateral, one sided and coercive terms that BSNL/MTNL have been unilaterally prescribing for port and infrastructure charges
- It is further submitted that once the existing ports are converted to one-way from both-way, the cost of maintaining such ports for outgoing traffic lies with the respective TSPs.
- **In view of the above, we strongly submit that the proposed proviso should be dropped as it would go against the Authority's efforts to make the interconnect agreements more effective, non-discriminatory, fair and transparent.**
- The Authority is also aware that the BSNL/MTNL are also charging private operators for shift/surrender of the POIs. Currently, the charges levied by BSNL for POI shifting are as follows:
  - Surrender charges at existing POI equivalent to one full year's port charges
  - Fresh port charges for new POI for an equivalent number of E1s
  - Set-up charges

- We submit that there is no justification for surrender charges and that port charges should not be applicable for shifting of POI. Further if at all any set-up charges are levied, they should be reciprocal and based on the “work done” principle. Last but not the least, wherever any charges pertinent to the Interconnect Agreement are fixed on the basis of mutual negotiations the same should be aligned to the principle of reciprocity.
- We thus urge the Authority to ensure that it mandate changes to the interconnection framework that can result in the establishment of a level playing field for interconnection agreements entered into with BSNL/MTNL and other private players. Further the principle of reciprocity is fundamental to establishment of fair interconnection arrangements and should therefore be explicitly mentioned in the Regulations.

We earnestly believe that the Authority will give due-consideration to our comments before formalizing the Regulation.

Should you require any clarifications or further information on the positions set out in this response, please do not hesitate to contact us.

Thanking You,

**For IDEA Cellular Limited**



**Rahul Vatts**

**Senior Vice President – Regulatory and Corporate Affairs**