

**BHARAT JYOTI CONSUMER PROTECTION COUNCIL
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Consultation Paper on Review of Interconnect Usage Charge (IUC)

Comments on the Issues for Consultation

- Q1)** All the components of Interconnect Usage Charge(IUC) should be reviewed,as there have been reduction in the cost of network equipments, increase in subscriber base,increase in number of service providers,increase in telephone density;
- Q.2)** TRAI should continue with the existing methodology of fully allocated cost with appropriate assignments for termination charge;
- Q.3)** The termination charge should be cost-based,as the service provider has to only recover the cost of the network involved in terminating the cost;
- Q.4)** The Service Providers must provide the cost data for the VAS.Only a fixed percentage of the total revenue say 10% to 15% could be taken as VAS revenue;
- Q.5)** The asymmetric termination charges are not at all justified.When the new Service Providers were given UAS License in the year 2008, to operate Mobile /Basic Telecom Services,there was no such clause in the License that there will be asymmetric termination charge in favour of them.Urban Lines vs. Rural Lines Asymmetric termination charges are also not justified,as more and more service providers are extending their operations in rural area.USOF is also installing towers in the rural area,which could be used by the service providers,either free or at a nominal cost.BSNL is already getting compensation from USOF for lossy rural operations.Earlier BSNL was getting ADC,as the compensation for loss for its operations in Rural and Remote areas.
- Mobile vs.Fixed Asymmetric Termination Charge is also not justified, as it will have wider repercussions.If the fixed termination charges are made higher,it will definitely augment the tariff for a mobile to basic fixed call.Moreover,BSNL should base its calculations only on OPEX for terminating calls to fixed networks
- Q.6)** Same methodology may continue;
- Q.7)** No comments;
- Q.8)** Domestic asymmetric termination charges are covered in Q.5 above.No comments for International Asymmetric Charges;

- Q.9) The ceiling of carriage charge for long distance calls should be increased /decreased on the basis of current data. Some allowance may be made for remote/rural areas, but let there be only one ceiling. Higher ceiling for remote/rural areas may create more problems. Moreover, the BSNL is being compensated for its operations in lossy rural/remote areas. Why then differential ceilings.
- Q.10) TAX transit charges for intra-SDCA transiting is justified, as the call has to be carried from L-I/ L-II TAX to its various SDCAs. The Service Providers have the option to go for the direct POI connectivity at SDCA Level, which is invariably easily available these days. These charges could be maintained at the same level .
- Q.11) Transit/carriage charge from LDCA to SDCA for the intra-circle traffic originated from mobile network and terminating in the BSNL fixed line network should be strictly cost based or mobile service providers should be allowed to handover their traffic either directly or through NLDOs at the SDCA level, by changing the license conditions.
- Q.12) The termination charged must be based on the cost. The cost of the network is going to be same whether it is 2G or 3G signal. 3G Termination charge should be same as 2g Termination charge.
- Q.13) May be considered at a later stage.