

Aircel Response to TRAI Consultation Paper on Internet Telephony (VoIP)

As one of the telecom licensee, Aircel welcomes the opportunity to comment on TRAI's Consultation paper on Internet Telephony and would be happy to explain further, should TRAI desires so.

Preamble:

One of the major points being contemplated through the consultation paper is an Access operator providing Internet Telephony through other operator's network (like without having its own Radio access network) and based on IT servers & applications only however, we recommend that such core access services should only be provided by a functioning access network provider, who provides end-mile network reach to consumers, quality of service, timescales which can be relied upon and fault rectifications/installations.

Further, sustainability of industry and incentive to invest in infrastructure and spectrum would get compromised with the stated illegitimate form of Internet Telephony through other operator's network.

To support our views on above, we wish to state following points for consideration:

1. License permits services over own network, including Internet Telephony

We would like to highlight few clauses of Unified Access Service license (UASL), which explicitly states that the licensee has to set-up its own network to provide services to the consumer. Other than setting up of own network, licensees having allowed to use other operator's network only through Roaming, Active/passive Infra Sharing, Spectrum sharing, MVNO. There is no other legitimate route vide which an access licensed operator can offer service to its customer, by using the network of other access provider. Extract of the said licensing provisions are given as follows:

*"2.2 (a)(i) The SERVICES cover collection, carriage, transmission and delivery of voice and/or non-voice MESSAGES **over LICENSEE's network** in the designated SERVICE AREA and includes provision of all types of access services. Access Service Provider can also provide Internet Telephony, Internet Services and Broadband Services. If required, access service provider can use the network of NLD/ILD service licensee....."*

2. Non-compliant to NLD/ILD licensing and routing ecosystem

Further, the contemplated structure of Internet Telephony where services can be accessed through the network of other operator, is not permitted since, it will violate the

prevalent NLD and ILD licensing ecosystem. Under such structure, it will not be known to the operator providing service as to from which licensed service area call is getting originated and hence, while terminating should it be treated as home circle call or STD call or Roaming call. Therefore, we request that such structure of Internet Telephony which has never been envisaged in the licence, should not be recommended.

3. Security requirements

We are of the view that such complex structure of call origination from application of one operator and network of another operator would lead to multiple concerns of CRI, CDR, user identification, Lawful Interception, Location, LBS etc. This may possibly turn out to be a security nightmare and against the established security principles which have been put into place in National security interests.

We sincerely request TRAI to run past this with MHA and designated security agencies before giving any shape to the consultation or recommendation on this aspect.

4. Numbering resources for Internet Telephony:

TRAI has recommended separate numbering resources for Internet Telephony based on ENUM, vide its recommendation dated 18.08.2008. We request same to be addressed, without which Internet Telephony may pose multiple issues.

Therefore, it is amply clear from above that the form of Internet Telephony being contemplated by TRAI (i.e. riding on other operator's network) is against the prevalent telecom licensing ecosystem of the country.

Our question-wise response to the consultation paper is as following:

Question-wise Response

Q1: What should be the additional entry fee, Performance Bank Guarantee (PBG) and Financial Bank Guarantee (FBG) for Internet Service providers if they are also allowed to provide unrestricted Internet Telephony?

Aircel Comments:

It is our considered view that unrestricted Internet Telephony should not be allowed under ISP license, instead it should remain only under Access licensees. Any proposal of letting ISP licensee provide Internet Telephony, would only lead to indirect licensing of access services under different license and would pose various complex issues of technical and financial nature, including huge losses to national exchequer.

Telecom operators have been repeatedly seeking 'Same service same rules' hence, same kind of service (here unrestricted Internet Telephony) should also be put to test of 'same service same rules' and only allowed under Access licenses. We are not sure of any advantage ISP license brings into the unrestricted Internet Telephony, which an ISP provider can't do by taking Access license. We are of the view that the services which can be provided only under the Access license, should not be unbundled into different license, as it would firstly be against the spirit 'One Nation –one license' objective of NTP'2012, secondly dilute the robustness of prevalent licensing ecosystem and also put the telecom sector into more regulatory uncertainty thus jeopardizing the investment potential into the telecom sector.

Q2: Point of Interconnection for Circuit switched Network for various types of calls is well defined. Should same be continued for Internet Telephony calls or is there a need to change Point of Interconnection for Internet Telephony calls?

Aircel Comments:

We recommend TRAI should let the market forces play and not to regulate any particular interconnection architecture till Internet Telephony service is launched by few operators and it's nuances are available, such that they need fine tuning through Regulatory intervention. It is pertinent to mention that regulatory interventions are at best if done in case existing open market mechanism poses hindrances for the launch or continuity of services. However, in the instant scenario, there is none existing access network operator (having established network presence) which has launched or has sought to launch Internet Telephony.

Therefore, it is premature to have consultation on point of interconnect architecture for Internet Telephony.

Q3: Whether accessing of telecom services of the TSP by the subscriber through public Internet (internet access of any other TSP) can be construed as extension of fixed line or mobile services of the TSP? Please provide full justification in support of your answer.

Aircel Comments:

There is no such service permitted under the license, wherein telecom services can be provided through the network of other licensed operator except in the case of Roaming, Spectrum sharing, MVNO or Active/Passive infrastructure sharing, that too are subject to mutual commercial consideration and not mandatory.

We are quite concerned over the questions put for deliberation, where basis premise is not compliant to existing licensing framework and at the same time, may give arbitrary leverage to some fly-by night licensees who would not invest in network but, would ride on network of other operators for providing services to their customers. Most importantly, none of the operator has even launched Internet Telephony over its own network which clearly shows there is no serious operator who would be providing this service by investing in network and infrastructure hence, in our view time is not ripe for any Regulatory consultation or intervention.

Moreover, such deliberations have far reaching implications and would increase regulatory uncertainty in telecom sector. In such case where one or multiple licensee starts such service without network, it would certainly discourage existing licensees (who have invested hugely in establishing vast networks and purchase of spectrum) from investing in network, spectrum and infrastructure. This would not be a healthy sign for consumers, operators, telecom sector, Government exchequer or for economy of the country.

Therefore, we urge TRAI not to contemplate any such form of Internet Telephony, where a licensee can provide Internet Telephony through other operator's network and without establishing its own network.

Q4: Whether present ceiling of transit charge needs to be reviewed or it can be continued at the same level? In case it is to be reviewed, please provide cost details and method to calculate transit charge.

Aircel Comments:

Considering our response to question no 1 to 3 above, there is no need to review the ceiling of transit charge with respect to Internet Telephony, through this consultation paper.

Q5: What should be the termination charge when call is terminating into Internet telephony network?

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Q6: What should be the termination charge for the calls originated from Internet Telephony Network and terminated into the wireline and wireless Network?

Aircel Comments:

There is no such service available in the market hence, the question of ascertaining termination charge does not arise. In case of voice, the services were available from 1994/95 whereas TRAI regulated the IUC for voice in 2003. Similarly, in case of SMS, the service was

available from 1999 but, the termination charge was regulated & fixed in 2013. As such, all these indicate that services were allowed to flourish under free market forces play and were regulated after a long time. Therefore, we are not able to understand the urgency in regulating termination charge for a service which is yet not launched by any operator.

Further, for long it has been stated position of TRAI for having cost based termination charges. In case of Internet Telephony, none of the telecom operator has launched the service even on their own network or even in-between their subscribers hence, it is not possible to derive any separate cost based termination charge.

In our considered view, Internet Telephony is type of mobility service only and hence, the termination charge should be equivalent to mobile termination charge in so far Internet Telephony is provided through a legitimate and permissible route of call origination through own network of an access licensee.

We urge TRAI not to regulate any termination charge for Internet Telephony till it is launched by few operators and tested in free and dynamic market conditions.

Q7: How to ensure that users of International Internet Telephony calls pay applicable International termination charges?

Aircel Comments:

Unrestricted Internet Telephony can be provided by an access licensed operator and through its own network. With this clear licensing provision and subject to separate numbering resources being allocated as per TRAI's recommendation 18.08.2008, we believe there would not be any issue of identification. With proper identification of Internet Telephony with separate numbering resources, the prevalent IUC structure including International termination charge would apply.

However, this is only based on the licensing structure that Internet Telephony is provided by an Access licensee over its own network.

Q8: Should an Internet telephony subscriber be able to initiate or receive calls from outside the SDCA, or service area, or the country through the public Internet thus providing limited or full mobility to such subscriber?

Aircel Comments:

India has a unique circle-wise access license structure coupled with separate carrier licenses (NLD/ILD). As per prevalent licensing structure no calls can avoid being carried over NLD or ILD network and is termed to be illegally routed if such legs are avoided. It is pertinent to

mention that for past over a decade, Government has been actively pursuing filing cases wherever such Grey Call routing is observed i.e. NLD/ILD route is being avoided and also treating it as against the security interests of the Nation.

Thus, the routing of Internet telephony should not avoid NLD or ILD networks and should comply with it in strictest licensing terms.

Q9: Should the last mile for an Internet telephony subscriber be the public Internet irrespective of where the subscriber is currently located as long as the PSTN leg abides by all the interconnection rules and regulations concerning NLDO and ILDO?

Aircel Comments:

As explained above, present licensing regime mandates licensee to set up own network for providing services under the license agreement. Hence, Internet Telephony over public Internet would contravene licensing provisions and it should only be provided over access licensee's own network. Moreover, riding on other's network make this service a content/application service and not a licensed telecom service over telecom network.

Q10: What should be the framework for allocation of numbering resource for Internet Telephony services?

Aircel Comments:

We agree with the TRAI recommendation of 18.08.2008 in this regard and it should be followed for numbering resources required to launch Internet Telephony, whether provided by ISP (restricted) or by Access licensees (unrestricted).

Q11: Whether Number portability should be allowed for Internet Telephony numbers? If yes, what should be the framework?

Aircel Comments:

It would be premature to deliberate Number portability in a service which is yet not launched and for which numbering resources have yet not been decided.

Instead we request for a pragmatic approach of waiting for few operators to launch Internet telephony and after a certain time period (let's say one or two years) of launch, number portability of Internet telephony numbers is put to consultation.

Q12: Is it possible to provide location information to the police station when the subscriber is making Internet Telephony call to Emergency number? If yes, how?

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Q13: In case it is not possible to provide Emergency services through Internet Telephony, whether informing limitation of Internet Telephony calls in advance to the consumers will be sufficient?

Aircel Comments:

We are of the view that emergency services are most essential public utility services and any denial of access to the subscribers would cause grave inconvenience and could prove to be a threat to consumer's safety and public order.

Moreover, licensing conditions mandates access to emergency services without classifying any type of service as such, an access licensee providing telecom services (including Internet Telephony) is bound to provide Emergency services access to its customers over its own network or through commercial tie-ups.

Therefore, we are of the view that Emergency services access or location information are intrinsic to license and should continue to be mandatory for all services including Internet Telephony.

Q14: Is there a need to prescribe QoS parameters for Internet telephony at present? If yes, what parameter has to be prescribed? Please give your suggestions with justifications.

Aircel Comments:

Yes, QoS for Internet Telephony should be prescribed on the lines it has been mandated for other telecom services and the access operator providing such service should be responsible for end-to-end QoS for its services to consumers.

Q15: Any other issue related to the matter of Consultation.

Aircel Comments:

We have highlighted some of the relevant & core issues in the preamble section of our submission herein first, which we request TRAI to consider.