

**Bharti Airtel Ltd.**

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**18<sup>th</sup> May 2018**

**RP/ FY-18-19/040/214**

To

**Sh. Sunil Kumar Singhal**

**Advisor – BB & PA**

Telecom Regulatory Authority of India (TRAI)

Mahanagar Doorsanchar Bhawan

Jawaharlal Nehru Marg

New Delhi 110 002

**Ref: Draft Telecommunication Interconnection (Amendment) Regulations, 2018 dated 08.05.2018 (“Draft Amendment”)**

**Subject: Submissions on the Draft Amendment**

Dear Sir

This is in reference to the draft Telecommunication Interconnection (Amendment) Regulations, 2018 dated 08.05.2018 issued by TRAI proposing amendments in the TRAI's Telecommunication Interconnection Regulation dated 01.01.2018

First and foremost, we are grateful for the Authority's thoughtful consideration to the representations made by TSP's seeking review of certain provisions of the Interconnection Regulation dated 01.01.2018. We are pleased that the Authority has reviewed the matter with an open minded, practical and flexible approach.

As regards the changes proposed in the Draft Amendment, we enclose our response as an Annexure to this letter.

We conclude while placing our gratification for Authority's considerate action on the matter. We also request the Authority to kindly take a favorable view on our suggestions.

Thanking You.

Yours Sincerely.

For **Bharti Airtel Limited**

A handwritten signature in blue ink, appearing to read 'Ravi P Gandhi', is written over a blue horizontal line.

**Ravi P Gandhi**

**Chief Regulatory Officer**

**And Authorised Signatory for Bharti Hexacom Limited**

**Encl: as stated above**

**Annexure: Airtel's Response on Draft Telecommunication Interconnection (Amendment) Regulations, 2018 dated 08.05.2018**

**1. Regulation 6-Port Charges & Infrastructure Charges:**

**A. Changes Proposed by TRAI:**

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 1<sup>st</sup> February 2018 shall continue to be payable as per the terms and conditions which were applicable to them before the 1<sup>st</sup> February, 2018."*

**B. Suggestions by Airtel:**

We submit that the proposed revision should be done away for the following reasons:

- i. The interconnection costs/ charges are imposed on a unilateral basis by BSNL/MTNL upon private operators and these charges continue in perpetuity.
- ii. The quantum of these interconnection costs/charges levied are not only huge but the same are also increased on a unilateral basis.
- iii. The said clause in a way, has the effect of mandating and endorsing that the unilateral terms will continue for existing ports and infrastructure charges with BSNL/MTNL.
- iv. The proposed clause defeats the principle of equity and fairness and goes against the spirit of reciprocity in interconnection.
- v. The change is not aligned with the principle of transparency and fairness followed by TRAI and hence the clause must be dropped.

**2. Regulation 8: Request for augmentation of POIs:**

**A. Changes Proposed by TRAI:**

- (2) *A service provider may request the other service provider for additional ports at a POI, if the projected utilisation 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 percent 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.*

It is a welcome step that the Authority has specified that the augmentation request to be placed if capacity utilization likely to exceed 85% instead of 70% prescribed earlier as well as suggested that the revised number of ports to be such as to bring capacity utilization down to 75% instead of 60%.

## **B. Airtel's Response:**

We propose that the percentage of eighty-five specified should be **increased to ninety percent** and the seventy-five percent should be **increased to eighty percent** for the following reasons:

- i. In Erlang B Table, as the number of circuit size increases, the capacity utilization factor (*ratio of the capacity in Erlang to the number of channels*) also increases.

For Example:

For 1000 circuits (~ 32 E1s), Grade of service of 0.5% is achieved at a utilization traffic of 956 Erlangs, i.e., 95.6%. Similarly, for 1500 circuits, the GoS can be maintained at higher utilization of 1450.8 Erlangs i.e. 96.7% and similarly for 2000 circuits, the Pol utilization can go as high as 97.3% with 1947.5 Erlangs while maintaining the GoS.

- ii. Keeping the above fact that the increased capacity of circuits increases the efficiency utilization of a Pol, we submit that the request for an augmentation of a Pol can be initiated at 90% (instead of 85%) while still having a sufficient headroom to undertake augmentation and maintain QoS and similarly, the request for augmentation can be made for such additional ports which can bring the utilization to 80% (instead of 75%).

### **iii. Revised clause is suggested as under:**

*(2) 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 ninety percent 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 eighty percent.*

## **3. Regulation 9: Framework for provisioning of Pol's**

### **A. Changes proposed by TRAI:**

Increased timelines of 42 working days instead of earlier 21 working days for augmentation and provisioning of Pols.

### **B. Airtel's Response:**

**We propose a revised timeline of 60 working days for the following reasons:**

- i. The practical issue and current dependency on importing the equipment's continues and the time involved from ordering till delivery is still huge and ranges from 6-8 weeks and it further takes 6-7 weeks to install and test.

- ii. Since the future focus will be on IP connectivity, it will be relatively helpful to curtail the earlier time period of 90 days to 60 working days and we therefore, favor 60 working days going forward.
- iii. The period must accommodate and allow a sufficient time for the Provider to assess the veracity of the demand as well as to assess the available capacity and dimension the additional capacity required for the justified demand.
- iv. Considering the intricacies and inter-dependency involved in the activity of augmentation of Pol's, we submit that the compliance should be assessed on the umbrella time period of 60 working days and therefore, the days mentioned for each of the activity should be symbolic and indicative. This will provide flexibility to both the interconnected operators while achieving the end purpose within the overall time frame.
- v. We propose the following indicative timelines but reiterate that the said timelines for each activity must not be factored individually to assess the compliance and the compliance should be measured on 60 working days.

	Number of Working Days			
1. Maximum period (in working days) for service provider-2 to issue letter of acceptance and demand note, if any, upon receipt of request of ports and collocation space from service provider-1	10			
2. Maximum period (in working days) for service provider-1 to pay the amount from the date of receipt of the demand note, if any		5		
3. Maximum period (in working days) for service provider-2 to intimate service provider-1 about the provisioning of the requested ports at the POI and allocation of collocation space			15	
4. Maximum period (in working days) for service provider-1 to intimate service provider-2 about establishment of transmission link between the POIs				15
5. Maximum period (in working days) for service provider-2 to carry out acceptance testing and issue final letter of commissioning of the ports				15