



DIGITAL
LIFE

RJIL/TRAI/2021-22/503
February 24, 2022

To,
Shri Sanjeev Kumar Sharma
Advisor (BB&PA)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawaharlal Nehru Marg, New Delhi 110002

Subject: Counter Comments on Consultation Paper on “Regulatory Framework for Promoting Data Economy Through Establishment of Data Centres, Content Delivery Networks, and Interconnect Exchanges in India” dated 16th December 2021.

Dear Sir,

In addition to RJIL’s comments already submitted on consultation paper on the subject, please find enclosed RJIL’s counter comments on Consultation Paper on “Regulatory Framework for Promoting Data Economy Through Establishment of Data Centres, Content Delivery Networks, and Interconnect Exchanges in India” dated 16th December 2021.

Thanking you,

For **Reliance Jio Infocomm Limited**

Kapoor Singh Guliani
Authorized Signatory

Enclosure: as above.

Reliance Jio Infocomm Limited, CIN: U72900GJ2007PLC105869

Correspondence Address: D-7, Dhawandeep Building, 6, Jantar Mantar Road, New Delhi-110001, India, Tel: 011-43523795, Fax: 011-23340453
Registered Office: Office - 101, Saffron, Nr. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad-380006, Gujarat, India. Tel no: 079-35600100
www.jio.com

Reliance Jio Infocomm Limited's counter comments TRAI's consultation paper on "Regulatory Framework for Promoting Data Economy Through Establishment of Data Centers, Content Delivery Networks, and Interconnect Exchanges in India"

1. We have had the opportunity to go through the comments submitted by the various stakeholders to the TRAI's Consultation Paper on "Regulatory Framework for Promoting Data Economy Through Establishment of Data Centers, Content Delivery Networks, and Interconnect Exchanges in India". We note that some of the stakeholders have commented that quality of dark fiber laid by TSPs cannot serve the purpose of DCs and hence captive fiber is the only way forward for them.
2. We submit that our counter comments are restricted to these limited points and our issue wise counter comments are as below.

Suitability of dark fiber laid by TSPs for DCs

1. We noted that one of the concerns raised by few respondents was that the traditional networks operated by TSPs are principally designed for voice (Mobility) or public data services, such as IP broadband services, using best-effort redundancy principles and that they are not suitable for cloud services, which require very high availability, bandwidth, and low latency for extremely high amounts of data.
2. We submit that such statements are factually misplaced and far away from reality. Besides leading the charge to connect the country through fiber in achieving Government's digitization vision for the country, TSPs are also at verge of commercial launch of 5G in the country which require significant investment in fiber for availability of low latency and high bandwidth broadband services for the end customers. In addition, TSPs are already serving their enterprise customers with required quality broadband services.
3. TSPs have setup state of art networks with resilience catering to the service level requirements of their customers including high bandwidth and low latency. TSPs have deployed hierarchical network architecture based on OTN and high density metro DWDM technologies to deliver connectivity services on their intercity and intracity networks to meet the high resiliency and low latency. National NOC, with Disaster Recovery manned 24x7, manage the networks with extensive monitoring to meet the SLA commitments. Besides this the TSPs have invested heavily in Fiber Distribution Management systems with separate NOC to manage the fiber. Additionally, TSPs have well experienced, trained and dedicated teams which handle the outside plant equipment and fiber maintenance while being constantly engaged with local authorities to ensure high availability. TSPs are proactively building additional capacities and resilience routes along with upgrading their networks to meet the constantly evolving requirements of the customers.
4. These factually incorrect assumptions have been used by the some people who have no knowledge and experience in laying and maintaining the fiber networks in India and are simply trying to mislead the Authority. We reiterate that fiber connectivity to DCs should be provided only by licensed entities authorized to do so. Any unwarranted regulatory interference will

Reliance Jio Infocomm Ltd

result in regulatory uncertainty, threat to national security, wastage of resources leading to market distortions, litigations, and economic inefficiencies for the sector. We propose that in case DCs want to lay captive fiber, they should be brought under similar licensing conditions to secure national interest and ensure level playing field. Fiber

5. TSPs/ISPs and NLDOs have made huge investments to obtain license and create necessary infrastructure to meet the business demands of various enterprise customers. Also, **for the growing DCs in the country, there is enough business case for infrastructure roll-out by TSPs/ISPs and NLDOs DCs to create the required fiber connectivity.** The bottleneck lies in the regulatory impediments, particularly high cost and delays related to RoW and absence of policies like common duct policy and call before you dig policy. These challenges are external industry factors and not player specific. Hence allowing a new player to lay fiber will not address the issue related to rapid roll out of fiber, unless the specific regulatory challenges are addressed.
6. Eventually, DCs need to not only connect two captive DCs, but they need to connect to end consumer too and for which they will anyhow need dependency on Licensees allowed to lay fiber. Hence allowing DCs to lay captive fiber will in no manner provide the solution to low fiber penetration in the country. Instead, the focus should be on creating enabling regulatory environment for TSPs/ISPs to lay fiber for DCs at requisite pace, as it is also aligned with their business case.
7. Another argument made by few stakeholders to be allowed to lay captive dark fiber is that the dark fiber provided by TSPs/ISPs is significantly expensive, which substantially increases data center costs. We submit that the fiber market is a highly competitive market with no signs of market failure. Hence, there is no rationale for TSPs/ISPs to provide fiber at higher cost to their enterprise customers. The current higher price in pockets is owing to large RoW cost that the TSPs need to incur for laying such fibers. Industry has been demanding for long that the high cost and delay issues related to RoW should be addressed at earliest for them to offer better services to their enterprise customers. Additionally, the prices offered by TSPs is monitored and supervised by the Authority ensuring that there is no market failure, and the domain continues to have healthy competition.

Licensing for IXPs

1. We note that few stakeholders have stressed that there should not be any interference with the current situation for IXPs. While we are supportive of a very light touch regulatory framework for the IXPs, owing to the nascent stage of the industry and its importance in development of a digital ecosystem in the country, we reiterate that it is imperative that the regulatory framework should ensure non-discriminatory treatment for all the players/operators willing to invest/set-up an IXP.
2. At present, the entities operating the IXPs are being governed by different regulations, which has led to situation of confusion for the future investors. In the interest of the sector, we submit that the Authority should clarify and establish a uniform light touch regulatory framework for the IXP sector.