

महानगर टेलीफोन निगम लि.
(भारत सरकार का उद्यम)
Mahanagar Telephone Nigam Ltd.
(A Government of India Enterprise)



No: MTNL/RA/TRAI CP-12/2014
Dated 14.10.2014

Shri Arvind Kumar,
Advisor (NSL),
TRAI, New Delhi.

**Sub: Consultation Paper on Delivering Broadband Quickly:
What do we need to do? dated 24th September, 2014**

Dear Sir,

Please find enclosed herewith MTNL's response as Annexure-A on
the consultation paper subjected above.


R.K.Gupta
DE(RA)

Question wise comments of MTNL on Consultation Paper on “Delivering Broadband Quickly: What do we need to do? dated 24th September, 2014”:

The TRAI issued consultation paper on 24.09.2014 on the aforesaid subject and asked the various stakeholders to comment on the issues involved in the consultation paper. In this regard the point wise comments are submitted below for consideration to TRAI:

Q1: What immediate measures are required to promote wireline technologies in access networks? What is the cost per line for various wireline technologies and how can this cost be minimized? Please reply separately for each technology.

MTNL Response : Heavy Capex requirements and time for laying infra are the major deterrent for taking off of wire-line technologies. Following steps will help in promoting wire-line technologies-

- I. Uniform guidelines and single window clearance approach may be adopted for giving ROW permissions across country.
- II. It may be made mandatory for all Govt as well as Private agencies / group housing societies involved in estate development works to create passive underground telecom infra (laying of Optical & Copper cables) with in their areas. Operators will be responsible for bringing their infra upto the concerned colony / society etc..
- III. In the new developed areas the municipalities / developing authorities may be asked to lay ducts which can be shared by telecom operators for laying copper / OF cables on rental basis. This will not only avoid repeated digging / reinstatement in the areas but also act as a revenue stream for concerned developing authority.

Q2: What are the impediments to the deployment of wireless technologies in the access network? How can these deployments be made faster? Please reply separately for each technology.

MTNL Response :The deployment of wireless technologies in the access network is highly dependent on local issues like permission from local municipal authorities for BTS installation , Litigations with site owners/ RWA / neighborhood for BTS installation , Fear of radiation among public , Tower erection Policy of state government , NOC from fire department etc.. There is no uniformity in procedures of these local agencies for granting BTS installation permissions. Multiple permission granting / NOC issuing, agencies results delay in deployment of access network. A uniform single window

clearance approach will be of great help. Further, identification / earmarking of the area(s) / buildings which can be used by operators for installing their radio equipments will help in solving the above referred issues to great extent.

Q3: The recommendations of the Authority on Microwave backhaul have been recently released. Are there any other issues which need to be addressed to ensure availability of sufficient Microwave backhaul capacity for the growth of broadband in the country?

MTNL Response : No comment.

Q4: The pricing of Domestic Leased Circuits (DLC) have been reviewed in July 2014. Apart from pricing, are there any other issues which can improve availability of DLC?

MTNL Response : No comment.

Q5: What are the specific reasons that ISPs are proactively not connecting with NIXI? What measures are required so that all ISPs are connected to the NIXI?

MTNL Response : Even though the NIXI has reduced their charges over the period, however, they are still higher compared to international internet bandwidth. NIXI could be asked to link their rates with the prevailing international bandwidth rates. Rather to promote NIXI, the offered rates of NIXI should be lower than the prevailing international bandwidth rates.

Further, considering that a very small proportion of the Indian population is English literate, NIXI should make efforts for hosting of Internet Content relevant to Indian public need in their language within India.

Q6: Would the hosting of content within the country help in reduction of the cost of broadband to a subscriber? If yes, what measures are required to encourage content service providers to host content in the data centre situated within India?

MTNL Response: Yes, it is the need of hour and will certainly help in reducing cost. However, concerned stake holder will be better placed to give comments.

Q7: Are PSUs ideal choices for implementing the National Optical Fibre Network (NOFN) project?

Q8: Should awarding of EPC turnkey contracts to private sector parties through International Competitive Bidding (ICB) be considered for the NOFN project?

MTNL Response(for Q7 &Q8): Considering that Govt. is the owner of PSUs, it becomes logical for the Govt. to award works which are fully financed by it for social causes. Such works are expected to be carried out on non-profitable basis which cannot

be expected from the private parties. Further, it is the prerogative of the Govt. to decide where & how its money is used / invested.

Q9: Are there any ways in which infrastructure development costs can be reduced? Is it possible to piggyback on the existing private sector access networks so as to minimize costs in reaching remote rural locations?

MTNL Response: *It will depend upon the objectives of the Govt for such projects.*

Q10: What can the private sector do to reduce delivery costs? Please provide specific examples.

MTNL Response : No comment.

Q11: What are the major issues in obtaining right of way for laying optical fibre? What are the applicable charges/ constraints imposed by various bodies who grant permission of right of way? In your opinion what is the feasible solution?

MTNL Response : Details of various charges presently paid to different Govt agencies in Mumbai & Delhi for Laying of underground cables (OFCs)-

(a) ***Mumbai:*** *In Mumbai, RoW charges were levied as per RoW Policy of Govt. of Maharashtra which is as below:*

- (i) *TSP has to make over 5% cashless equity shares to GoM or to make onetime payment of 2 to 6% of the normative cost of laying the network as fixed by GoM.*
- (ii) *The normative cost has been fixed as Rs.10 lakhs to 60 lakhs per km depending on the number of cables/ducts and Municipal council or Municipal corporation areas.*
- (iii) *Onetime payment of ROW charges (3% of normative cost) has to be made to GoM and balance 3% of ROW charges to the concerned Municipal authorities like BMC/ NMMC/ TMC/ CIDCO / MIDC etc. in the jurisdiction of MTNL Mumbai.*
- (iv) *In addition, MTNL is required to provide bandwidth of a minimum of 2 Mbps capacity FREE of cost to be used/ independent use by each of Govt. offices, offices of Municipal Corporations, Govt. Educational Institutions, Govt. Hospitals, Police stations as decided by Govt. of Maharashtra, as per their License Agreement in the prescribed format.*

(ϖ) Additionally, MTNL has to pay the exorbitant RI (Re-Instatement) Charge levied by Local Authorities like MCGM, TMC, CIDCO etc. at the average rate of Rs. 7,500/- per meter.

(b) **Delhi:** Reinstatement charges levied by different agencies for laying of OFC is enclosed as **Annexure-I**, the open trench digging charges varies from Rs. 2356.64 per meter to Rs.6087.10 per meter and trenchless digging charges varies from Rs.103.65 per meter to Rs. 339.59 per meter.

Suggestions / Inputs:

To facilitate/ encourage induction of FTTH technology, following are suggested:

- (i) A uniform and viable policy for granting of right of way for laying optical fibre cable/ underground cables/duct etc. may be framed. Further, for prompt processing & grant of right of way permission, a single point of contact may be setup.
- (ii) It is suggested that the ROW charges for OFCs/Underground cables/duct etc should follow the common policy for implementation.
- (iii) The ROW charges should be for new cables/ducts to be laid only. There should not be any charges for old cables /duct laid.
- (iv) To avoid repeated digging of roads / pavements leading to public inconvenience and recurring costs, Local bodies may be asked to provide troughs / ducts along the pavements of roads for different utilities and rent out the space to different utility agencies like Power, Telecom, Gas etc.
- (v) **Re-Instatement (RI) charges:** At present an exorbitant reinstatement charge are being levied by different local authorities, which is financially unviable in the present competitive environment, which is also a hindrance in achieving seamless broadband connectivity to customers. Hence to achieve OFC reach upto customer premises, a reasonable and uniform reinstatement charges may also be included in RoW policy and same may be made applicable for all local bodies of all the states.
- (vi) At present different authorities are to be approached for getting digging permission. Hence, it is proposed that a single agency may be nominated to get the permission under the single window concept. Further, to avoid delays in granting permission, a suitable time limit for granting permission may be fixed.

Q12: Should the Government consider framing guidelines to mandate compulsory deployment of duct space for fibre/ telecommunications cables and space for

telecommunication towers in all major physical infrastructure construction projects such as building or upgrading highways, inner-city metros, railways or sewer networks?

MTNL Response : Yes please.

Q13: What are the impediments to the provision of Broadband by Cable operators? Please suggest measures (including policy changes) to be taken for promoting broadband through the cable network.

MTNL Response : No Comments

Q14: What measures are required to reduce the cost and create a proper eco system for deployment of FTTH in the access network?

MTNL Response : Please refer response of Q1 & Q11.

Q15: Are there any regulatory issues in providing internet facility through Wi-Fi Hotspots? What are the reasons that installation of Wi-Fi hotspots has not picked up in the country? What type of business model needs to be adopted to create more Wi-Fi hotspots?

MTNL Response : Considering that Wi-Fi does not -make a immediate viable business case, Govt help is needed for deployment of Wi-Fi hot spots at least in public places.

Q16: What are other spectrum bands which can be unlicensed for usage of Wi-Fi technology or any other technology for provision of broadband?

MTNL Response : No comment.

Q17: How much spectrum will be required in the immediate future and in the long term to meet the target of broadband penetration? What initiatives are required to make available the required spectrum?

MTNL Response: No Comment

Q18: Are there any other spectrum bands apart from the ones mentioned in Chapter-2 to be identified for provision of wireless broadband services?

MTNL Response : No comments

Q19: What are the measures required to encourage Government agencies to surrender spectrum occupied by them in IMT bands?

MTNL Response : No comment.

Q20: What should be the time frame for auctioning the spectrum in 700 MHz band?

MTNL Response : No comment.

Q21: Do you agree with the demand side issues discussed in Chapter 5 and Chapter 6? How these issues can be addressed? Please also indicate any other demand side issues which are not covered in the CP.

MTNL Response: Creation of proper & sustainable infra which includes power / electricity is a must to create awareness / demand of Broadband. Then comes the content, it should be such that it helps in improving their day to day life / meets needs & should be in the language which they understand.

Q22: Please give your comments on any related matter, not covered above

MTNL Response : No comments.