

S Tel's comments on TRAI's Consultation Paper on "Collocation Charges"

At the outset, we would request the Authority to clearly define "Seeker" with reasons. The last award of UAS licenses were made way back in the year Feb/March 2008 and hence the concept of 'Seeker' does not survive in today's context i.e. after 2 years. It is therefore, imperative upon the Authority to wipe out the concept of 'Seeker' in Indian telecom industry by exercising its authority enshrined in the preamble in the TRAI Act.

Secondly, S Tel is of the firm view that there is no scope of levy of "Collocation Charges" by any operator being the necessity of interconnecting each other's network.

Our comments on the questions raised by the Authority are given below-

1. Give your comments on the procedure for making an application and subsequent provisioning of collocation indicating clearly the time lines for each activity and the centre of responsibility.

S Tel is of the view that it shall be mandatory for all operators to put in place a transparent system of providing collocation (both active and passive). The application form for the collocation request shall be available online. It shall be mandatory for the operator to respond back the other operator on his decision within a period of 3 days of making application either through hard copy or through e-mail /fax. In the case of a negative reply, the operator shall provide definitive cause for denial to enable the other operator to seek necessary remedy.

In the case of a positive reply, the terms and conditions for collocation including consent should be mutually negotiated and closed within a period of maximum 15 days from the date of end of 3rd day of making initial application.

A common (location neutral) Application Form shall be devised by the Authority which will be available online on all Operator's website for making request for collocation.

2. Give reasons because of which request for collocation can be rejected by the collocation provider.

The operator may refuse the request for collocation on following grounds.

- i. Unavailability of space
- ii. If Interconnection Agreement between the operators has been terminated
- iii. If the operators are having a commercial dispute.

An operator who is denied access to collocation may refer such refusal to the Authority and the Authority shall be at liberty to inquire into the decision refusing access

3. Give reasons because which an ongoing collocation agreement can be terminated by the collocation provider.

We are of the view that no reason other than termination of Interconnection Agreement can survive for termination of collocation agreement.

4. **Give your comments on the procedure of termination of collocation including the notice period that any party may give to the other party for termination of collocation agreement.**

The procedure of termination of collocation agreement should be made sub-set of the occurrence of termination of Interconnection Agreement. In view of this, no question arises for regulating separate procedure for termination of collocation agreement.

5. **What measures can be taken to ensure transparent and non-discriminatory treatment in pricing and provisioning of collocation facility? Should these be mandatorily published on the providers' websites?**

We are of the firm view that there should not be any "Collocation Charges" in the present scenario of telecom operations in India. Collocation is a necessity in interconnecting networks for transmission of calls and surely it is not a product to be sold by the operators in an open market.

6. **How should a bay and a rack defined and what area they should be presumed to occupy?**

The standard prevalent meaning is that a bay may contain a number of racks and one rack may contain a number of shelves. The size of shelf can be fixed depending on a rack size, the standard being a 19 inch wide rack with a maximum height of 2.2 meters. The Authority may consult TEC in arriving at definitive measurement for bay and racks required for Collocation facility.

7. **Should the charges be quoted on a consolidated basis per unit area or per rack/bay inclusive of all facilities or should they be segregated item wise ie separate charges for space, power maintenance etc?**

We are of the firm view that there should not be any "Collocation Charges" in the present scenario of telecom operations in India. Collocation is a necessity in interconnecting networks for transmission of calls and surely it is not a product to be sold by the operators in an open market.

Comments on this question, therefore does not arise.

8. **What elements should be taken into consideration for costing collocation and what should be the costing methodology for calculation of various elements like**
- **Charges for space both in case of owned and rented buildings. Should the calculations be based on carpet area or super area?**
Carpet area
 - **Should the charges be based on market rent or any other criterion?**
As the facility would be used by both the provider as well as seeker the charges have to be much lower than market rent
 - **Electricity & miscellaneous charges**
Can be charged on the basis of usage

- **Charges for in-premises duct sharing**
There shall be no charge for this
- **Charges for tower sharing (For the purpose of mounting of antenna for interconnect link)**
There shall be no charge for this
- **Annual escalation for the charges**
Can be worked out based on the market conditions
- **Charges for sharing of any other facility required for collocating equipment for interconnection**
Shall be mutually agreed upon by the operators

We are of the view that there should not be any collocation charges between the interconnecting networks being necessity of interconnecting networks. Since Interconnection Usage charges are already being regulated, the Authority should make it mandatory to all operators to not to charge any collocation charges.

The operators however, should bear the proportionate cost on electricity and other Misc charges based on the traffic flow between the two network averaged over a months period.

9. A common method of costing is based on directly attributable cost. If this method is use then what should be the reasonable return allowed?

Please refer our comments to question no. 8 above.

10. Should there be a well defined criteria for allowing collocation provider to retain space for own need? Explain your answer.

Yes, there shall be well defined criteria for retaining space for own needs otherwise it can be used conveniently to deny collocation as one of the reason.

While there is no ambiguity in understanding that the Collocation provider has to plan for its own future needs, still it shall be borne in mind that telecommunication equipments already installed are installed keeping in mind future requirements and hence the capacities already inbuilt may be sufficient to accommodate growth for many years. The dynamic technological growth in the sector shall also be factored in. There is a possibility that new innovation might lead to a considerable decrease in space requirements.

We are therefore of the view that the need for well defined criteria for retaining space is paramount and should be regulated by the Authority.

11. Should there be an option to the seeker for carrying out operation and maintenance (O&M) of the collocated equipment itself or through the collocation provider? In case O&M is done by seeker what should be the conditions for access to the premises while in case it is done by the provider what should be the criteria for charging for it?

First of all, we sincerely request the Authority to clearly define the word "Seeker".

In answer to this question, our reply is “Yes”. The operator who requires collocation shall have the option to carry out O&M of the collocation equipment in the best interest of seamless interconnection between two networks. The telecom equipments are cost intensive and of sensitive nature, therefore proper handling and O&M is a must. Also as in the present day scenario many operators are following a managed services model, wherein the equipments have to be managed in scientific manner, it is a desirable proposition.

The conditions for access should be same as is applicable for access to POIs in the standard Interconnect agreements.

In case the O&M is done by the provider, there should not be any charges for that.

12. What should be the criteria for determination collocation charges of passive links?

Please refer our comments in reply to Question No.8 above.

However, the cost of duct for sharing should be transparently calculated and per meter rate should be defined city wise.

13. Is there a justification for the collocation cost to be shared by both the seeker and the provider? If yes what should be the criteria used?

Please refer our comments in reply to Question No. 8 above

14. Do you have any other suggestion regarding framing of guidelines for collocation charges?

We have following suggestions to this effect:

1. The Authority should define ‘Seeker’ in current telecom scenario with reasons keeping in view that all UAS licensees in the Country are more than 2 years old.
2. The Authority should refrain from regulating collocation charges separately as collocation is a necessity for interconnecting two networks.
3. The Authority should mandate through regulation that collocation facility is part and parcel of interconnection for which Interconnect Usage Charges are already being regulated except to the fact that operators should pay expenses towards electricity, air-conditioning and market rent/space charges in proportion to the traffic flow between the interconnecting networks averaged over one month period.
4. The Authority should, however, regulate defining clear time lines to ensure that collocation is completed within a period of maximum 15 days from the date of application by any operator.