

**Response to consultation – Draft Order issued by the Telecommunications Regulatory Authority on the Reference Offer of the Bahrain Telecommunications Company B.S.C, 15 December 2015 (ref: MCD/12/15/092)**

<b>RESPONDENT</b>
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<b><i>Confidential material in this document has been replaced by [X]</i></b>
<b><i>18 February 2016</i></b>
<b><i>GCL/89/16</i></b>

**Batelco has reviewed the intensive scope of the Draft Reference Offer Order (DO) and makes the following preliminary comments:**

1. The DO proposes adding a new Wholesale Data Connectivity (WDC) service in addition to Wholesale Local Access (WLA) enhancements and new service levels and processes and will require a fundamental and material restructure of Batelco's Wholesale, Network and Delivery and IT divisions.
2. We envisage that such restructuring will have serious and potentially far reaching adverse impacts upon the resourcing, operation and performance of such divisions. If we had to implement the DO in its full compliant scope within the ordered timescales, we expect neither to have adequate resources in Batelco nor a clear pathway on how to implement and comply with many of these changes.
3. Such impacts will also extend indirectly to the structuring, operation and performance of Batelco's Retail division.
4. Noting the TRA consulted with OLOs in October 2014, Batelco would like to meet with the TRA to discuss and assess the work involved addressing wholesale customers' immediate needs, as soon as possible, ideally before any final order is made.
5. In order to assess the possible implementation of the DO, Batelco would suggest that Batelco and the TRA engage in a phased discussion, which could include the following:
  - a) Service scope assessment and final agreed documentation deliverables
  - b) Systems assessment, development design and planning
  - c) Implementation planning

**Issues of concern –**

**(a) Material costs, pricing principles and timing**

6. As we have advised in the past, Batelco is required to go through many of the following steps before being able to implement or introduce any material changes to existing products/services or the introduction of new ones, especially where network enhancement and development is required:

- [X]
- [X]
- [X]
- [X]
- [X]
- [X]
- [X]
- [X]
- [X]

7. By way of analogy, [X]

[X] Similarly, the Lawful Access Regulation dated 10 November 2009 as documented allowed implementation in a phased incremental approach:

- 2 months from publication of the regulation for licensed operators to submit an implementation plan
- 60 days assessment period
- further time for resubmission if implementation plan rejected

- 6 months to implement from approval of the submitted plan
- Exemption from requirements under article 4 (4) if impossible to implement for technical development reasons, written approval obtained from security agencies and commitment to implement if technically feasible.

8. The changes proposed in the DO, most notably the introduction of the WDC service if fully implemented, on current estimates would perhaps take some [X] months to implement in order to be carried out in a timely and professional manner. We consider it would involve Batelco's largest ever wholesale project to date. The revisions proposed in the DO (some new and much more stringent service levels and processes) would, if implemented, have material impact on costs, adjustment to risks and responsibilities and to incentives and requirements for the investment of capital. It is apparent that these changes will affect the reasonable price which should apply to the service, and these have not been quantified yet. This DO would impose a level of development and resourcing far above what has been experienced to date. Batelco does not consider that it will recover such costs from regulated charges. Given that there has been disagreement in the past between the parties over the recovery of costs associated with the implementation of wholesale activities, we consider that this issue needs to be further addressed with the TRA.

9. It is also apparent that the implementation of all the revisions proposed in the DO would require a substantial amount of system development and implementation. Even a greatly reduced set of measures appears likely to require Batelco to plan, develop and deploy new IT monitoring and reporting and to engage in training and development. The anticipated effects of the DO extend to networks, wholesale, costing, billing and customer care interfaces. Current resources this year are fully employed on existing projects and the DO proposals have not been incorporated into the work plan. The scale of this will obviously vary depending on the result of the final order, if any. If this DO was implemented in its current form, it would disrupt:

- periodic regulatory requirements – reporting, accounts, reference offer price terms, investigations and retail tariff notifications;
- implementation of other significant regulatory projects and changes this year (for example, implementation of the 2015 Edict on mast deployment, implementation of the revised Sim card regulation, changes introduced by the revised National Numbering Plan); and
- Meaningful consultation and dialogue with the industry on new proposed regulations and reforms forthcoming as a result of the

expected issue of the Fourth National Telecoms Plan, implementation of the Strategic Market Review findings last year and initiatives to be decided in an updated TRA 3 year work plan.

Timescales and reasonable scope of wholesale remedies are vital. Batelco considers that it would not be reasonable to be subject to a large new set of onerous requirements with immediate effect.

**(b) Policy Formation**

10. Batelco supports the TRA’s Strategic Market Review policy of regulatory measures being subject to a proportionality test, where the costs should not exceed the benefits of intervention. This consideration is important in a thriving but comparatively compact telecommunications market. Whilst market reviews have been completed and wholesale remedies discussed at a high level in the Strategic Market Review exercise 2014-5, in the light of the DO proposals and the ongoing review of the duct rental product, Batelco believes further alignment and consideration of proportionate and achievable fit for purpose wholesale remedies in these regulatory markets are necessary.

**(c) WDC as a Remedy**

11. Batelco does not agree with the DO’s findings that a new WDC product for higher capacity throughputs to any “B” end site in Bahrain is a proportionate remedy because:

- alternative remedies already exist in the wholesale market for domestic data connectivity, namely CAT/LLCOs and the WLA products. These are being enhanced in the same DO and proposed prices greatly reduced. Aside from wireless backhaul over fibre to replace microwave, there is no demonstrated critical demand “gap” requiring a new regulated wholesale input to address the perceived market failure.
- ordering a new WDC product at these price points which are significantly below retail rates reduces Batelco’s incentives to invest in

future fibre for the business/enterprise market, at a time when economic policy wishes to encourage more fibre roll out in Bahrain.

- as a result of the TRA’s previous policy of encouraging provision of passive wholesale remedies (2006 Reference Access Order onwards), by January 2016 approximately [X]km of duct is leased to wholesale customers, and these leases are concentrated in the parts of Bahrain where most businesses are located (or on routes to international gateways or main service nodes). The continuing future status of this remedy is not known, but wholesale customers are continued to be supplied with such a wholesale input
- bespoke arrangements can still be entered into at commercially acceptable reasonable rates to meet immediate critical requirements. Batelco understands that these requirements as communicated to us are mainly fibre based wireless backhaul, which we have responded to with a competitive commercial offer.
- as proposed in the DO, not just investment risk but delivery and demand risks are (with the exception of a low level cancellation charge) are passed completely over to Batelco in the absence of any batching of orders, phased approach or committed forecast or equivalent order management has been encouraged to take place.

## SUBMISSION STAGE: BATELCO

**Q1. Please provide any comments you may have in relation to the Authority’s premise of fair, reasonable and non-discriminatory terms, conditions and tariffs for regulated RO products and services.**

### **Comment (SUBMISSION STAGE):**

**The premise of fair and reasonable terms, conditions and tariffs**

12. Batelco does not agree that all access remedies have to be cost based in all circumstances, but rather fair and reasonable terms as provided for under both article 57 (e) and article 6.1 Access Regulation 2005, neither of which mentions “cost based.” It is not in the best interests of

consumers, the development of competition or the national interest because it removes, without good reason, a valuable flexibility in pricing access services

13. Fair and reasonable wholesale pricing can be chosen from a spectrum of cost concepts ranging from retail at one extreme to bottom up base LRIC at the other<sup>1</sup>. This provides the flexibility sometimes required to secure a proportionate outcome, and also does not mean that the TRA has to resort to the more prescriptive article 57 (b) to determine access prices (interconnection prices based on forward looking costs or by benchmarking tariffs in comparable markets).

14. In its costing calculations used to determine the WLA and WDC prices, as previously highlighted, we ask the TRA to consider again the large scale network expansions and upgrades required to supply potential fit for purpose wholesale data connectivity service inputs. Should the DO in its current form be ordered, we provide below a high level breakdown of the capital and operational expenditure estimated will be incurred in carrying out this implementation phase which should be fully allowed for in the costing ([X]):

[X]

[X]

[X]

[X]

[X]

[X]

[X]

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<sup>1</sup> See Batelco's numerous submissions on fair and reasonable access pricing – in particular, Batelco's response to the TRA's "Draft Order on the Wholesale Local Access Service" dated 23 August 2012, ref GCL/305/12

[X]

[X]

[X]

[X]

[X]

[X]

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[X]

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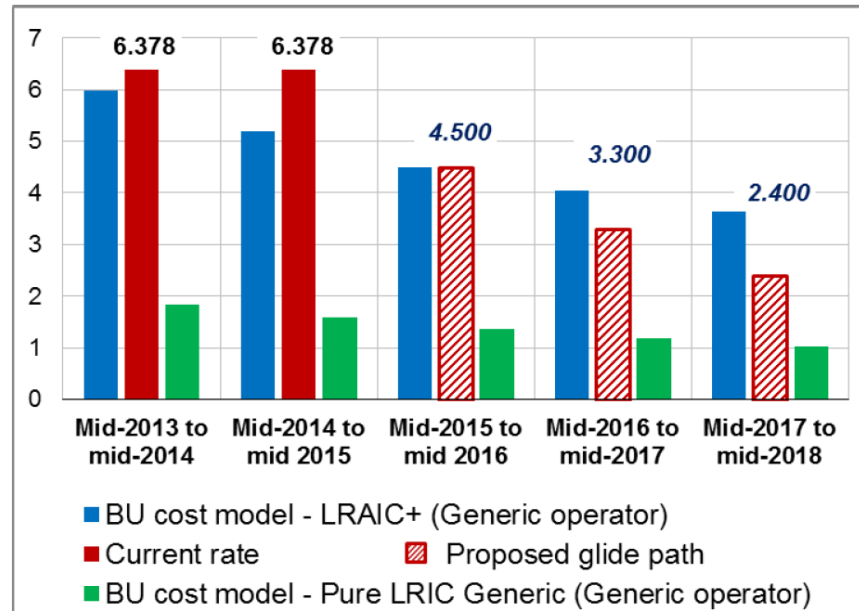
**Glidepath**

15. Any immediate price reductions of some 70-80% as envisaged in the DO would be expected to cause significant market shifts, given the difference between these and current retail rates. A 1Gbit/s circuit, for example, at the retail level will have a monthly charge of [X] (on a one year contract) whilst OLOs will be able to obtain this at the wholesale level for BD 1,280 per month. We also note the significant WLA and WDC price reductions are proposed to be applied from day one of the RO being issued and that some of these reductions are in excess of 87% (WDC 622 Mbit/s). It is therefore appropriate that prices adjust according to a glide path as has been applied in the past by the TRA in similar circumstances, for example, in the context of inbound international rates to mobile and fixed, mobile termination rates and wholesale IPLC services.



16. We note the approach taken by the TRA in its review of call termination rates provides for a 3-year glide which “ensures a gradual transition from the current rate ... to the proposed target rate ..., which represents a reduction of -62.4% in three years. Under the glide path, the reduction of the mobile termination rate does not exceed -30% per year”<sup>2</sup>. See table below for further illustration of the approach previously taken by the TRA in this regard:

Figure 8: Proposed price glide path for the mobile termination rate applicable to domestically originated calls



Source: the Authority

<sup>2</sup> “Regulation of Wholesale International Inbound Call Services and Review of Call Termination Rates” Consultation document, TRA, 23 April 2015, sections 3.3 and 3.4

17. In the past, the TRA has often used glide paths to set price terms especially where the *“use of the bottom-up models results in cost-based prices that are significantly different from prevailing rates. This may also be the case when a service that was provided in the past with a given technology is now provided using a more cost effective technology”*<sup>3</sup>. Faced with this reasoning and in light of the extensive price reductions and large scale DWDM/MPLS network expansions and integration required for the proposed WDC service, Batelco is surprised that this approach would not have been suggested by the TRA in the first place, to *“ensure that a smooth transition occurs”*<sup>4</sup>.

**Q2. Do you agree with the Authority’s proposed general amendments to be made to Batelco’s RO? Please explain your position. If you disagree, please propose an alternative.**

**Comment (SUBMISSION STAGE):**

18. Whilst Batelco appreciates the importance of document management and control, Batelco does not place as much importance as the TRA on this exercise bearing in mind other action items in the DO. These types of tasks will create an unnecessary administrative burden and divert available resources away from higher priorities. Para 43 will in essence create an very large sized document and we again fail to see the significance or benefit to OLOs here – OLOs are able, if they wish, to refer to previous RO Orders issued by the TRA on its website if and when a historic comparison is required for any reason. No comparable measures have been proposed for the ROs which have to be produced by VIVA and Zain.

**Q3. Do you agree with the Authority’s proposal to mandate the introduction of Service Levels for the Wholesale Data**

<sup>3</sup> “Development, implementation and use of bottom-up fixed and mobile network cost models in the Kingdom of Bahrain” Position Paper, TRA, 19 October 2011, para262

<sup>4</sup> As above, para 262

**Connection and the Bitstream products and services? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

**Proposed new and revised Service Levels for wholesale services**

19. Batelco would like to raise a number of overlying issues concerning the revised and consolidated service level agreements mentioned in the DO, with the TRA, including the following:

- a) Batelco is already subject to contractual and legal obligations of non-discrimination, which Batelco fulfills in respect of relevant access services by using as near as possible similar systems and processes for OLO business as are used for retail business. Fault management, repair, etc. are handled by identical personnel in the same way. The TRA's proposed SLAs appear to give OLOs not only their existing processes, but also in many cases a clearer and better level of service delivery and service delivery management than appears at retail.
- b) **Investment, training and deployment:** TRA is proposing to tighten and significantly reduce many delivery deadline targets along with the introduction of stringent rebates. While Batelco has in general been meeting the existing targets, the TRA's new standards represent a significant stretch. To meet them, Batelco would be investing in developing systems and training new resources at considerable cost. Processes and service levels that require Batelco to perform certain tasks within, for example, one to two working hours impose an extraordinary level of investment in systems to manage and monitor compliance. Those standards are more challenging as the TRA is not proposing measures which would manage the equivalent workflow (such as requiring orders to arrive in predictable-sized batches, or limiting the number of orders that could be placed each day or requiring proper and reasoned forecasts). Batelco wonders whether there might be a more incremental approach to be considered and developed. The TRA's "processes" also require that some tasks must be completed within 15 minutes – whilst automation has been suggested here, significant IT developments would also have to be undertaken here for this to happen. Task targets of 15 minutes and one/two working hours (with obligations to report on progress) do not realistically take into account normal human behaviour patterns such as meal breaks and prayer times. To manage them, Batelco would expect to need to set up a wholesale call-centre type operation to be dealing with OLO business.

**c) Removal of exceptional circumstances provision allowing for extended delivery dates (para 281)** – Batelco believes it is unreasonable for the TRA to expect Batelco to be able to deliver 100% of all WLA and WDC orders within the maximum time frames proposed from day one. We assume, but wish to confirm, that delivery targets only relate to matters within Batelco’s reasonable control, and that industry standard reasonable exceptions to the application of these levels will remain. In its response to the TRA’s Draft Order on the WLA service, Batelco provided a non-exhaustive list of possible situations that may arise in which an exceptional delivery date may be required in relation to provision of the WLA service.

- Having revisited this matter following receipt of the DO, Batelco confirms that it does not have the necessary resources or system capabilities in place to fully comply with the revised and tightened timeframes proposed at para 279 and would strongly support reverting to the existing WLA timeframes, including a buffer for delivery of circuits where, for instance, if 70% of orders were delivered within the set KPIs in a given month, no service credits would apply, or some similar “tolerance” level.
- Additionally, we consider it imperative for any final order to allow for exceptional circumstances that may arise in the delivery of a given circuit and based on regular practice and network / delivery team experience, we provide below a number of non-exhaustive reasons for this:
  - customer premises or site not yet ready in expected or required condition and / or awaiting customer approval
  - wrong customer details including address and contact
  - way leave issues - approvals often delayed
  - US Navy and Ministerial approvals on average often take more than 2 months to obtain
  - lengthy time periods arranging for relevant traffic permission – especially where the route crosses or involves VIP areas
  - in some circumstances we are unable to carry out full testing after implementation as we are waiting for the customer’s other sites to be completed / made ready
  - unforeseen material shortages and the need to re-order, including vendor and shipment delay that are often outside of Batelco’s

reasonable control

- box may be buried within a customer’s property
- unplanned civil works and cabling that may be required during implementation
- waiting for a particular customer to provide fibre where applicable
- where an area has new asphalt (not necessary known to Batelco at time of receipt of order) a new way leave may be required and cases where the relevant joint box may be buried underneath
- delays caused by infrastructure damage
- lack of duct space or damaged duct, not known to Batelco at time or receipt of order
- requirement to change route of duct

**Q4. Do you agree with the Authority’s proposed definition and description of the service request process? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

20. In terms of automated acknowledgement Batelco has no major comments.

21. In respect of the “Maximum Time for Service Request Confirmation” we do not agree that a service request should be deemed to have been accepted by Batelco if formal notice of confirmation has not been received by an OLO. This is not only impractical as the order may have been genuinely missed by the working team but sometimes also impossible to provision due to wrong or missing information (such as the address or speed).

**Q5. Do you agree with the Authority’s proposed definition and description of the service delivery process? Do you agree with the proposed provisions that the Authority considers should apply in case an OLO cancels a Service Request during the delivery process? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

We provide below general overall comments in respect of the new proposed service request and delivery processes for all Wholesale products.

22. Instead of separate service request and processing stages, we consider it would be more effective to have a single **7WD** timeframe for both the service request confirmation stage and the notification to OLOs of expected and maximum RFT and RFS dates by Batelco.
23. The same time frame to apply for both new and existing orders as the latter may require similar provisioning processes as a new order (for example, upgrading from copper to fibre or transferring to a new operator which would be considered a cease/provide order) – our comment above in respect of 7WD to be implemented for both processes applies here. 5WD considered too little to carry out the detailed investigative measures required at this stage – at a minimum should be **7WD to 10WD**.
24. We consider it excessive to introduce penalties for failure to notify OLOs of Expected (indicative) RFT and RFS dates, especially noting this relates to the introduction of a new process which the working teams will need to become adjusted to and often, these dates are highly dependent upon external factors which Batelco has no direct control over such as way leave and other relevant authority approvals and the availability of required materials (the removal of the forecasting requirement for OLOs will contribute largely to this). Additionally, the introduction of penalties in this regard will disincentivise Batelco from committing to or communicating to OLOs an expected date for delivery, other than the maximum.

**Q6. Do you agree with the Authority’s proposed definition and description of the fault management process? Please explain your position.**

**Comment (SUBMISSION STAGE):**

25. Based on the average time taken by Batelco to restore WLA circuits during the past 12 months, the proposed timeframes at para 288 are essentially unachievable, especially in light of limited resources and on the understanding that 100% of all faults reported would be restored in this manner. Batelco considers not only the amount of resources required to meet specific SLAs but also the practicalities involved with reaching and accessing certain premises through congested roads and traffic within the Kingdom. We therefore propose the following timeframes to be more realistic in addressing both Batelco’s service limitations and customer expectations:

**Restoration during working hours:**

- Standard support: 8 hours
- Premium support: 6 hours

**Restoration after working hours:**

- Standard support: 10 hours
- Premium support: 8 hours

The above revised SLAs should be disapplied in reasonable cases, including all scenarios outside of Batelco’s control such as those arising from cable cuts and sabotage incidents, but also planned maintenance and faults arising from a breach of a supply terms obligation by the wholesale customer.

**Q7. Do you agree with the Authority’s proposed process for the payment of Service Level Penalties? Do you agree that the corresponding rebate(s) shall not be claimed by OLOs but directly reflected by Batelco in the next invoice(s)? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

26. Our comments above in respect of service levels and proposed penalties should be considered here.

**Q8. Do you have any comments on the Service Level definitions proposed by the Authority? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

27. We do not have any major comments on the service level definitions proposed.

**Q9. Do you agree with the Authority's proposed creation of a Forum on Batelco's RO? Please explain and justify your position. According to you, what should be the terms of reference of such forum to ensure its effectiveness?**

**Comment (SUBMISSION STAGE):**

28. Batelco welcomes any suggestion that will improve communication amongst all relevant stakeholders however our experience shows that continuing one to one wholesale account manager discussions facilitates a more confidential exchange of information.

**Q10. Do you agree with the Authority's proposed approach aiming at limiting the payment of one-off charges for the deployment of a fibre access? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**



29. We consider that Batelco should be able to recover the cost of this fibre in all scenarios where the OLO has initiated the order.

30. Scenario 1 assumes multiple access of a multi-story building. However, the TRA's reasoning does not take account of a multi floor building with only 1 or 2 occupants (such as a government ministry, agency, and large enterprise). In the case of Scenario 1 there could also be many reasons for the landlord not choosing fibre access and Batelco believes it is unreasonable for it not to be able to recover the cost of this deployment especially if there are timing issues between the historic cost information and the date on which the service is requested.

31. Scenario 2 (where existing fibre access cable is fully used) – the TRA requires Batelco to assume full risk for future demand projections for services. This does not strike a fair balance of risk as Batelco is required to overprovision without any forecast information from OLOs.

**Q11. Do you agree with the Authority's proposal to order Batelco to build a centralised database on fibre access and fibre usage in Bahrain? Do you agree that until such time as a database is made available, Batelco should introduce a 2-working-day presale process? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

32. In its response to the TRA's letter dated 29 June 2014 (ref MCD/06/14/087) relating to a potential Batelco wholesale dark fibre, we identified the severe problems we face with compiling a database records of existing spare duct and spare fibre within Batelco's network as these exist in a fragmented fashion (since Batelco does not offer such a service). If technically possible, the database the TRA envisages would require significant investment and upgrade to its current systems and would take approximately [X] months to develop at a cost of over BD [X], which does not appear to have been accounted for in any of the TRA's calculations.

**Q12. Do you have any comments in relation to the speeds for which the WDC should be made available?**

**Comment (SUBMISSION STAGE):**

33. As previously advised and discussed with the TRA, Batelco remains of the view that the WDC service as envisaged by the TRA should still only apply for the purpose of providing wireless operator backhauling services from speeds including and above 300 Mbit/s. We also maintain that the WLA is the appropriate service for all other forms of data connectivity up to and including 1 Gbit/s.

**Q13. Do you have any comments in relation to the proposed technical characteristics for the WLA and WDC Aggregation Links?**

**Comment (SUBMISSION STAGE):**

34. On the basis of our WOBS proposal in that the service would only apply for the purpose of providing wireless operator backhauling services, we do not have any major comments in this area other than to note that we can only offer a fully redundant fibre route if there is an alternative route/path that does not require material investment.

**Q14. Would you be interested by the introduction of a synchronisation feature for the WLA? Please explain and justify you position.**

**Comment (SUBMISSION STAGE):**

35. Batelco will only be able to further address this issue once it receives the full technical requirements needed by OLOs.

**Q15. Do you agree that Batelco should offer as an option the full end-to-end physical and logical protection of a WLA or WDC**

**Connection for an additional 30% mark-up on top of the applicable MRC? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

36. All WLA circuits are Layer 2 and automatic failover is only possible using another Layer 2 circuit to the same customer location. In this regard, it will be for the customer to configure his network and switch over to the back-up link. The protection option should therefore be treated as a separate circuit and charged at full price and not an additional 30% mark-up. The redundancy is dependent upon the available bandwidth and ports, optical path diversity and separate equipment.

**Q16. Do you agree that Batelco should allow the use of a second ingress ports on a CPE provided for a WLA/WDC Connection or a WLA/WDC Aggregation Link? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

37. Batelco is currently examining this option and hopes to resolve this in any further discussions we may have with the TRA on the DO.

**Q17. Do you agree that Batelco should provide a minimum set of information on CPEs used for WLA and WDC Aggregation Links and Connections? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

38. It is not feasible in practice for Batelco to offer a minimum set of information relating to WLA and WDC CPEs as this information changes on a regular basis as and when technology evolves and when a supplier discontinues or introduces a new model. Batelco may be able to offer details of the relevant CPEs used at any given time to OLOs, upon request and on the understanding that these may change from time to time.

**Q18. Do you agree that Batelco should continue to be subject to additional QoS reporting obligations for WLA and WDC? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

39. In addition to the WLA and new proposed WDC services, Batelco also offers the broadest range of products and services in the Kingdom and is most impacted by any proposed changes to the existing list of reporting measurements and targets. The new proposed measurements require a significant breakdown of details to be provided on a circuit by circuit basis and noting that Batelco already faces system limitations in the existing reporting of overall circuit information, this new level of increased requirements will not be possible. Many of the existing measurements are still provided manually and huge IT development will be required to provide more automated reporting. We would welcome further dialogue with the TRA to discuss these detailed reporting requirements to ensure consistency of collection and development of a practical list of measurements before any final order is published.

**Q19. Do you agree that Batelco should implement a test based on ITU-T Y.1564 test methodology and systematically provide a copy of test results to the OLO? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

40. Batelco has reviewed the testing methodology prescribed by the ITU-T Y.1564 test and notes that whilst it may be technically feasible to implement, the current QoS parameters (jitter, latency and frame loss) are measured on a “core” basis and not “end-to-end” and accordingly there needs to be a reasonable revision to these. In this regard and based on recent test carried out by Batelco, we would propose the following ‘average’ end to end measurement for each QoS parameter:

QoS parameter	Copper	Fibre
Latency (RTT) (average)	<= 50 ms	<=10 ms
Frame loss (Average )	<= 0.5%	<= 0.1%
Jitter (Average)	<10 ms	< 5 ms

**Q20. Do you agree that OLOs should have access to Batelco’s BNV system? Should OLO’s customers (i.e. end-users) also have access to such system? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

41. Batelco has discussed this issue a number of times with the TRA during 2014 and 2015 and has also provided additional written and technical information in accordance with the article 53 requests receiving during this time. Batelco further confirmed in April 2015 that all OLOs had been granted access to the BNV system and could successfully view their customers’ circuits.
42. As previously advised, the BNV is is only a performance monitoring tool and its capabilities are not extended to testing procedures. Currently, testing is carried out at the handover stage and this is performed manually by Batelco (with handheld devices) using the RFC 3544 testing methodology. Layer 2 customers are only able to view information relating to link availability, bandwidth utilization and device performance.
43. Batelco is also required to obtain a licence for each ‘user’ of the BNV system so it would be a costly exercise to provide all end users with this level of access.

**Q21. Do you agree that penalties should be paid on a per fault basis for failure to meet a maximum restoration time rather than based on percentage of service availability? Explain and justify your position.**

**Comment (SUBMISSION STAGE):**

44. Batelco is currently reviewing this option and we hope to resolve this in any further discussions we may have with the TRA on the DO.

**Q22. Do you agree with the Authority’s proposed introduction of a ‘Premium Support’ service for an additional 20% premium on top of the applicable MRC? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

45. In principle, Batelco is open to the idea of a premium support service where this would be charged at a premium rate or percentage of mark-up, still to be agreed, however we would only be able to offer the timeframes for response and restoration of faults as detailed above in our response to Question 6.

**Q23. Do you agree with the Authority’s proposed Service Level Terms and Penalties for the WLA and WDC products and services. Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

46. We are of the opinion that where very strict service level terms and penalties apply for any particular product and/or service, there should be associated forecast and other relevant obligations imposed on OLOs for this to take place. We do not see a mention of proper (that is, best efforts and meaningful) forecasting obligations in the text of the Draft RO, especially in relation to the WDC and WLA services, which currently exist for the latter.

47. The lack of forecasting by almost all OLOs has been repeatedly drawn to the attention of the TRA and we consider it is an imperative requirement for our continued business and network requirements. We should also have the right to reject where applicable, incorrect and/or irregular forecasting without having to engage in the steps contemplated by the new service processes. Batelco also considers that:

- a) No OLO should be entitled to any reporting of service level performance or any service credit/s unless and until it has established a track

record of accurate and proper forecasting; and

- b) No service credits should apply and no adjustment should be made to any performance deadline until the industry achieves an accuracy range of forecasting to ordering of +/- 20%).

48. Complete lack of forecasting obligations on OLOs is not reasonable in light of the capital expenditure imposed on Batelco. Batelco's network and wholesale team cannot reasonably be allocated capital to deploy in the Batelco network unless OLOs are bound in some manner to support that capital deployment.

49. Where the implementation of a completely new product and service is being ordered, we would also expect a grace period of at least 12 months during no penalties would apply.

**Q24. Do you agree with the Authority's proposed modifications of the Bitstream service description? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

50. The TRA is proposing at section 70 of the Draft RO Order to remove the "forecasting requirement currently imposed on OLOs for the Bitstream product" (paras 363 to 367). Our comments above regarding (i) the importance of accurate and informative forecasts and (ii) revised service processes apply here.

**Q25. Do you agree with the Authority's proposed Service Level Terms and Penalties for the business Bitstream product and services. Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

51. Our comments above in respect of service level terms and penalties for the WLA and WDC should be considered here.

**Q26. Do you agree with the Authority’s proposal to freeze the charges applicable to the business Bitstream and business WDSL? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

52. Batelco is in agreement with the proposal to freeze the charges applicable to the business Bitstream and business WDSL.

**Q27. Do you agree with the Authority’s proposal to freeze the charges applicable to the ISI and CSI link services? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

53. Batelco is in agreement with the proposal to freeze the charges applicable to the ISI and CSI link services.

**Q28. Do you have any comments in relation to the Authority’s review of the other wholesale services (emergency call access, DQ assistance, inter-operator transit, and CPS services)? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

54. Batelco does not have any major comments in this regard.

**Q29. Do you have any comments in relation to the Authority’s decision to review the duct access product as part of a separate**



**proceeding? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

55. We welcome a review of the duct rental product, but disagree that the supply of this product should run concurrently with any other additional ordered remedy until those additional remedies are considered fit for purpose. A similar withdrawal proposal was determined for WDSL when LLU was ordered, but it was never implemented. We reserve our rights to comment further in respect of a consultation in relation to duct rental.

**Q30. Do you have any other additional comments with regard Batelco's RO? Please explain and justify your position.**

**Comment (SUBMISSION STAGE):**

56. Our additional comments are set out at the beginning of this document.