



internet solutions
A DIVISION OF DIMENSION DATA

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Dear Mr Mhlanga

RE: IS SUBMISSION ON THE DRAFT LLU REGULATIONS

Please find the attached IS submission on the draft LLU Regulations.

Please do not hesitate to contact the writer hereof should you have any questions.

Yours sincerely,

Siyabonga Madyibi
Regulatory Executive

Internet Solu

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Reg. No. 1987/00659/17



1. INTRODUCTION

- 1.1** Internet Solutions (Pty) Ltd (IS) welcomes the opportunity to make a written submission in respect of the draft Local Loop Unbundling Regulations.
- 1.2** IS commends the Authority on its commitment to mandating access to the Local Loop for the provision of voice and data services. The unbundling of the local loop will ensure greater competitive broadband offerings and service innovation in the telecom industry. However, IS is concerned the draft the LLU Regulations will not achieve its intended objectives in its current form.
- 1.3** IS will confine its comments primarily to sections which raise serious concerns.

2. GENERAL CONCERNS

- 2.1** IS has consistently advocated for the unbundling of local loop on the basis that South Africa has fallen behind other developing countries in broadband uptake and broadband availability. IS believes that LLU is a critical component of an overarching strategy to liberalise the telecommunications sector in South Africa. Liberalisation of the sector generates healthy competition, which ultimately benefits operators, consumers and promotes greater access to information throughout South Africa and results in a greater good to the state. However, the draft LLU Regulations have a number of loopholes. As such, they fall short of achieving their intended objectives.



3. DEFINITIONS

3.1 Aggregation Point: the definition of "**Aggregation Point**" links electronic communications services, viz voice and data, directly with facilities. This interpretation negates the fact that electronic communications services can only be provided over electronic communications network services and not directly through facilities.

3.2 Further, the definition of "Aggregation Point" references optical and electrical main distribution frames. "Main Distribution Frame" is defined as a "wiring rack". However, the draft LLU Regulations does not provide a definition of what is implied by reference to wiring rack. IS is of the view that "wiring rack" implies that the facilities connected at a main distribution frame are copper or electrical facilities and NOT fibre optic facilities.

3.3 Shared Loop Access: the definition of "**Shared Loop Access**" refers explicitly to "Digital Subscriber Line services". In the absence of further elaboration of "Digital Subscriber Line", this definition can only be interpreted to refer to services delivered over copper or electrical facilities as per the standards generally described as "xDSL". There are similar shared local loop access concepts over other facilities, such as Passive Optical Network (PON) services delivered over fibre optic facilities, which are not covered by this definition.

3.4 Layer 2 interconnection: the definitions, and draft LLU Regulations in general, refer only to Layer 1 facilities and to Layer 3 Bitstream services. There is no reference to Layer 2 interconnection, for example between Metro Ethernet networks.



3.5 Main Distribution Frame: clarification is required of the conditions under which the Authority may designate a location at which facilities are aggregated in a "wiring rack" as a "Main Distribution Frame". The concept of a "Main Distribution Frame" is well understood in the network structure of traditional exchanges providing aggregation points for all copper running from the exchange to homes, businesses, etc. However, in modern network implementations, copper and fibre are aggregated in a multitude of locations including:

- Street nodes where active facilities are deployed to aggregate copper and fibre onto Layer 2 technologies, such as SDH and Ethernet. These Layer 2 services are then backhauled on fibre to the traditional exchange where the only "Main Distribution Frame" is then an optical distribution frame aggregating backhaul fibre and not local loop copper or fibre. Telkom's "Multi Service Access Node" (MSAN) deployment project is an example of this deployment of street nodes;
- Buildings, such as major retail locations and multi-storey buildings, where the density of customers is such that the fibre or copper servicing the customers is first aggregated onto Layer 2 technologies, such as SDH and Ethernet. The majority of these locations are connected together on fibre rings. Again, the only concept of a "Main Distribution Frame" that exists here is the optical distribution frame where the optical backhaul is connected to devices providing Layer 3 services.



3.6 As illustrated above in both examples, it is impractical for the Authority to designate the thousands of street and building nodes that already exist and are rapidly growing in number as "Main Distribution Frames". It is impractical and cost prohibitive for an ECNS licensee to manage access to all the locations for a multitude of potential Facilities Seekers.

4. CONCLUSION

4.1 IS supports the objectives outlined in the draft LLU Regulations. However, we are concerned that the draft LLU Regulations in their current form will not fully accomplish their intended objectives. It is on these basis that IS requests the Authority to address the loopholes outlined above.

4.2 IS further requests the opportunity to make oral representations in the event that the Authority decides to hold hearings in respect of the draft LLU Regulations.