

AUSPI / 12 / 2005 / 99

15th June 2005

Shri Pradip Baijal,
Chairperson,
Telecom Regulatory Authority of India,
A-2 / 14, Safdarjung Enclave,
New Delhi 110 029.

Sub: AUSPI Response to TRAI Consultation Paper No. 3/2005 dated 2nd May, 2005 on Billing Issues

Dear Sir,

We refer to the TRAI Consultation Paper on Billing Issues.

AUSPI is pleased to enclose its response on the various issues raised in this Paper by TRAI for your kind perusal and consideration.

AUSPI requests the Authority to kindly consider its views enumerated in the response while finalizing the recommendations on the above consultation paper.

Should you require any further information or clarification, we shall be pleased to furnish the same.

Thanking you,

Yours faithfully,

S C Khanna
Secretary General

Encl : As above

CC: Dr D P S Seth, Member, TRAI
Shri P K Sarma, Member, TRAI
Prof. Sanjay Govind Dhande, Member (Part-time), TRAI
Dr Arvind Virmani, Member (Part-time), TRAI
Shri Rajendra Singh, Secretary, TRAI
Shri Sudhir Gupta, Advisor (QoS), TRAI
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Shri M Kannan, Advisor (Eco), TRAI

**AUSPI'S RESPONSE TO TRAI CONSULTATION PAPER
NO. 3/ 2005 ON BILLING ISSUES**

Chapter 2 : Charging for SMS

1. Should there be a charge for undelivered SMS?

SMS is a 'store and forward' messaging system which means that the message is sent from the originator to an SMS centre and then on to the recipient.

Short Messages are usually not delivered either when the recipient is outside the parent network or probably due to a churn of subscribers from one network to another or when they are sent to invalid/landline numbers.

We therefore, recommend that there should be no charge for undelivered SMS, except in the cases as mentioned above. This is, however, dependent on the SMS interconnection arrangement between various operators. Our members are not charging the customer for undelivered SMS for person-to-person SMS, except in the case of international numbers and in the case of operators, where it is technically not feasible.

**2. If yes, should the SMS be charged in two parts –
(i) Some amount when it is sent successfully; and
(ii) Some amount when it is received successfully?**

The above proposal to charge SMS in two parts - some amount when it is sent successfully and some amount when it is received successfully is too complex and will be difficult to implement.

We, therefore, suggest that the SMS should be fully charged.

3. If so, how such an arrangement be technically implemented and on what basis these amounts may be determined?

No comments in view of our response to question 2 above.

Chapter 3: Short Duration Calls

1. Should short duration calls of 3-5 seconds be charged?

Some tariff plans of operators are per second based. Therefore all established short duration calls need to be charged.

Further, if a call is successfully setup and completed (i.e. answered by receiving party) it must be charged because network elements are used and this involves a certain cost.

It is not correct to assume that all short duration calls are due to the inefficiency of the network and that all such short duration calls are on account of dropped calls due to congestion. Moreover it is technically not possible to differentiate between dropped calls and genuine calls of short duration.

In any case it is our member companies' continued endeavor to minimize call drops and network congestion through constant optimization of their networks.

Not charging for short duration calls would also provide an opportunity for misuse which can potentially be used for bypassing not just voice but SMS revenue also.

We therefore recommend that all short duration calls should be charged.

2. If no, what should be the duration of such calls?

No comments in view of our response to question 1 above.

Chapter 4: Benchmarking

1. **Do you agree with the proposed benchmarks and code of practice for metering and billing? If not, what changes are proposed? Give detailed reasons.**

In view of the fact that there already exists a QoS benchmark that incorporates metering and billing parameters, we feel that it would be more relevant to have just a single benchmark rather than two separate benchmarks – one in the QOS guidelines and another within code of practice for billing accuracy – unless both are uniform and identical. Two benchmarks can be cumbersome and conflicting.

Our comments on the various parameters are as follows:

(i) Information relating to Tariffs

- (a) Tariff plans are generally subject to market dynamics. As such all the information related to current products and plans can be published on the website and made available in published form such as brochures etc at authorized centers and retail outlets. However, providing details like rounding rules, accuracy of measurement of time, etc may neither be feasible nor practical.
- (b) Details of current products and plans can be published as per TRAI guidelines on service provider's web site.
- (c) Charges for value added services may be informed through advertisement in newspapers, brochures at retail outlets, at the point of entry into the service or the service provider's web site. However, for the operators to provide such information every time before a subscriber commits to use the service is not practical.

(ii) Provision of Service

With the rapid growth in mobile subscriber base, it would be impractical to insist on a written agreement for all cases of service provisioning requests or to execute minor changes in the customer's preferences or change of billing address etc.

Hence, alternate methods such as over the phone instructions or through contact/customer care centers; requests via SMS / email / Internet Web Site etc which are all accepted industry wide practices should also be permitted and accepted. All requests do not have to be in the traditional form of "writing".

(iii) Accuracy of Measurement

The measurement of recorded duration is recommended between +1 second and –1 second, as this a network / switch feature.

Tolerances are acceptable as in the “Code of Practice for Billing Accuracy” developed by TRAI subject to the accuracy level mentioned above. There is a typographical error in clause 3.3. Measurement is under clause 3.2 (a), (b) & (C) instead of clause 4.2 (a), (b) & (c).

(iv) Reliability of Billing

Benchmark for Metering and billing credibility as per Regulation on Quality of Service of Basic and Cellular Mobile Telephone Services, 2000 is

Quote

“not more than 0.1% of bills issued should be disputed over a billing cycle.”

Unquote

Private operators who started operations only a few years ago may need a little more time to attain the desired competency. In view of the above, it is recommended that the benchmarks may be made achievable in three stages as was done in the case of implementation of QOS regulation viz. (i) in the short term before end of 12 months, (ii) in the intermediate term before the end of 24 months and (iii) in the long term of 36 months. The benchmarks for short and intermediate terms be set suitably.

There are full efforts by the service providers to improve transmission performance; it may not be possible for the billing system to identify the cause for increase in duration of service usage.

(v) Applying Credit to Accounts

The provisions are generally acceptable. However, for cheques/ negotiable instruments/ e-payments through internet banking / bill-payment websites etc, the credit would be effected subject to realisation. In cases where the service provider agrees to provide credit within 2 days prior to bill cycle, all such credits shall be applied in the subsequent bill cycle.

(vi) Warning of excessive use of services

Practice of giving Warning by SMS / telephone is already in operation.

(vii) Materiality

The benchmark of 5% in (a) and (b) in materiality under the “Code of Practice for billing accuracy” developed by TRAI should be raised to 10%.

- 2. Give your comments regarding whether we should have the regime based on self testing and reporting to the regulator or we should follow the model using approval bodies.**

We should have the regime based on self testing. The telecom sector in our country is in quite reliable stage and we should not follow the model using approval bodies.

It would therefore be appropriate in our view to follow the self testing and reporting process.

Further, it may be relevant to mention that the TRAI already has in place a mechanism for reviewing the quarterly QOS performance reports of operators which includes periodical technical audits and network tests of operators.

- 3. It is proposed that Billing Audit on the lines reported in this consultation paper should be continued as a regular practice. What should be the funding mechanism for such an audit?**

Since we are proposing a self testing regime, hence this question is not relevant.