



Efile No.: BSNLCO-NPBB/11(13)/2/2020-NWP-BB-BSNL_CO

Dated: 29.10.2020

To,
CGMs
All Telecom Circles/ Telecom Districts/ ITPC/BBNW

Sub: Policy for on-boarding cluster Partner for FTTH Provisioning/Maintenance under Revenue share Model.

References: 1. 77-1/2019/outsourcing Model-Gen/19 Dated: 20.12.2019
2. 64-253/2019/NWP-BB/ FTTH dated: 12.04.2020
3. BSNLCO-NPBB/11(13)/2/2020-NWP-BB-BSNL_CO Dated: 16.07.2020

1. Open Policy based on revenue share for giving Telecom Services on FTTH has led to good FTTH growth in last one year. Large numbers of local franchise/Telecom Infra provider/Cable Operators have been engaged by Circles for providing FTTH service to the customers.
2. Vide BSNL Corporate letter No 77-1/2019/outsourcing Model-Gen/19 Dated: 20.12.2019, policy for outsourcing model for maintenance and provisioning of landline and broadband for external plant of copper network in urban area was conveyed.
3. There are currently 1400+ Cluster Partners across the circles giving services in thousands of exchange areas.
4. There is an increasing trend of customers moving from copper broadband to fiber based broadband services, hence customer retention is important, while customer upgrades from copper to fibre technology.
5. With this wide coverage of service area by the cluster partners, the manpower deployed by the cluster partners can be easily harnessed to deliver FTTH services in the same area and thus increasing the FTTH footprints of BSNL.
6. As the current FTTH growth is partner ecosystem based, this policy will enable, good number of partners in one stroke to join BSNL for FTTH growth.
7. Based on Proposals and inputs received from various Circles for bringing the cluster partner in BSNL FTTH network for provisioning and maintenance of FTTH services on revenue share basis like TIPs/ franchisees/Builders who are already working as BSNL FTTH channel partners on revenue share basis under the existing business models, the new FTTH policy for cluster partners for rolling out FTTH services have been approved and is attached as **Annexure-A**.
8. This is issued with the approval of CMD, BSNL.

Sushma
(Sushma Mishra) 29/10
GM (NWP-BB)

1/4

FTTH Policy for Cluster partner

The revenue share models have been renamed for cluster partner as CP-II, CP-IIA, CP-III, CP-IIIA, CP-IV and CP-V and shall involve all the roles and responsibility for BSNL / partners defined for Case-II, Case-IIA, Case-III, Case-IIIA, Case-IV and Case-V vide this office letter No 64-253/2019/NWP-BB/ FTTH dated: 12.04.2020

1. Eligibility Conditions for appointing Cluster Partners and roles and responsibility of cluster partner in various FTTH Business Models –

- 1.1 The Cluster partner may be allowed to enter in FTTH Business models Case- II to V with revised revenue share. The Revenue Share for Cluster Partners under CP FTTH Business Models Case CP-II to CP-V shall be as per table of Para 3.
- 1.2 Cluster Partner Performance shall be observed for a minimum of three months and shall be the deciding criterion for permitting or not permitting a cluster partner for FTTH business.
- 1.3 Opportunity to Cluster partner shall be extended in entire cluster areas except where FTTH channel partner/TIP is available and performing up to satisfaction of BSNL.
- 1.4 The areas may also be decided based on the limitation of existing primary UG cable and non-availability of primary UG cable in new developed area like high rise buildings / residential areas / commercial complex etc.
- 1.5 Based on above guidelines circle head or SSA/BA heads (if CGM authorizes) shall decide engagement of cluster partner along with defining of the boundary of Areas/ Residential or Commercial Complexes, to be allowed to cluster partners for provisioning & maintenance of FTTH connections.
- 1.6 In cases where BSNL OLT is not available or port capacity is not available in BSNL OLT, Cluster Partner may install his own OLT, with written permission from BA head, for providing/converting BB customers to FTTH customers.
- 1.7 The cluster partner shall not use the FTTH network and his OLT for provisioning of FTTH connections of other ISPs.
- 1.8 Cluster partners shall not get sales or plan up gradation commission for converting existing BB connections to FTTH connections.
- 1.9 Cluster partner shall also pursue and convince the customers having LL with BB and standalone LL facility on Copper UG cable to have additional new FTTH connection with conversion of existing LL with BB to a lower or special tariff plan stating reasons as redundancy for data connection availability.
- 1.10 Cluster partners shall be permitted to install new splitter, optical fiber cable and operate in the allotted area using BSNL OLT in CP-II/CP-IIA/CP-III/CP-IIIA/CP-V.

2. SLA for FTTH Services through FTTH Channel Partners and cluster partner under various FTTH Business Models:

- 2.1 SLA as per below table shall be applicable for new agreements for all business models (CP-II to CP-V) to maintain the service quality, and the maximum penalty for not meeting the SLAs shall not exceed 15% of the net revenue share to the Partner.



Table for SLA

SLA for maintenance of faults in the part of GPON network maintained by Cluster partner			
No.	Key Parameters	Penalty	SLA
1	Fault Clearance (90%) in 24Hr	0.1% of revenue share payable for each 1% of slippage	95%
2	MTTR 12hrs (FMC <699)	0.2% of revenue share payable for each hour of slippage (rounded off)	12 hrs
3	MTTR 8hrs (FMC ≥ 699) and (FMC ≤ 1499)	0.3% of revenue share payable for each hour of slippage (rounded off)	8 hrs
4	MTTR 4hrs (FMC > 1499)	0.5 % of revenue share payable for each hour of slippage (rounded off)	4 hrs
5	Repeat fault (10%)	0.2% of revenue share payable for each 1% of slippage	10%

SLA for FTTH Provisioning (to be recovered from the revenue share paid to Cluster partner)			
No.	Key Parameters	Penalty	SLA
1	New (Voice +BB) FTTH	Rs.50/- per day delay (max.Rs.200/- for each connection) for each connection.	3 days
2	New (BB) FTTH		3 days
3	New (BB)FTTH on existing Voice FTTH	Rs.50/- per day delay (max.Rs.200/-for each connection) for each connection.	1 days

3. **Revenue share for Cluster Partners under different Business models shall be applicable as under:**

S.No	FTTH Model for Cluster partner	The Base Revenue Share to Cluster Partners	Max revenue share with incentive	Min Revenue Share with Dis-incentive
1	CP-II	15%	16%	14%
2	CP-IIA	20%	21%	19%
3	CP-III	20%	21%	19%
4	CP-IIIA	25%	26%	24%
5	CP-IV	Up to 45%	Upto 47%	Up to 43%
6	CP-V	UP To 10%	UP To 11%	UP To 9%

- 3.1 Incentive (applicable for 1st year from start of agreement) of 2% for (CPIV) and 1% for (CPII, CPIIA, CPIII, CPIIIA, CPV) on monthly revenue share shall be given if the cluster partner gives a net growth of 5% or more in the net FTTH connections provisioned as compared to previous month. Similarly a dis-incentive (applicable for 1st year from start of agreement) of 2% for (CPIV) and 1% for (CPII, CPIIA, CPIII, CPIIIA, CPV) on monthly basis shall be given if the cluster partner registers a net decline of 5% or more in the FTTH connections provisioned as compare to previous month as per table of Para 3.

- 3.2 Provisioning and maintenance of Lease circuits through FTTH shall be at par with the rates existing for FTTH channel partner, mentioned in BSNL Co circular letter No 64-253/2019/NWP-BB/ FTTH dated 12.04.2020.

4. Other terms and conditions:

- 4.1 The roles and responsibilities of Cluster Partners and BSNL shall be same as existing FTTH Business Models under Case II/IIA/III/IIIA/IV (new)/V for FTTH Channel partners with latest modifications including overhead OFC cable maintenance.
- 4.2 Cluster partners may opt for any business case/ multiple business cases under Cases CP-II to CP-V in the areas/ residential or commercial complexes under the cluster area allocated to them, as per their business strategies.
- 4.3 Cluster Partners shall sign a separate agreement with BA / SSA head as per modified terms and conditions for FTTH Business. These allowed areas/ residential or commercial complexes shall become part of "Projects in Annexure" of the existing agreement format, suitably modified for cluster partners.
- 4.4 The annual charges for space, power supply etc for cluster partner OLT installed in BSNL premises, shall be as per BSNL existing policy/instructions.
- 4.5 In case of cluster partner termination or surrender of business, the last mile network (Splitter, 2F/4F, ONT< if not customer owned>) provisioned by CP, shall be taken over by BSNL with no additional compensation payable by BSNL to CP and the agreement shall be signed accordingly with CP.
- 4.6 KPI/SLA for copper network have already been defined for the cluster partner and are being monitored regularly by the circles. The FTTH work shall be given to the cluster partner only if, he has been performing satisfactorily for at least 3 months as cluster partner. In case of deterioration in the service rendered, making the cluster contract liable for termination (as per provisions available in the cluster policy EOI for termination), the cluster contract will remain governed by the cluster (copper network) agreement ir-respective of performance in FTTH services by the same partner in its assigned cluster as per this policy.
- 4.7 The assigned cluster to CP for FTTH connection in this policy will be on nonexclusive basis and BSNL may appoint additional partners for FTTH services in same cluster.

Enil