

**GN-5/2013**

**Guideline for Type II Interconnection at Point C**

**Office of the Communications Authority**

**28 May 2013**

## *Application and Scope of the Guideline*

1. Section 36A of the Telecommunications Ordinance (“the Ordinance”) empowers the Communications Authority (“CA”) <sup>1</sup> to determine the terms and conditions of interconnection of a type mentioned in section 36A(3D) of the Ordinance. According to section 36A(3) of the Ordinance, the terms and conditions in a determination may include any technical, commercial and financial terms and conditions that the CA considers fair and reasonable.
2. Under section 36B of the Ordinance, the CA may issue directions requiring licensees to take such action as the CA considers necessary in order for the licensee to, inter alia, in relation to any interconnection of the type mentioned in section 36A(3D) of the Ordinance, secure the connection of any telecommunications service to any other telecommunications service licensed under the Ordinance.
3. Without prejudice to the powers of the CA under sections 36A and 36B of the Ordinance to make determination and to issue direction to secure interconnection, the CA encourages that the terms and conditions of interconnection should be resolved by commercial negotiations and agreement wherever possible.
4. To facilitate commercial negotiations and agreement among the parties as well as to set out the best practice for interconnection at Point C <sup>2</sup> as described in the former Telecommunications Authority’s Statements entitled “Review of Type II Interconnection Policy” and “Implementation of Type II Interconnection Policy Announced on 6 July 2004” issued on 6 and 19 July 2004 respectively, the CA hereby issues this guideline (“the Guideline”) <sup>3</sup> pursuant to section 6D of the Ordinance setting out the matters to be considered by the CA in making a determination under section 36A of the Ordinance on terms and conditions of, or issuing a

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<sup>1</sup> Pursuant to the Communications Authority Ordinance (Cap. 616), with effect from 1 April 2012, all duties and powers of the Telecommunications Authority are conferred on the Communications Authority, and all duties and powers of the Office of the Telecommunications Authority are conferred on the Office of the Communications Authority, the executive arm of the Communications Authority.

<sup>2</sup> Point C is any technically feasible point of the in-building wiring system for interconnection as indicated in the diagram given in the Appendix.

<sup>3</sup> The Guidelines was first issued on 28 July 2005 and revised on 28 May 2013.

direction under section 36B of the Ordinance to secure an interconnection as the case so warrants.

5. This Guideline sets out the principles identifying the situations under which blockwiring is considered to be available and to be provided for interconnection at Point C. It is applicable to all local fixed carriers and class licensees operating in-building telecommunications systems. For the avoidance of doubt, the local fixed carriers include unified carrier licensees, fixed carrier licensees and fixed telecommunications network services licensees.

6. The Guideline shall be applicable to all types of buildings. For buildings with more than one set of blockwiring systems, the CA does not consider it necessary to intervene unless the requesting operator cannot reasonably acquire necessary blockwiring facilities from any blockwiring provider, or is unreasonably rejected by, or after a reasonable period of negotiations, fails to reach a commercial agreement with all blockwiring providers, in respect of those buildings.

7. For the purpose of this Guideline, in-building optical fibres and co-axial cables are not considered as blockwiring or part of the blockwiring system.

### ***Available of Blockwiring***

8. Blockwiring is defined as the wiring system inside the building or inter-linking clusters of buildings within a building complex. Type II interconnection at Point C is the arrangement for a local fixed carrier to reach a customer via the blockwiring or part of the blockwiring of another local fixed carrier or a class licensee.

### ***Definitions of Vertical and Horizontal Blockwiring***

9. For the purpose of this Guideline, the blockwiring is divided into Vertical blockwiring (V), Horizontal blockwiring (H) and other connecting parts, such as Main Distribution Frame (MDF) in the Telecommunications and Broadcasting Equipment Room (TBE Room) and the local boxes at

various building floors. (H) is the part between the local box and the customer premises, and (V) is the part between the MDF and the local box. If inter-links between buildings exist, they should be regarded as a part of the (V) provided that they do not cross unleased government land or public streets. If the (V) part of a pair of wire is connected to the (H) part of a pair of wire, the whole connected part is referred to as (V+H). If there is no local box to separate the (V) and (H) parts of a pair of wire, the whole part is also referred to as (V+H).

*[Remarks #1: In other words, (V+H) is a pair of in-building wire connecting from the MDF in the TBE Room to the termination point in the customer premises. The termination point includes a modular socket, a termination block or coiling of wire inside a termination box.]*

#### ***Availability of (V), (H) and (V+H)***

10. If there is a customer requesting service for his own premises,
  - (a) the (V) wiring is to be considered as available if there is in-situ<sup>4</sup> (V) available at the building floor where the premises is located (as defined in paragraph 11);
  - (b) the (H) wiring is to be considered as available if there is in-situ (H) or (V+H) connected to that premises; and
  - (c) the (V+H) wiring is to be considered as available if there is in-situ (V) available at the building floor where the premises is located (as defined in paragraph 11) and (H) connected to that premises, or (V + H) connected to that premises. The blockwiring provider is to connect (V) and (H) if (V+H) is requested.

*[Remarks #2: For a request of (H), the blockwiring provider may disaggregate any in-situ (V+H) into (V) and (H). The (H) so disaggregated should then be provided for interconnection by the requesting operator. ]*

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<sup>4</sup> The in-situ wiring excludes cables which are faulty or suffering from interference.

11. The requesting operator is to specify the termination point for a (V) at a particular building floor or location point. The (V) is to be considered as available if it is found within lower and upper five ( $\pm 5$ ) floors of the concerned building floor unless there is physical obstruction<sup>5</sup> preventing the blockwiring provider from extending the (V) to the requested point of interconnection. For the avoidance of doubt, (V) is available even though it is already part of (V+H) connected to another premises. However, (V) is to be considered not available if it is currently used or ordered for use by a customer who occupies or is going to occupy another premises.

*[Remarks #3: For a request of (V+H), it is possible that there is in-situ (H) connected to the premises requesting service but (V) is not available within lower and upper five ( $\pm 5$ ) floors of the building floor where the premises is located. Under such a circumstance, the blockwiring provider should source, as far as possible, any in-situ (V+H) for another premises within lower and upper five ( $\pm 5$ ) floors of the concerned building floor. If such (V+H) is available, the blockwiring provider should disaggregate that (V+H) into (V) and (H). The (V) so disaggregated should then be extended and connected to the (H) leading to the premises where a customer has made a request for service.]*

12. No distinction should be drawn between a porting customer and a new customer. In other words, the wiring is to be regarded as available if it is spare (i.e. usable but left unused) or is currently used for provisioning of an existing service to the requesting customer and the requesting customer has decided to terminate that existing service and request to switch to the service of the requesting operator.

### ***Availability of Blockwiring Interconnection Point (BIP)***

13. If there is at least one unused tag block in the MDF vertical or adequate MDF space for installation of at least one tag block, the tag block installed / to be installed by the blockwiring provider is to be made available to the requesting operator for BIP upon its request.

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<sup>5</sup> The physical obstruction includes any structural partition of the building in the course of extending the (V) from one vertical riser to another.

14. If all the existing facilities for BIP are exhausted, the requesting operator may negotiate in good faith with the blockwiring provider and entrust it with the installation works for additional BIP. The blockwiring provider shall endeavour to satisfy such a requirement of the requesting operator. On the other hand, the requesting operator shall return any surplus BIP resources to the blockwiring provider with a view to better utilizing the limited resources of blockwiring facilities.

### ***Blockwiring in New Buildings***

15. The blockwiring provider, when being the only existing provider in a new building, is to provide sufficient blockwiring capacities to meet the requirement of all local fixed carriers in the same building within a reasonable period from the issue of the occupation permit. This period should be 12 months. For the avoidance of doubt, the obligation to provide Type II interconnection to blockwiring in accordance with this Guideline shall not be confined to the initial 12 months.

### ***Reservation of Blockwiring***

16. Notwithstanding the availability of blockwiring as described above, the blockwiring provider may reserve blockwiring under the following circumstances:

- (a) Additional (V), (H) or (V+H), MDF resources or space, local boxes or other parts of the blockwiring installed for a specifically identified purpose. For the avoidance of doubt, the specifically identified purpose should be supported by customer orders; and
- (b) Two pairs of (V) cables per local box or one pair of (V) cable per every 25 blockwiring pairs in a local box, whichever is larger, can be reserved by the blockwiring provider for maintenance and testing purpose.

The blockwiring reserved by the blockwiring provider should become not available to the requesting operator.

17. In order to enable the blockwiring provider to reserve spare pairs to cater for upcoming demand or to deal with interference that could arise in the future, the CA may, in circumstances so warrant, direct immediate interconnection to the existing blockwiring system for a specified period only on the condition that the operator requesting the blockwiring should, during this period, investigate the technical and commercial feasibility of providing, and if feasible provide, its own blockwiring in the building. The CA may or may not extend the period of interconnection after considering all relevant factors, including the technical and economic feasibility of providing additional blockwiring systems in the building and the effort made by the requesting operator in the provision during the specified period.

### ***Provisioning of Blockwiring***

18. Type II interconnection at Point C shall be provided at any technically feasible point of the in-building wiring system. Currently, most interconnections are performed inside the TBE Rooms or at the local boxes of individual building floors. If for any operational reasons the blockwiring provider finds that the provision of a pair of (H), though considered to be available in accordance with the above principles, is not practicable, the blockwiring provider is expected to source and provide, as far as possible, any immediately available (V+H) in response to a request for (H) from the requesting operator. The provision of such an alternative solution enables the requesting operator to provide telecommunications services to its customers and is deemed to have satisfied the requirement for Type II interconnection at Point C. Likewise, the blockwiring provider is expected to source and provide, as far as possible, any immediately available (V+H) if the provision of (V) is not practicable for any operational reasons, in response to a request of (V) from the requesting operator. For the avoidance of doubt, this paragraph does not apply to the situations mentioned in paragraph 16.

*[Remarks #4: The requesting operator may request (H) from the blockwiring provider after it has installed (V) in the building. In such a case, the requested point of interconnection is at the local box with (H) connected to the premises requesting service. However, the blockwiring provider may not be able to provide the (H) only, though available, to the*

*requesting operator due to operational reasons, such as the lack of proper inventory record system for (H). Under this circumstance, the blockwiring provider should counter-propose an alternative solution, such as provision of (V+H) with point of interconnection inside the TBE Room, to the requesting operator to effect the Point C interconnection.]*

### ***Commercial Negotiation and Determination***

19. Local fixed carriers and class licensees operating in-building telecommunications systems are encouraged to arrange for interconnection in the manner as set out in the Guideline. All concerned parties should negotiate the terms and conditions including the charges on a commercial basis. If no commercial agreement can be reached between the concerned parties, they may request the CA to make a determination. In case there is any dispute, they may seek assistance from the Office of the Communications Authority for dispute resolution. Alternatively, either party may make a request to the CA to make a determination under section 36A of the Ordinance. Apart from the availability of blockwiring addressed in this Guideline, the CA will take into account all relevant matters as detailed in section 36A(10) of the Ordinance.

### ***Changes to the Guideline***

20. This Guideline is not intended to be definitive and exhaustive and is applicable to scenarios insofar as envisaged in the Guideline. In exercise of its powers under section 36A of the Ordinance, the CA is entitled to take into account all circumstances of the case and determine the terms and conditions of the interconnection concerned as appropriate. The CA does not intend to bind itself to exercise a discretion following exactly the Guideline and therefore the CA is entitled to depart or deviate from the Guideline where the circumstances justify it under section 6A(3)(b)(ii) of the Ordinance. This Guideline may from time to time be amended, as and when it is considered necessary, and subject to review in the light of experience in applying it over time.

Type II Interconnection Points

