RIPE NCC Charging Scheme Principles

Open House

Background

- In May 2021, the Executive Board started discussion with members at the General Meeting on the charging scheme principles

  - Presentation on the past, present and future of the Charging Scheme

- Frequent comments that members would like more options for the charging scheme

- No common viewpoint on what direction to take

- However, there does seem to be consensus that we need to reassess our charging model and engage the members in this process

Background

- Survey from August to September with questions on what the membership thinks about principles that might be attached to a charging scheme model

- 868 responses (793 unique legal entities)

- Now having this open house to dive into the results

- Discussion will continue at the upcoming General Meeting

# Our current charging scheme model

- One fee per LIR account

- Additional fee: EUR 50 per independent resource assignment

  - IPv4 and IPv6 PI assignments; Anycast assignments; IPv4 and IPv6 IXP assignments; and Legacy IPv4 resource registrations through a sponsoring LIR.

  - AS Numbers are excluded from this charge

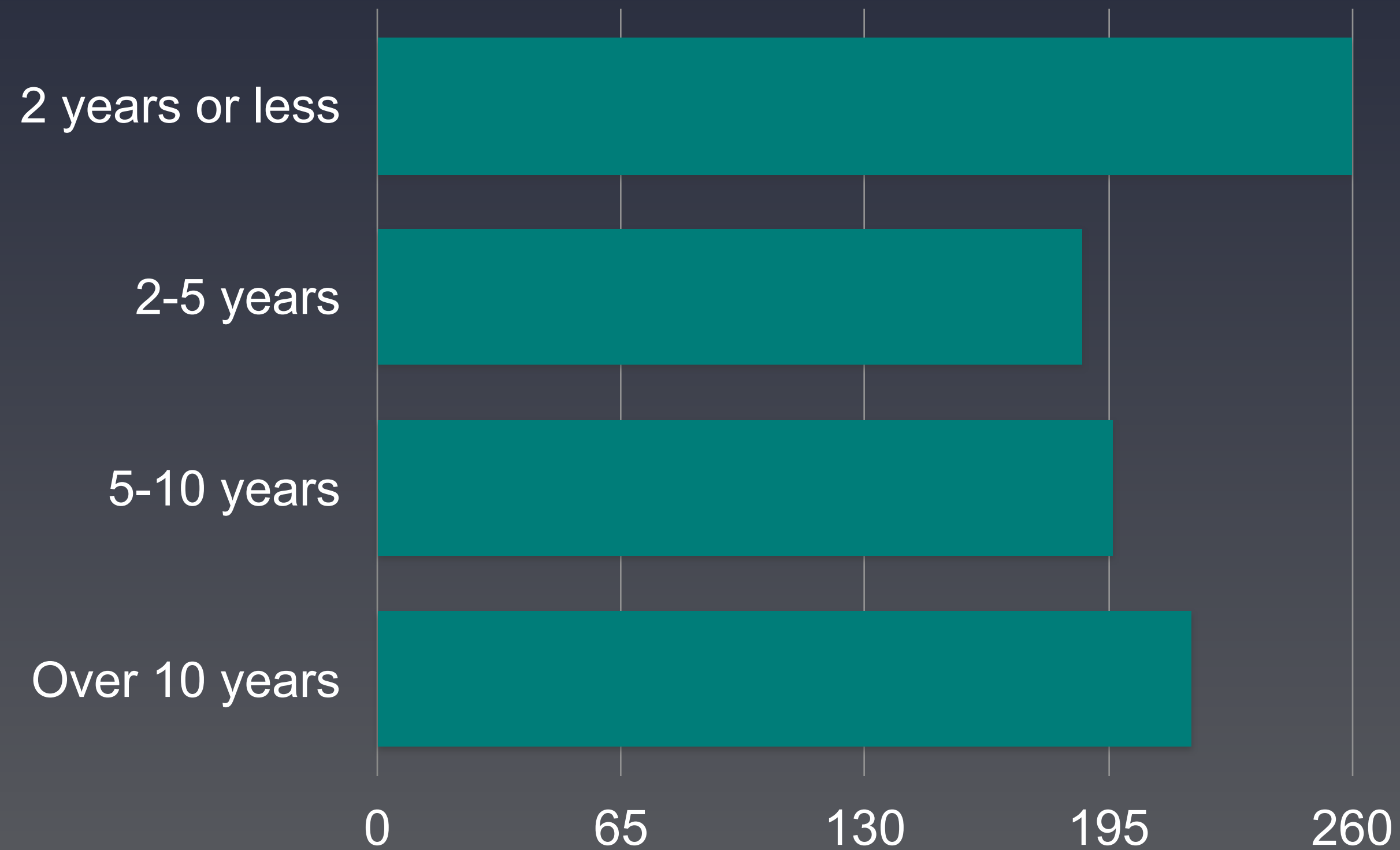- Sign-up fee EUR 2,000 reducing to EUR 1,000 from 2022

Who answered the survey?

- By member/LIR per country - top 12
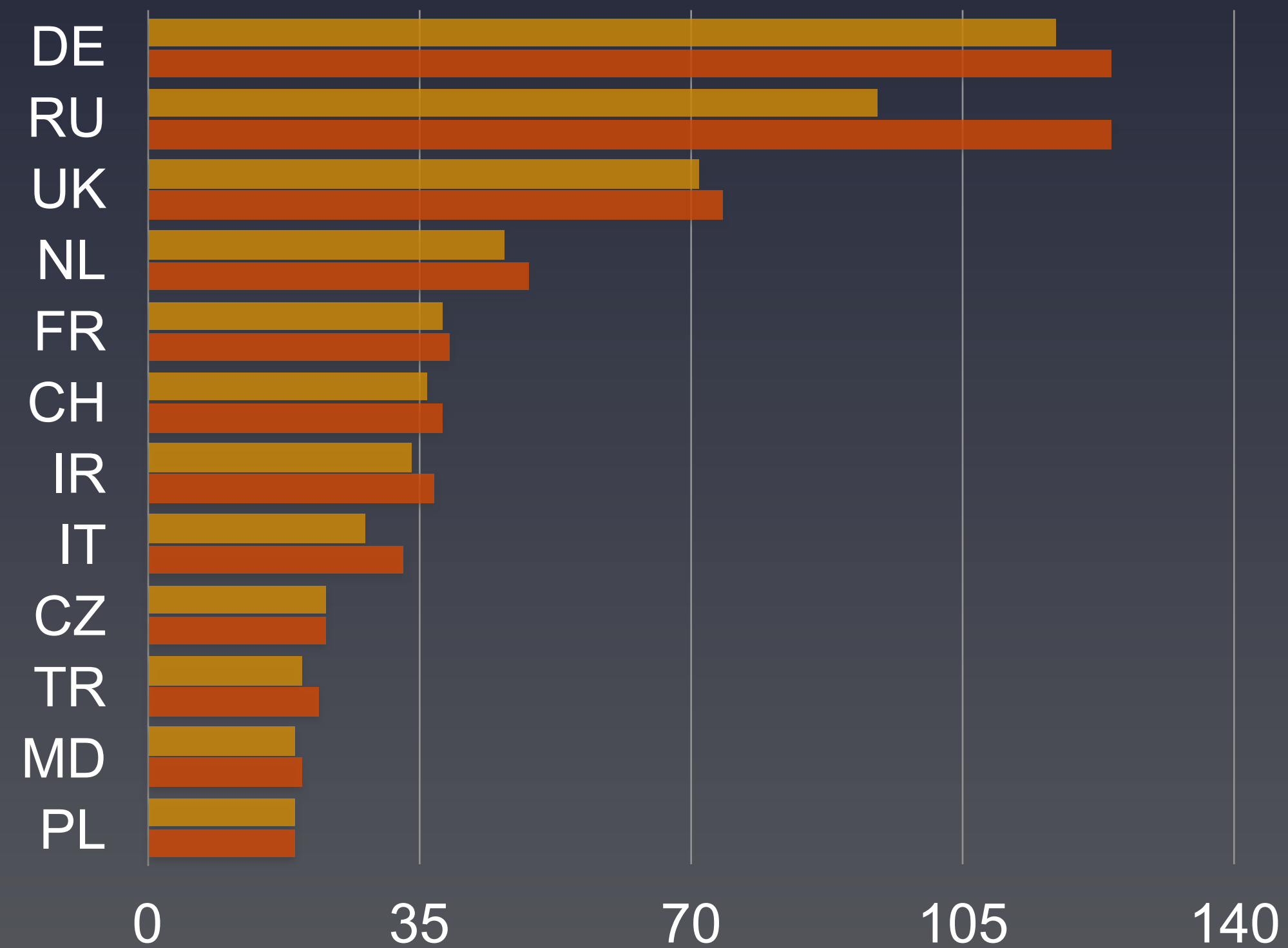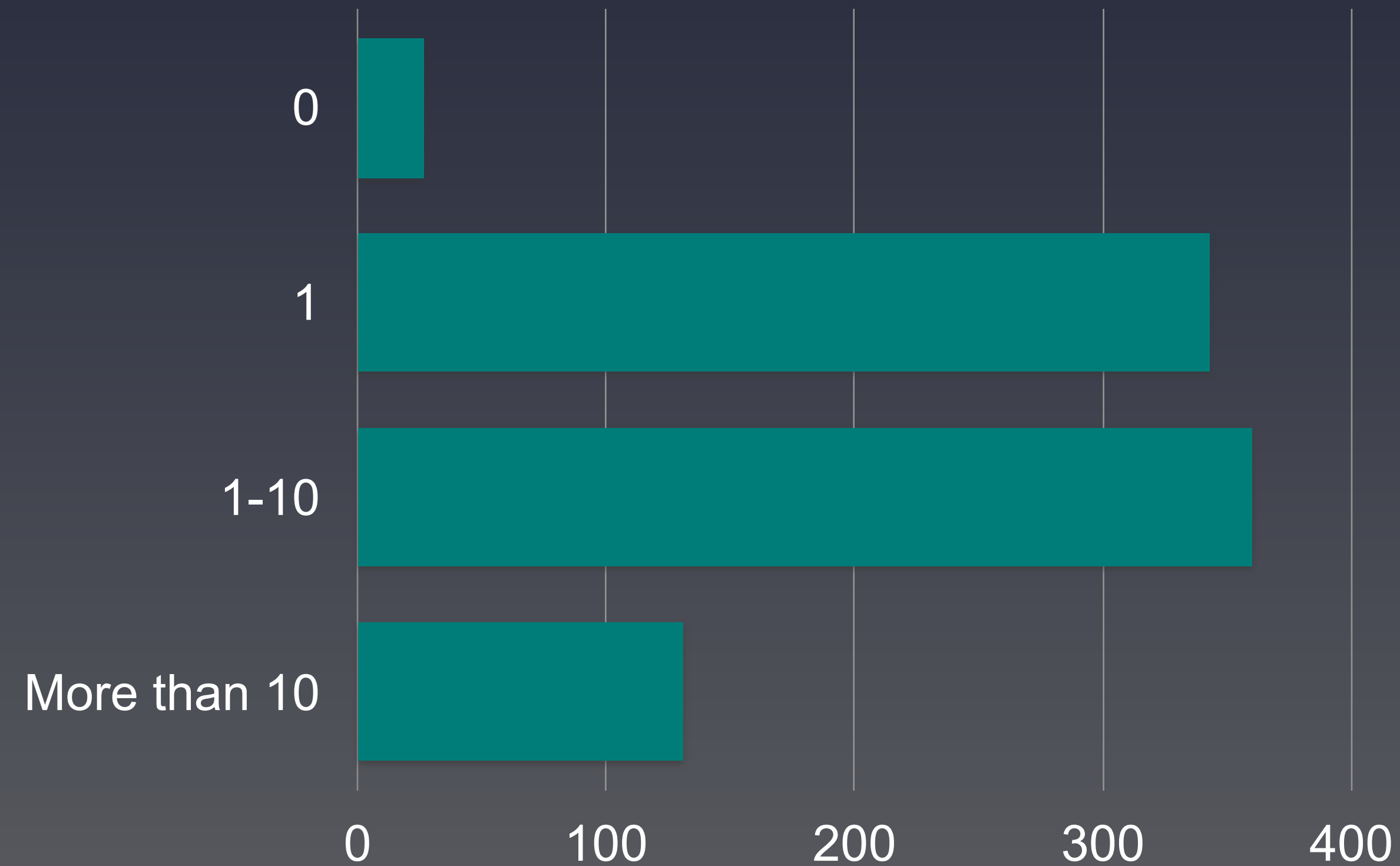
Who answered the survey?

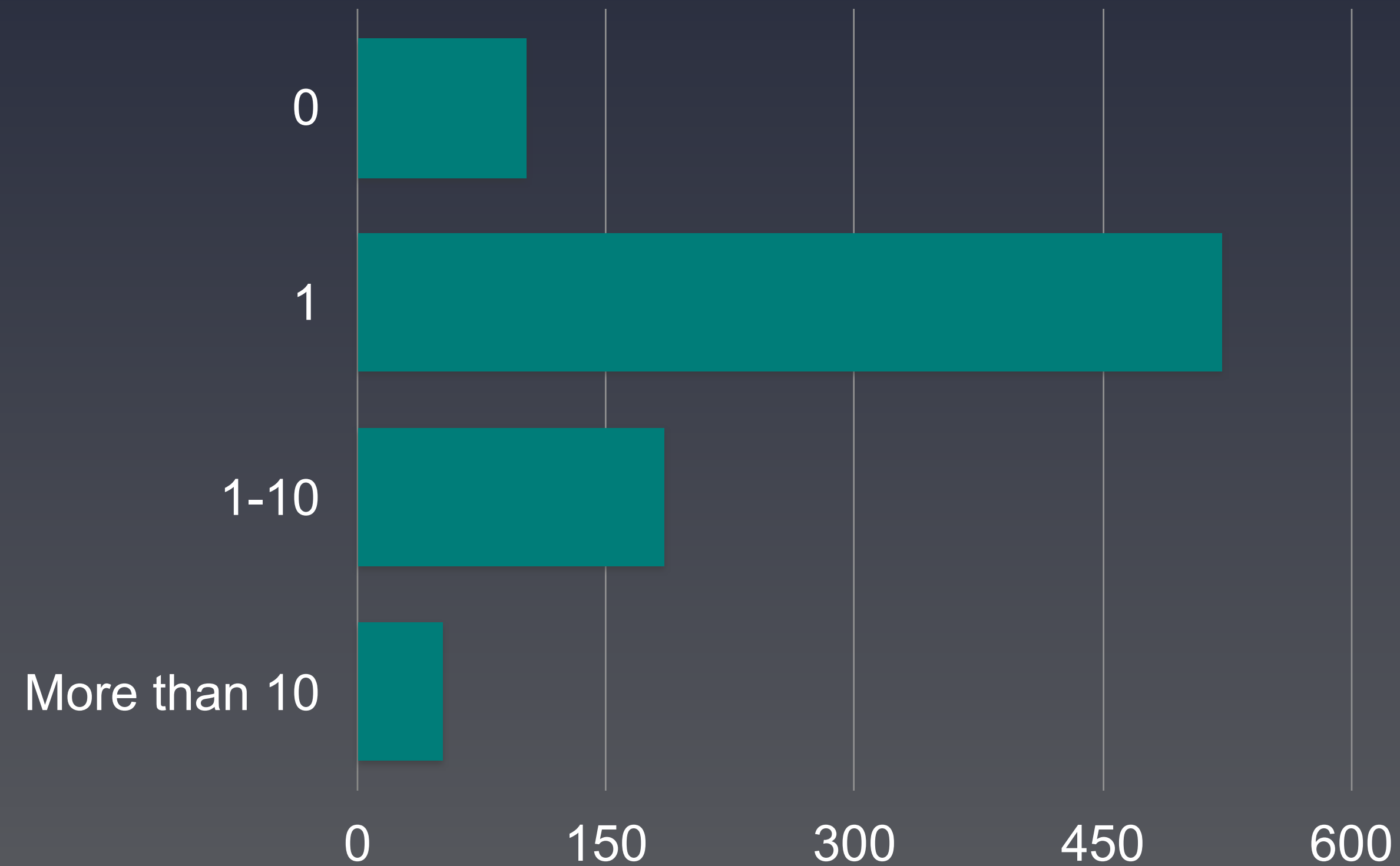- By age of member

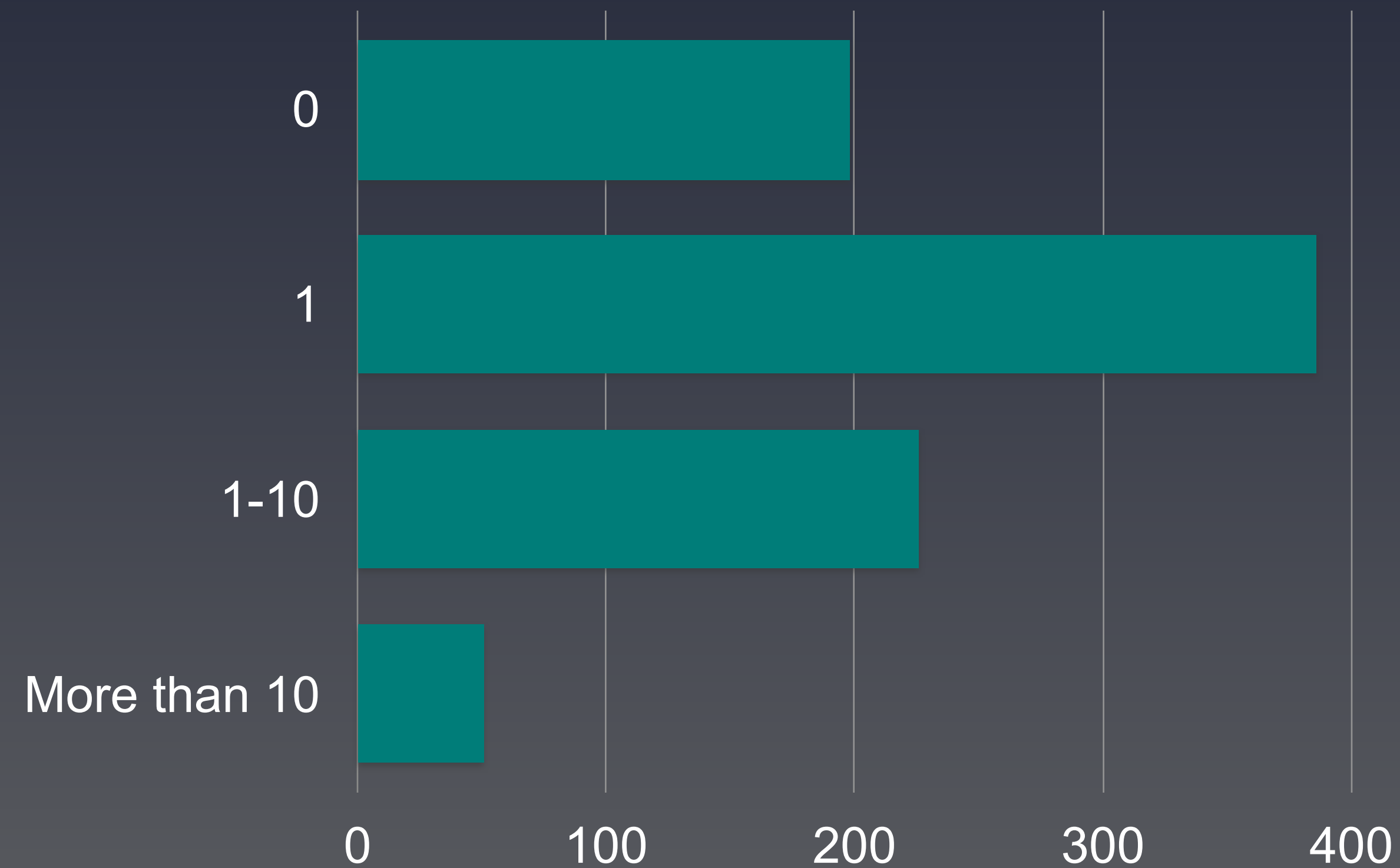# Who answered the survey?

- By IPv4 allocations

Who answered the survey?

- By IPv6 allocations

Who answered the survey?

- By ASNs

Who answered the survey?

- By Independent resources

Bar chart titled by independent resources count:
- No independent resources: ~630
- 1: ~55
- 1-10: ~140
- More than 10: ~45

X-axis: 0, 175, 350, 525, 700
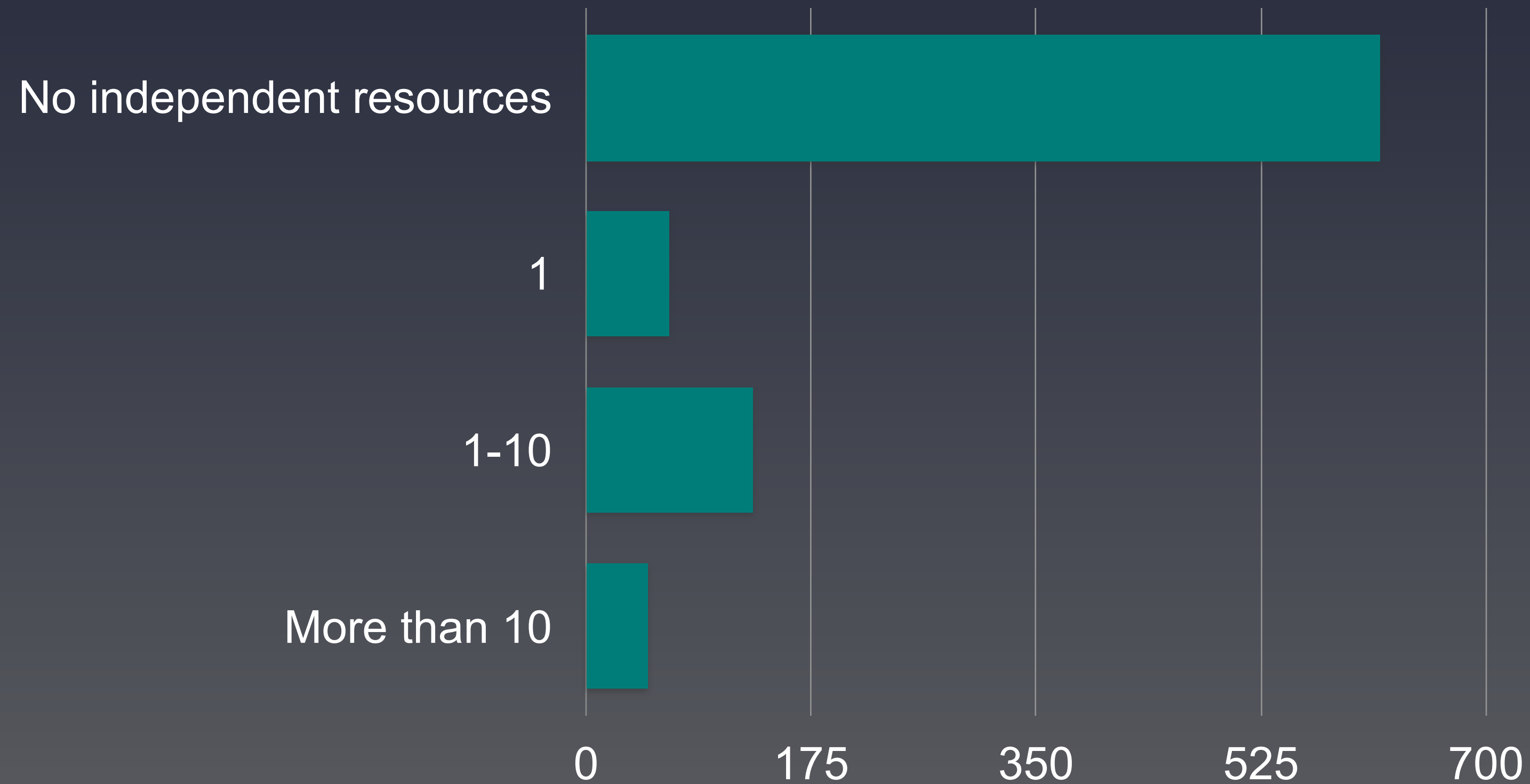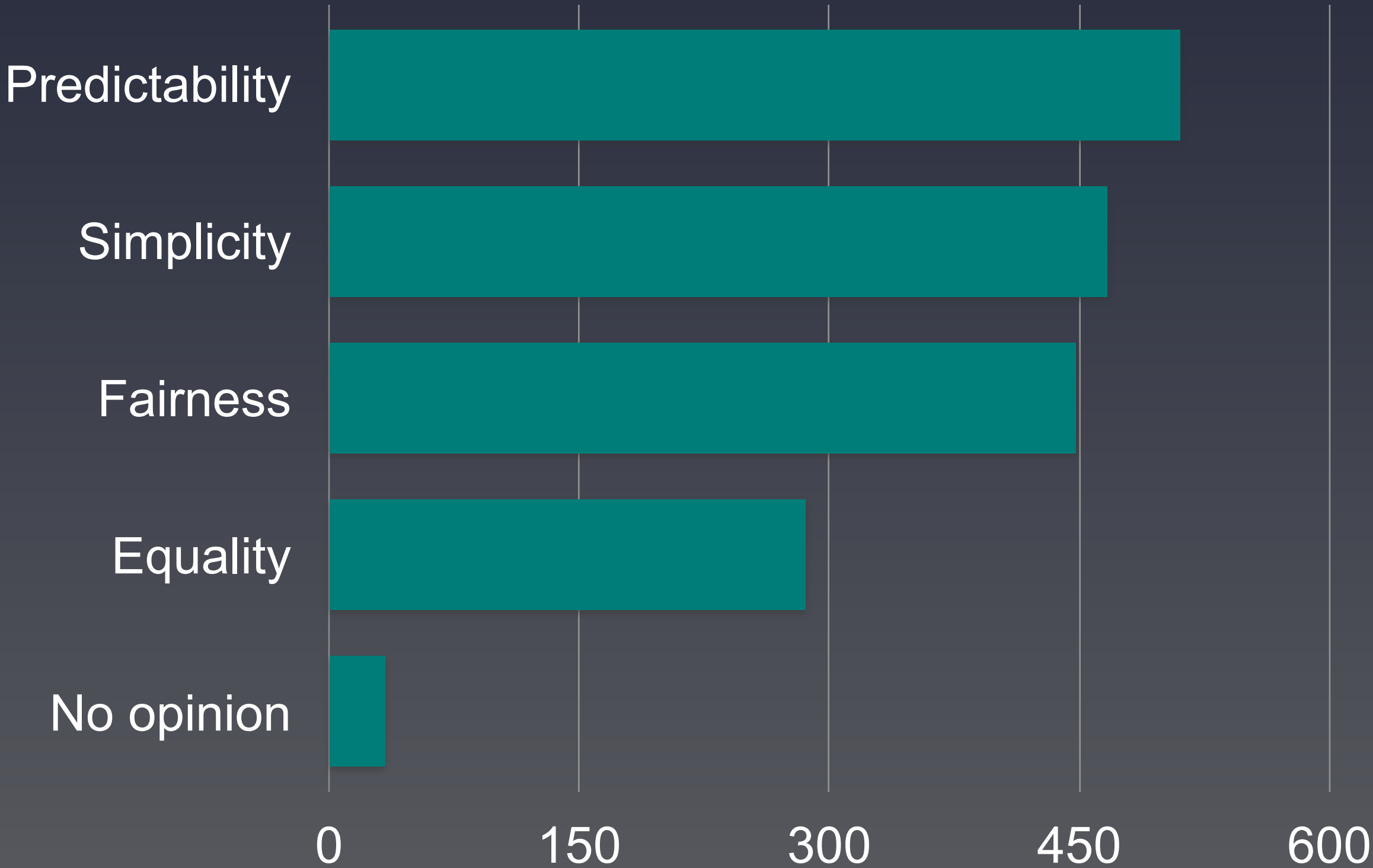
Survey Results

Core principles

- Which of these principles do you consider important?

Basis for charging

- Select the charging model you support
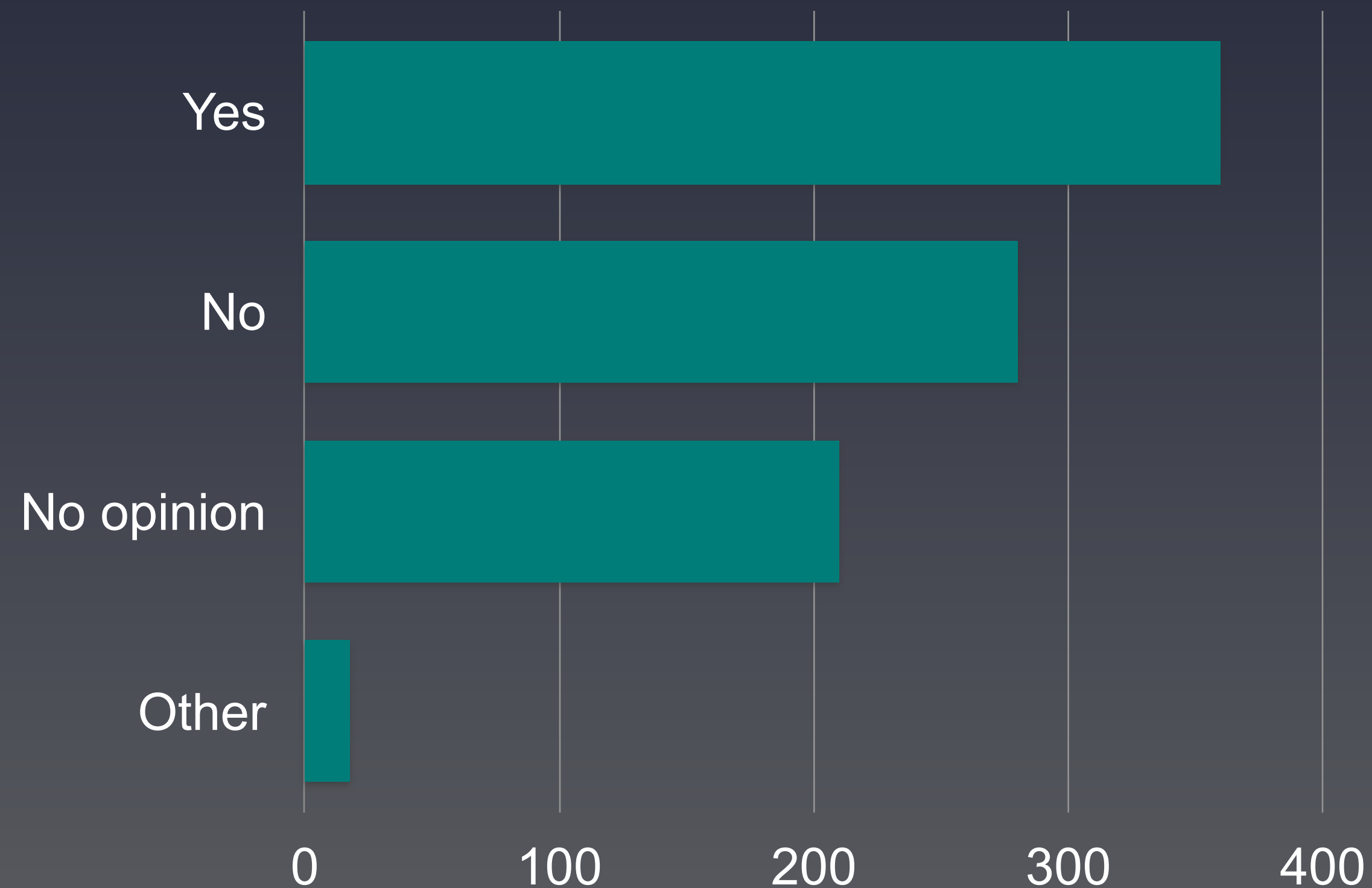
Selected comments

- Resource holdings should be basis but there could be a flat fee below that to ensure predictability (similar comments on usage)

- Keep the simple scheme while we have a lot of members; change to size-based scheme if the numbers go down a lot

- A price per /24 held would be nice

- Charging per resource might mean the return of unused blocks

- IPv4 has value on the market so it's not fair to charge the same for those with few resources as many resources

- I like that it is now simple and predictable and easy for newcomers

- Please leave it like it is

The membership base

- Should the charging scheme be used to as a tool to encourage a larger and broader membership base?
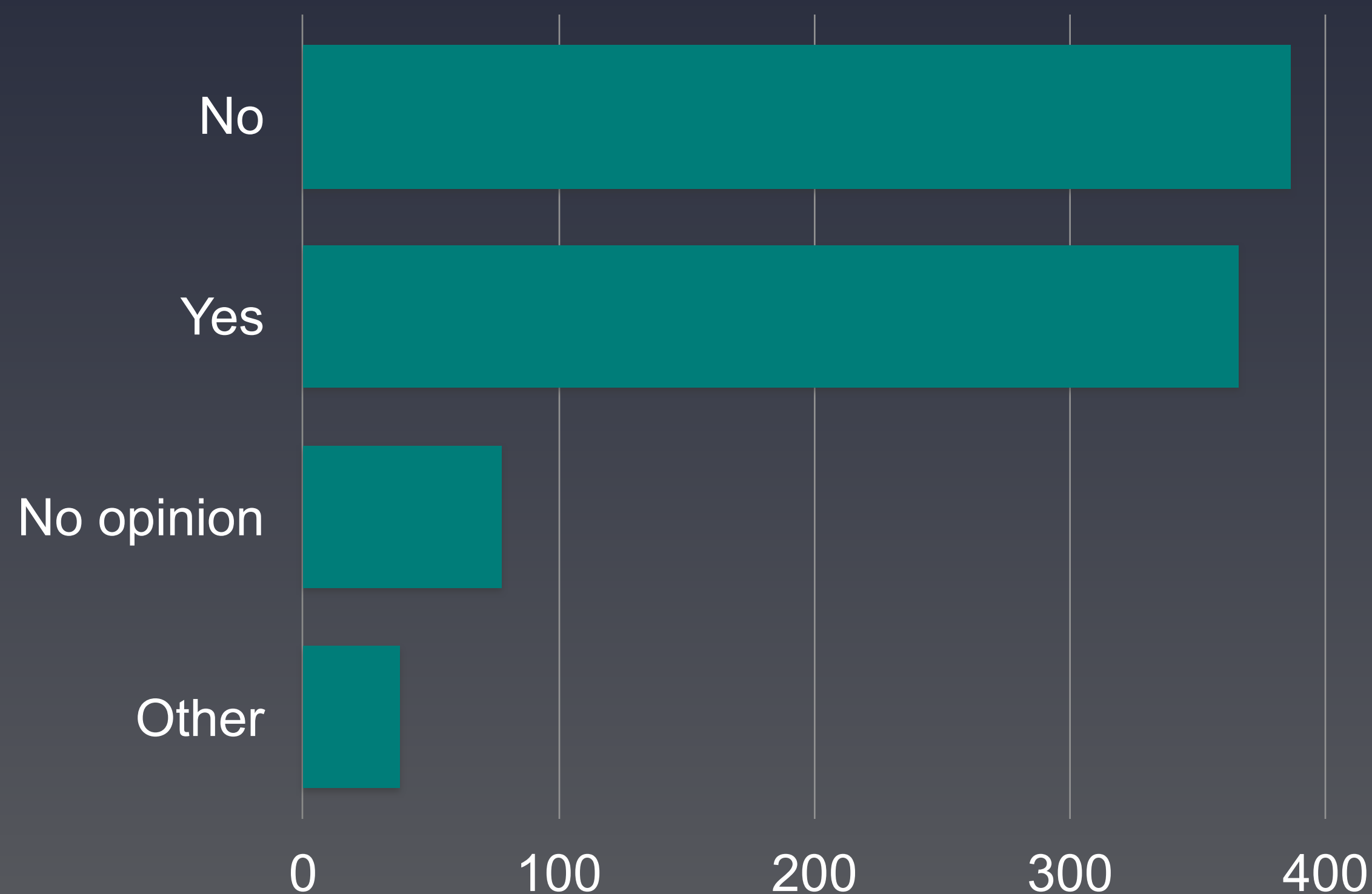
Selected comments

- Expanding the base shouldn't be a thing - charges should cover RIPE NCC balance and lead to registry quality

- If it is used to expand the member base, use it to encourage members who follow core values of Internet community

- Lowering fees might get new members but it will also increase number of "speculators"

- Size of member base is irrelevant as long as members pay for what the RIPE NCC does

- Getting new people involved should be done at the RIPE level, not the NCC level

- A larger membership would mean people could continue to pay the same fees

Additional LIRs

- Should people be able to create additional LIRs to get more IPv4 space?
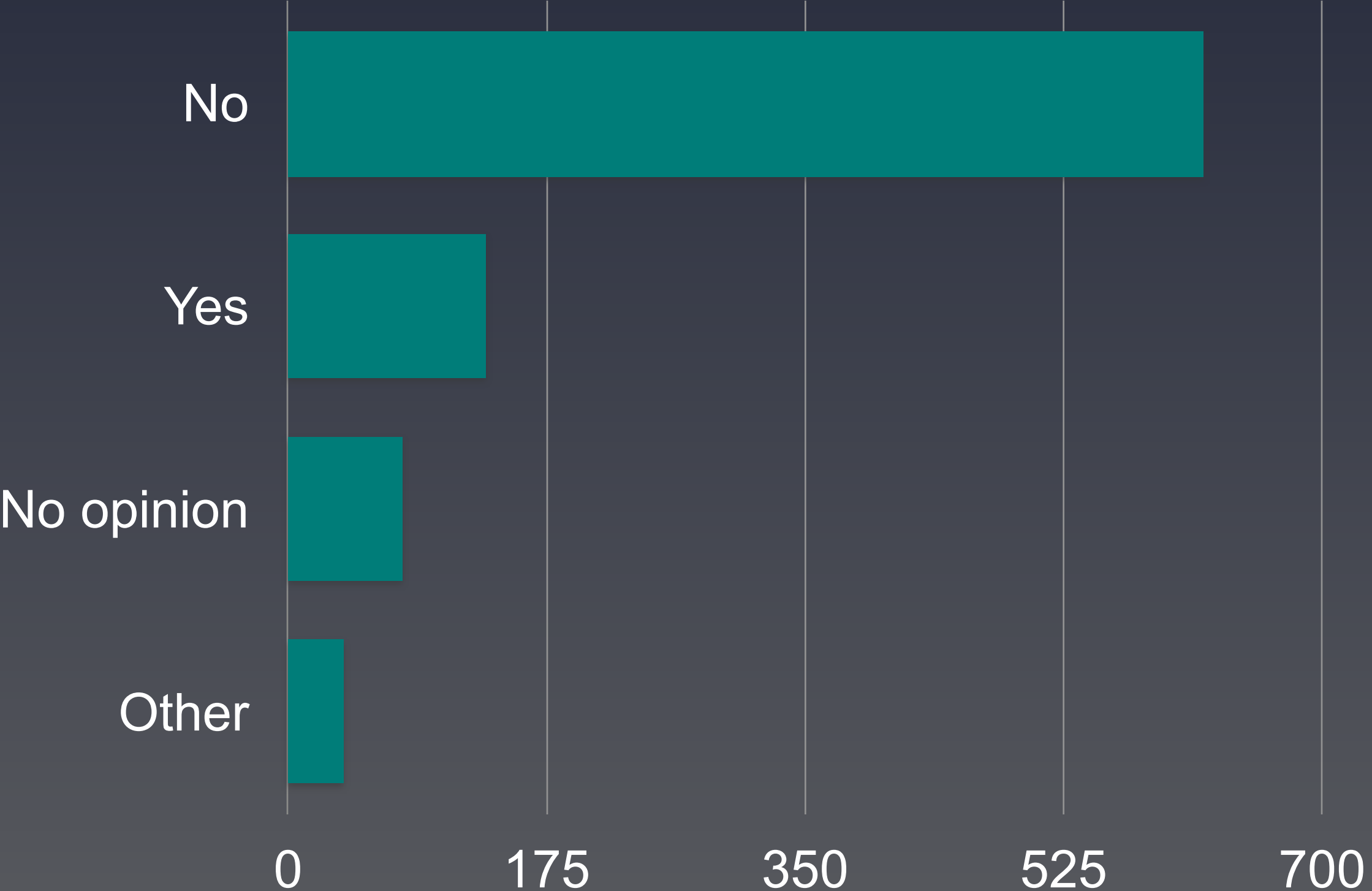
Selected comments

- It should be possible to get more IPv4 space when an organization demonstrates wide IPv6 deployment

- People should be able to get more IPv4 space without having to create a new LIR account

- RIPE should continue to promote IPv6 and discourage IPv4 use. Allowing the creation of more LIR to get more IPv4 doesn't help and we find it counterproductive.

- If you charge per resources then the situation would resolve itself

- Last /8 allocations are for newcomers - limit transfers of them

- There's no point preventing one company having multiple LIRs - it would just encourage company formation for the sake of IPv4 resources

Charge based on usage

- Should we charge members based on the frequency of their requests?
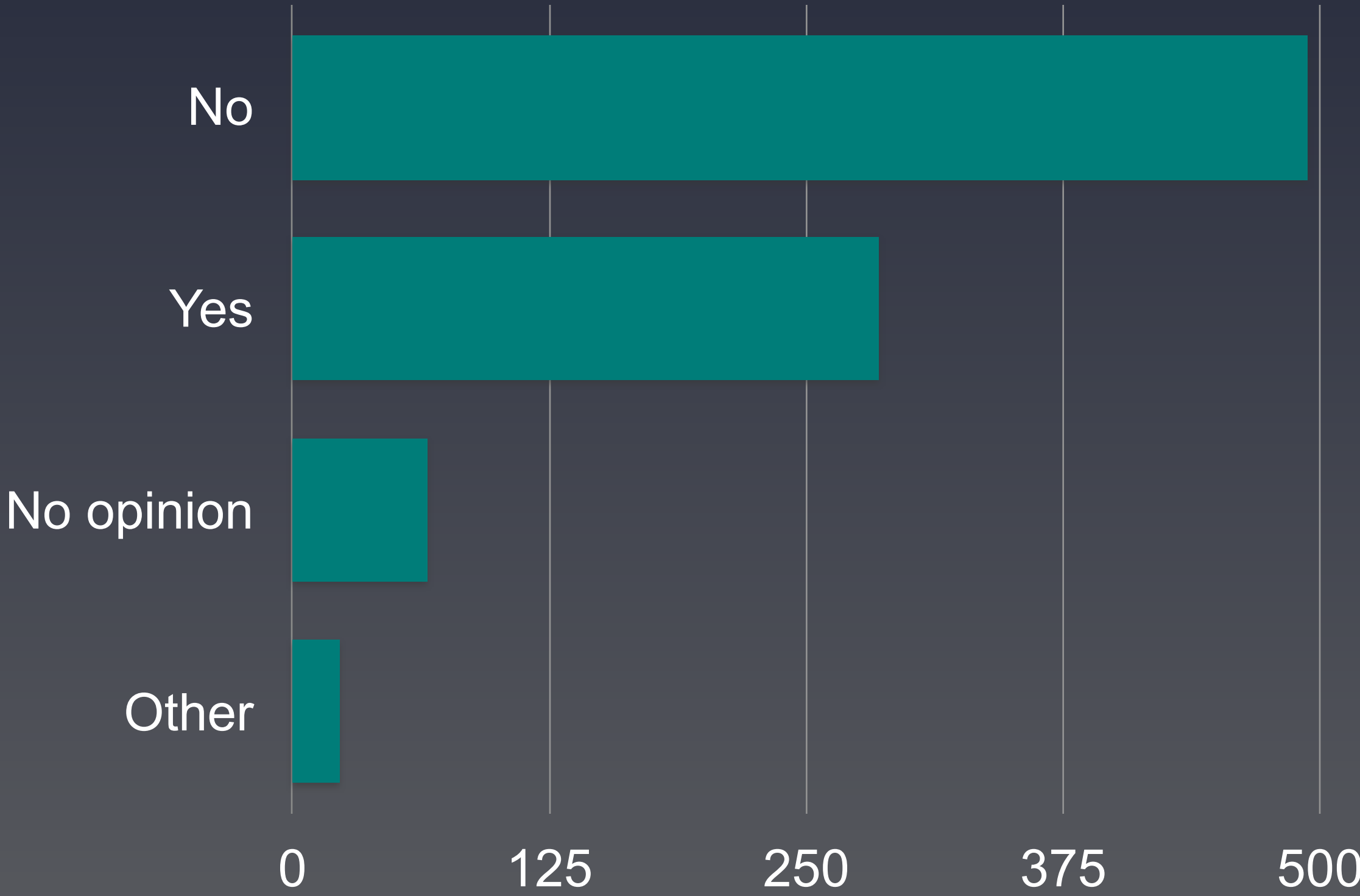
Selected comments

- A fee if LIR has more than 'X' request within a calendar year

- Only if a member is becoming abusive

- Per request/ticket charging is likely to negatively impact simplicity and equality (perception thereof). The process would have to be as clear as possible.

- Database would not be accurate then

- Way too complicated. And this puts pressure on organizations not to make support requests when they need them

- This feels too unpredictable to me

Charge based on nature of request

- Should we charge members based on the nature of their requests and the work involved?
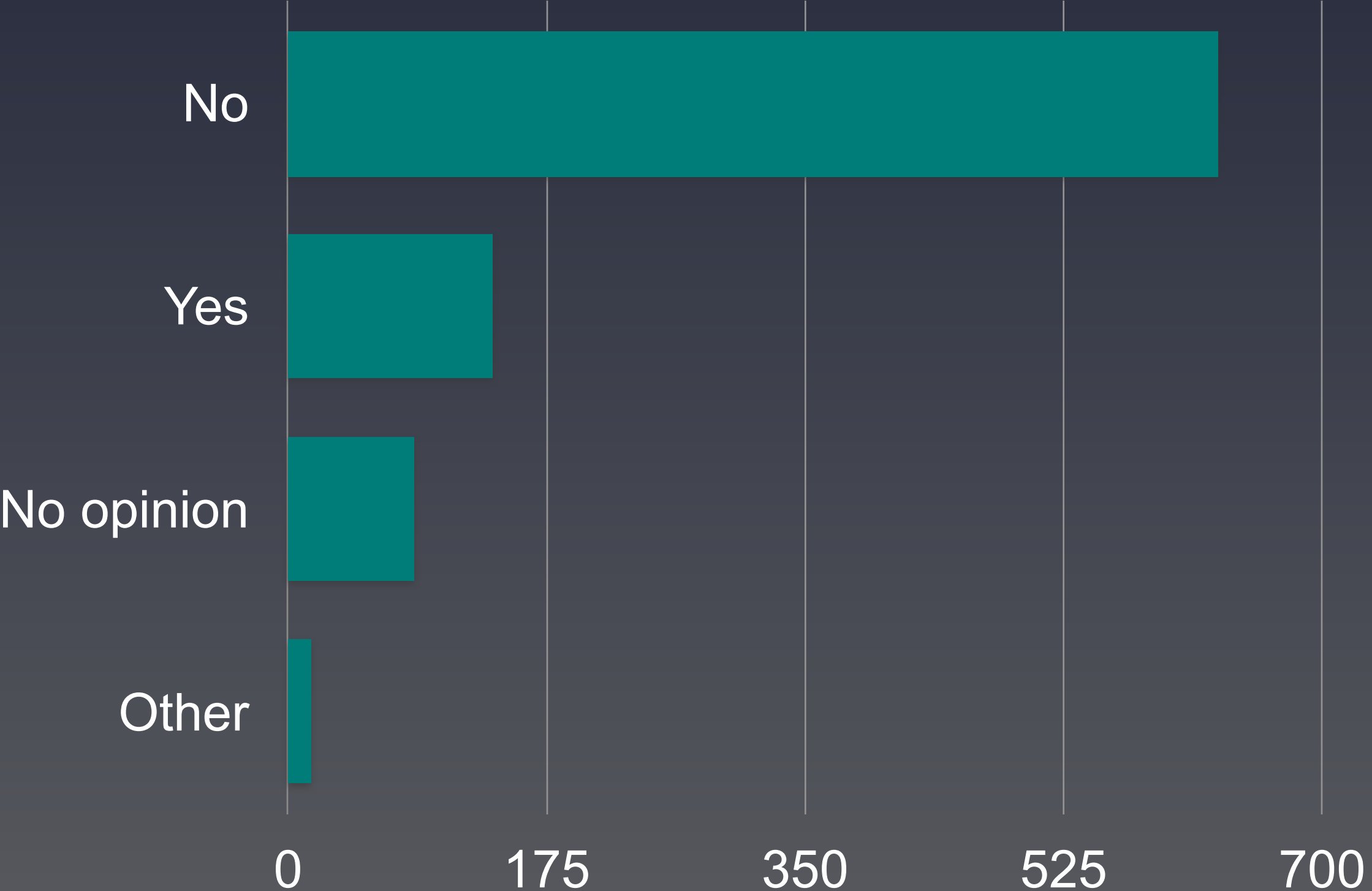
Selected comments

- Only for requests that involve significant efforts. Technical support should not be charged

- Charging for transfers and mergers etc would lead to under-reporting for these types of changes and make the database less accurate.

- Transfers, mergers, basically anything where resources are exchanged should be charged at a premium as they are mostly associated with making money

- Only if this does not turn into feature creep with RIPE "nickle and diming" of its membership and just "charging for the sake of it".

Charge for extra services

- Should the RIPE NCC charge above the standard membership fee for services in its charging scheme model?
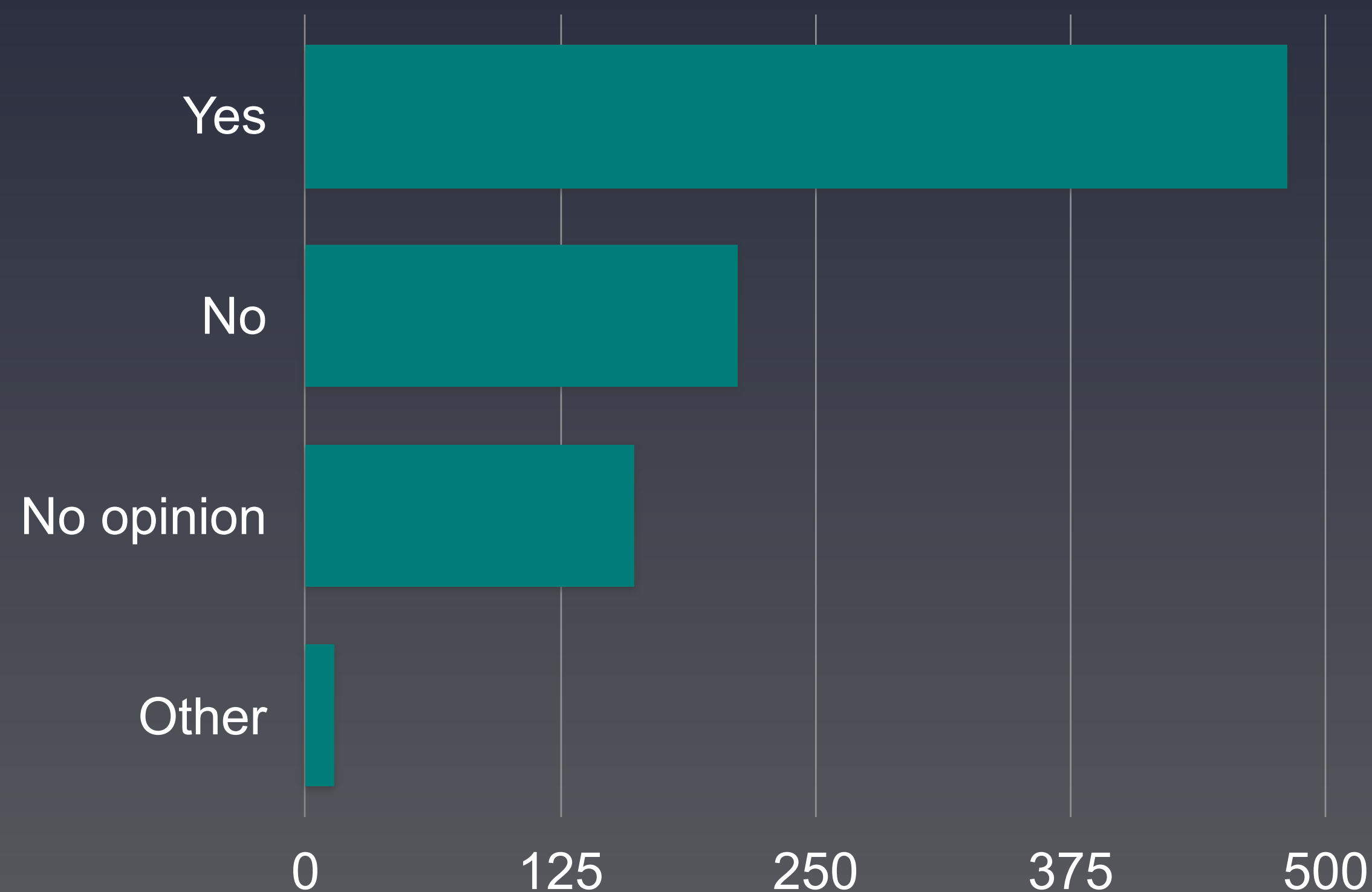
Selected comments

- Yes, if membership fee will be reduced

- Yes, charge for everything else, because I don't care about any of those services and I hope the IPv4 space will be cheaper for me. I only care about having IPv4 to do my business

- That will get too complex

- Some tools are helpful for the whole community, so RIPE NCC here is like a sponsor for such things here and it is doing that for "the greater good"

- Possibly. Free training is valuable for the community and should be included in the fee, but a charge for certification wouldn't be unfair.

- This risks creating a unfair environment of "haves and have nots" based on who can "pay to play"

Charge for independent resources

- Should the RIPE NCC continue to have a separate charge for assignments of Independent Internet Number Resources?
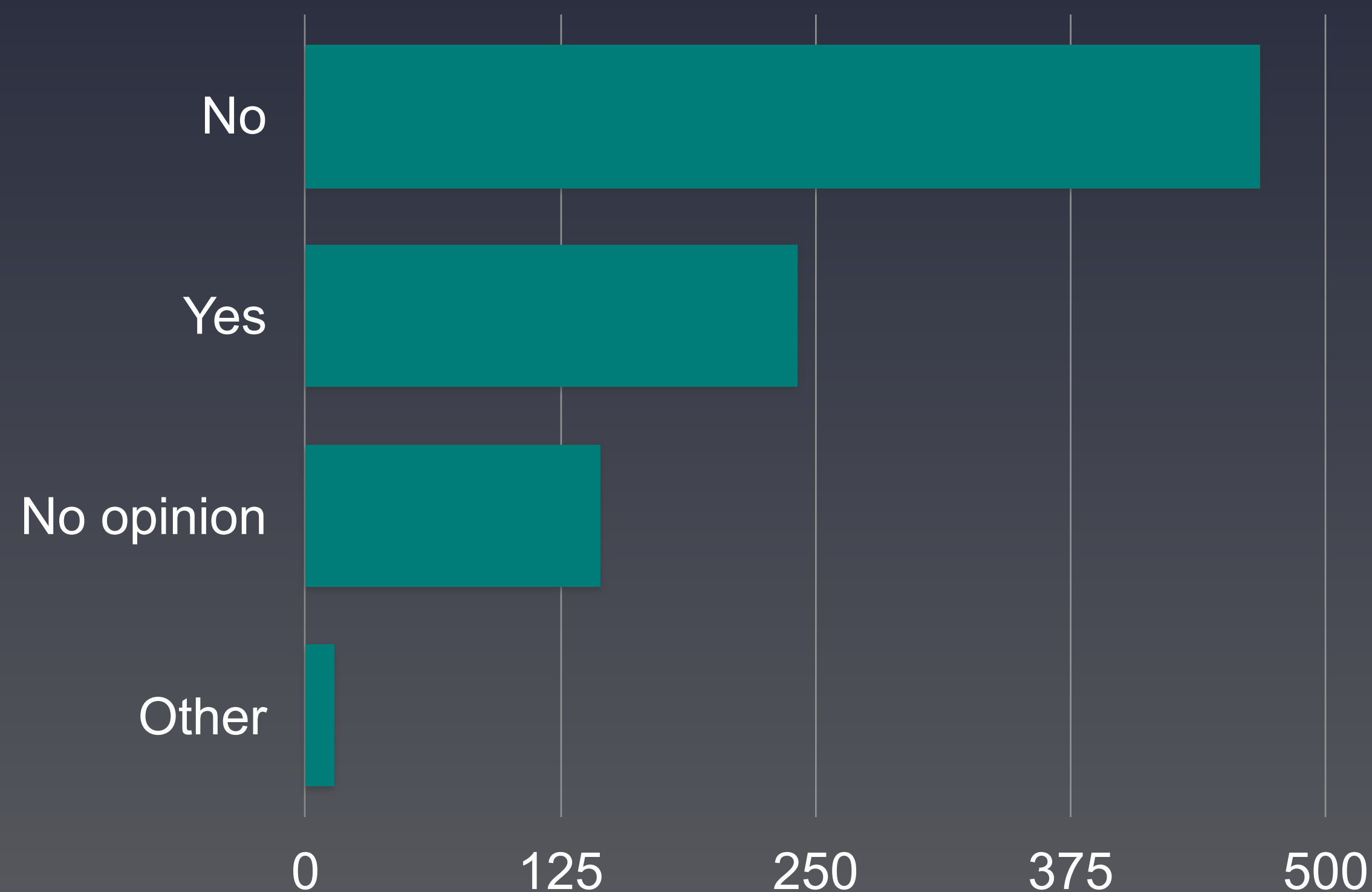
Selected comments

- There should be no extra costs for the IPv6 PI assignments. The current cost per assignment is too expensive for power users in some countries and may block smaller orgs from getting a proper IPv6 multihoming deployment.

- The charge and rules should be equal for any address, no matter for what purpose you use them.

- I also think that after a certain amount of resources the price should go up as this would indicate someone earning money with these services

- I would rather you slightly raise your annual fee than have these separate charges.

- Even increasing this to up to 100 EUR would get our support

- This serves as a yearly gentle reminder to return unused resources.

AS Numbers

- Should the RIPE NCC use the charging scheme to encourage conservation of AS Numbers?
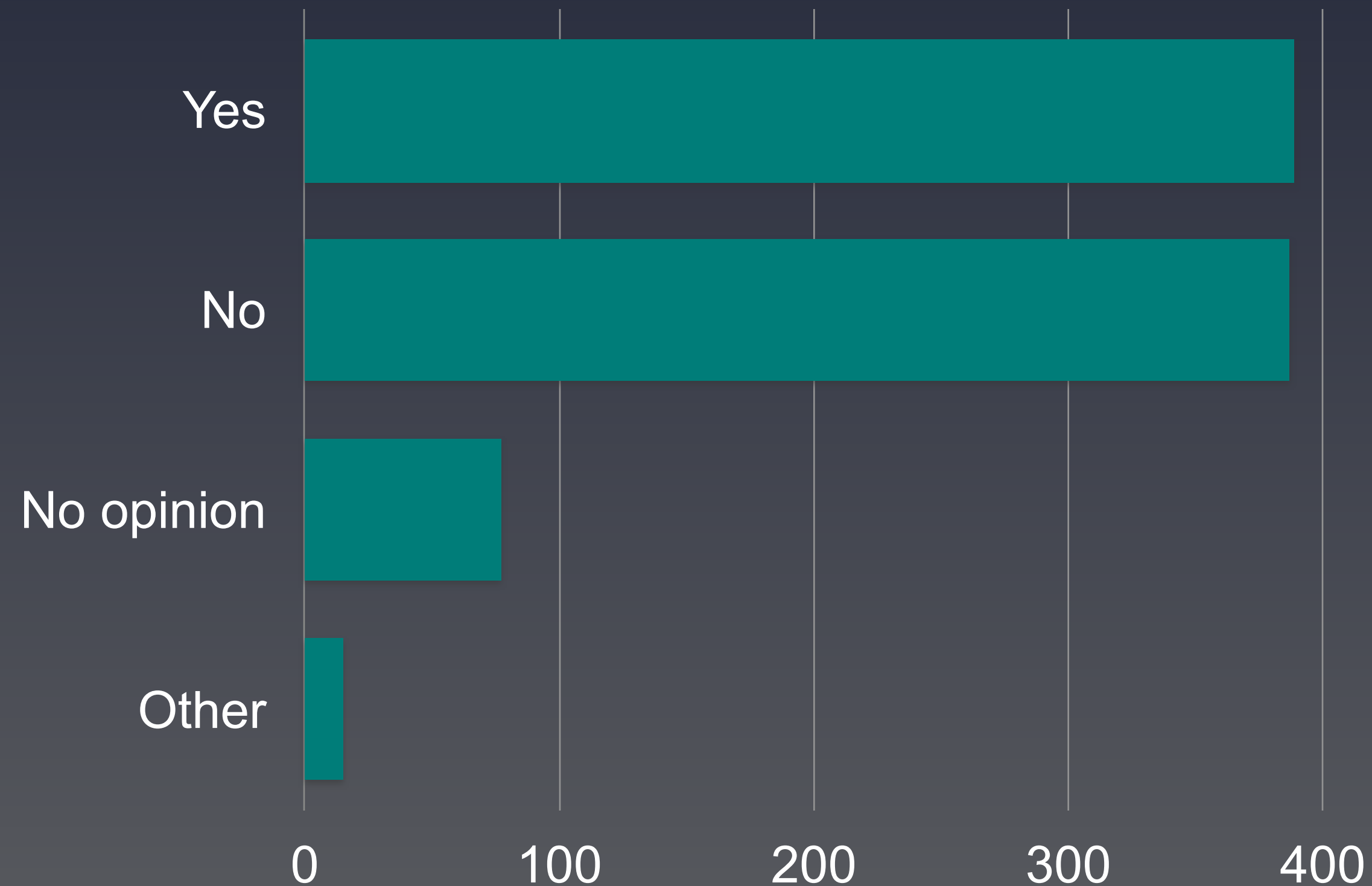
Selected comments

- 1 ASN should be offered free of cost per LIR (a common view)

- Not at the moment, but maybe in future.

- Yes but only for "abusers" or the "tall head", i.e. less than e.g. 5 to 10% of members should be affected by this

- Not for 32 bit ASN. For more than one 16 bit ASN it is OK to charge.

- Alternative methods to avoid hogging of resources like a hard requirement of outlining intended use feel more useful to me.

- Checking if AS numbers are in use and requesting them back if not used for over 12 months should be enough

IPv6

- Should the RIPE NCC use the charging scheme to encourage deployment of IPv6?

Selected comments

- Discounts or any methods to encourage IPv6 must be based on real use, not just an assignment that is not used

- Not allowing multiple LIRs to get more IPv4 space would be a better way to encourage IPv6 deployment.

- RIPE NCC should not charge more based on the number of objects in DB. This would hurt the IPv6 deployment.

- No. RIPE should work with industry to phase out IPv4. This is the only way to ensure a level playing field for all Internet participants.

- Other factors weigh more than the charging scheme in the deployment of IPv6.

- I am really torn on this. IPv6 must be encouraged but this should not lead to someone being penalized for using IPv4. Otherwise financial situations will lead to a two class internet.

- We've tried carrots, we need some sticks
-

Next steps

- We'll do further analysis on the survey results

- We will discuss what we've heard at the Open House

- We will come to the General Meeting in November with a proposed way forward for the Charging Scheme model

- The Charging Scheme we present at the May 2022 General Meeting should incorporate what we have learned from this engagement process