



# RIPE NCC Administration 2005

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# RIPE NCC Administration Contents

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  - Russian Billing 2005
  - Discussion – Questions / Answers
- Draft Charging Scheme 2006
  - Membership developments
  - Draft Charging Scheme 2006
  - Question / Answers

# General information billing

- LIR Service fees are our main source of income (95%)
- Total amount of around 12 Mln Euro in 2005
- Approximately 6,000 invoices sent per year
- Yearly billing gets around 25,000 e-mails (2004)
- In 2005 about 100 closures due to non-payment

# Billing Changes 2005

- Ticketing system, requests / questions send to billing get a reference number
- Improved payment system for credit cards - Triple Deal
- Revised Billing Scoring Algorithm
- Invoices in PDF format
- Changes made for Russian registries
- Quarter invoices send one month in advance of the Quarter



# Upcoming in Billing

- Clear information on Billing Score (LIR Portal?)
- New website for billing information (under construction)  
<http://www.ripe.net/membership/billing/index.html>
  - Payment possibilities
  - Billing procedures
  - Contact information
- No layout or textual changes to invoices
- New invoicing system in the course of 2006
- Further improve Billing mailbox response time



# Invoicing Timeline 2005 - 2006

- 20 September 4<sup>th</sup> Quarter 2005 invoices
- 13 October General Meeting → Charging Scheme approval
- After General Meeting → Billing Score Algorithm run based on 30 Sept 2005 data
- Notification e-mail send to registries about Billing Score and Billing category
- Begin November Yearly Invoices send by e-mail and postal mail
- Begin December 1<sup>st</sup> Quarter 2006 invoices send by e-mail and postal mail



# Russian Billing 2005 - Issues

- Service fee versus membership fee
- Resign of Standard Service Agreement (SSA)
- No link on SSA to the Service fee of the invoice
- Timing of invoices
- All documents in English
- RIPE NCC proof of residency in NL for tax purposes



# Russian Billing Changes made in 2005

- Change in Service agreement(s)
  - Standard Service Agreement (SSA) framework contract
  - Transaction contract and act of acceptance per invoice
- Service Fee is charged (not a membership fee)
- Clarity about Russian VAT status
- All documents → dual language documents  
<http://www.ripe.net/meetings/regional/moscow-2004/contracts/>
- Dutch tax status documents at request of the member





# Information & Communication

- Main contact Billing department via e-mail: [billing@ripe.net](mailto:billing@ripe.net)
- Invoice information on LIR Portal
- Website for billing information:  
<http://www.ripe.net/membership/billing/index.html>
- All communication in English
- Website for Russian documents:  
<http://www.ripe.net/meetings/regional/moscow-2004/contracts/>
- E-mail role account: [ncc-moscow04@ripe.net](mailto:ncc-moscow04@ripe.net)
- All communication in English and/or Russian

# Future changes ?

- Fact sheet, in English and Russian
  - Membership fee vs Service fee
  - Applicable Currency law, bank law and civil code
  - Document clarification
- Yearly invoices?
- Any procedure changes
- Any textual changes?



..and then there are the “perfect” RIPE  
NCC members

bill-remark: **”We love paying bills. Please charge us.”**

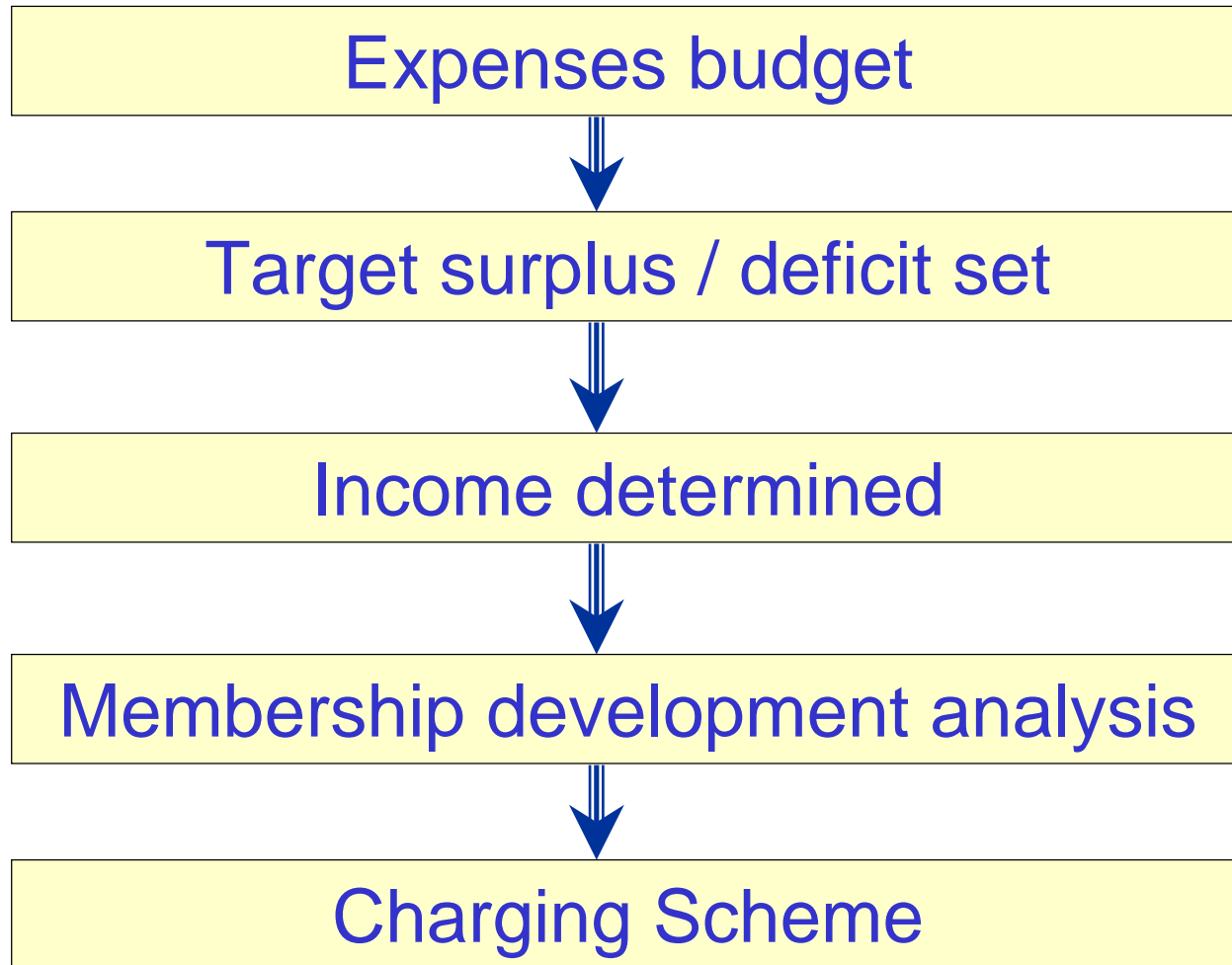




# Draft RIPE NCC Charging Scheme 2006

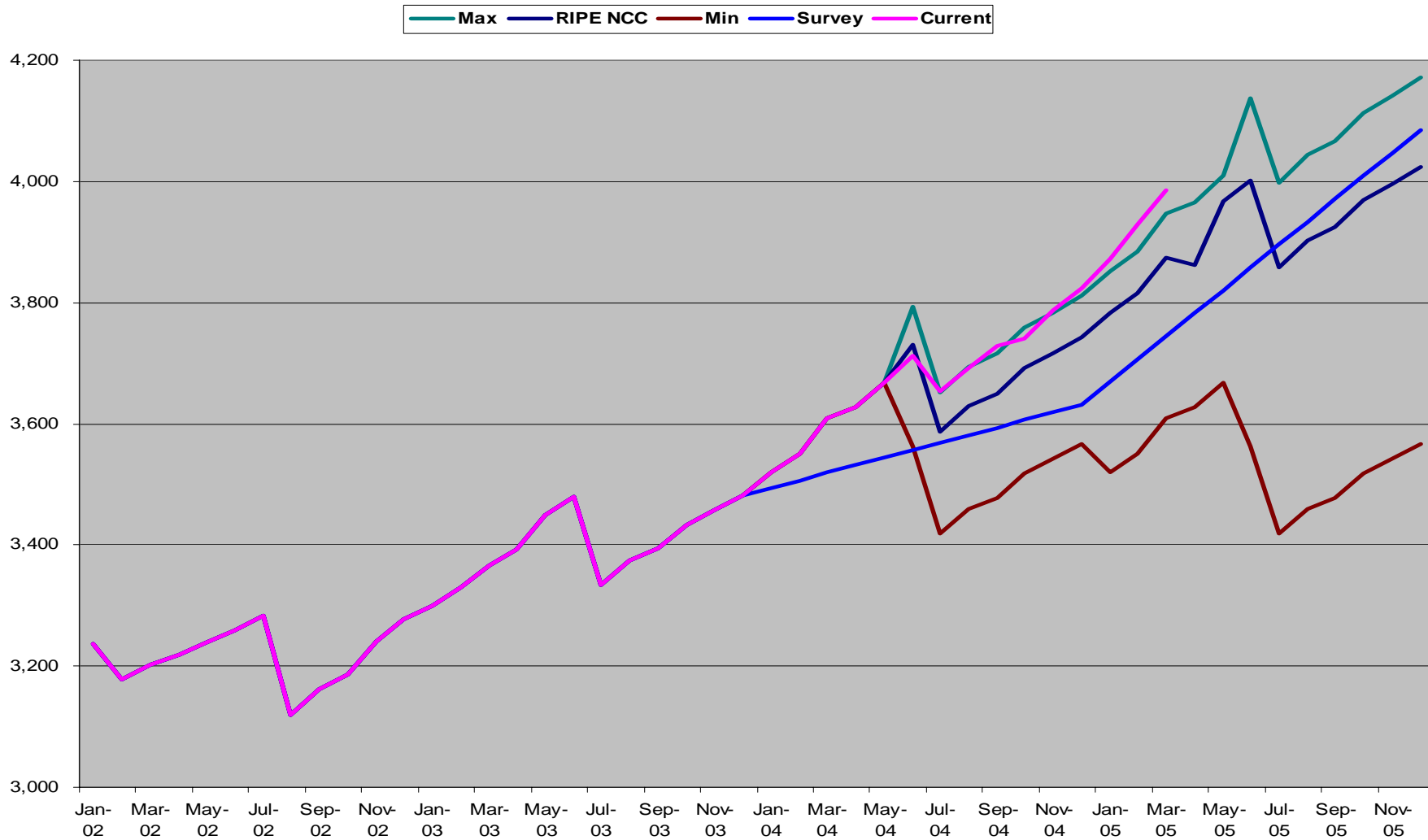


# Charging Scheme Procedure



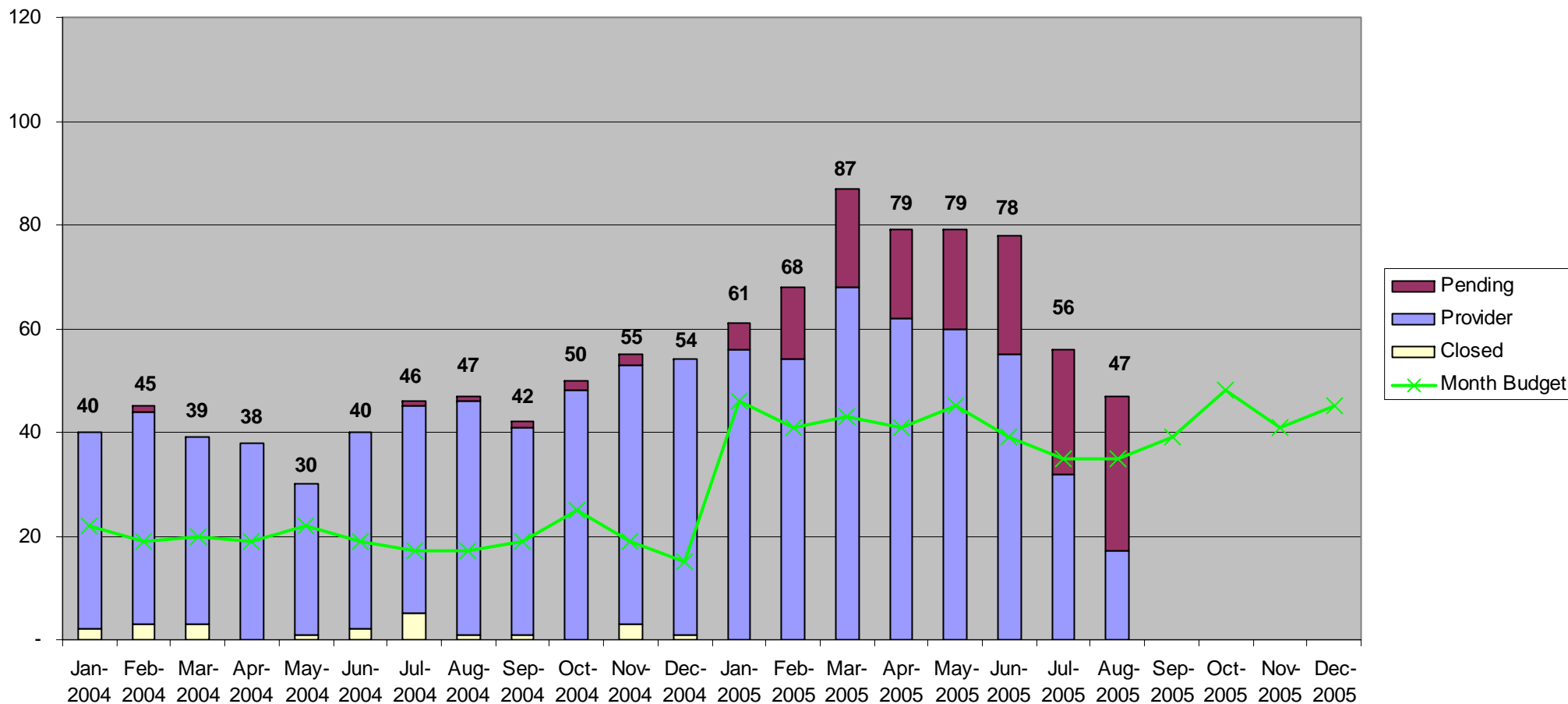


# Membership Growth I





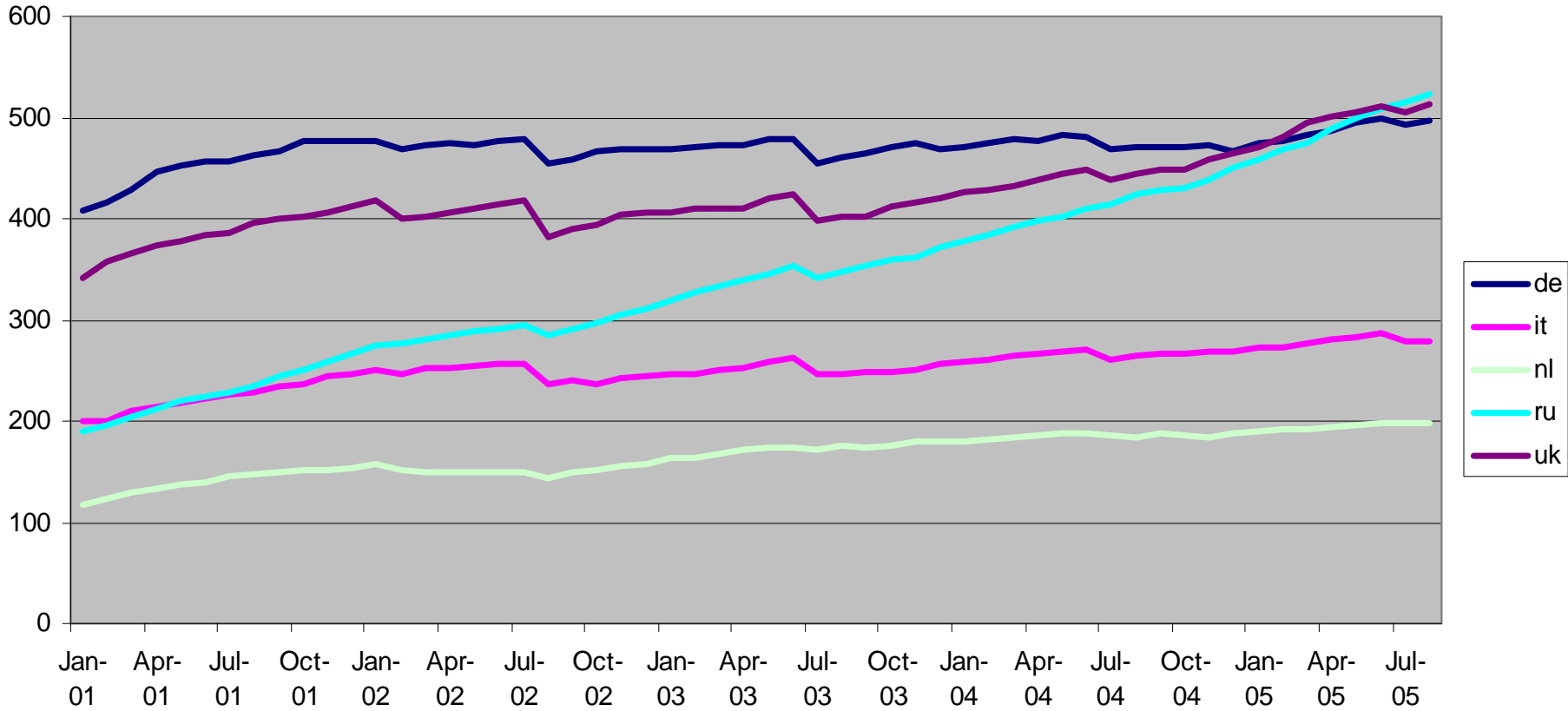
# Membership growth II







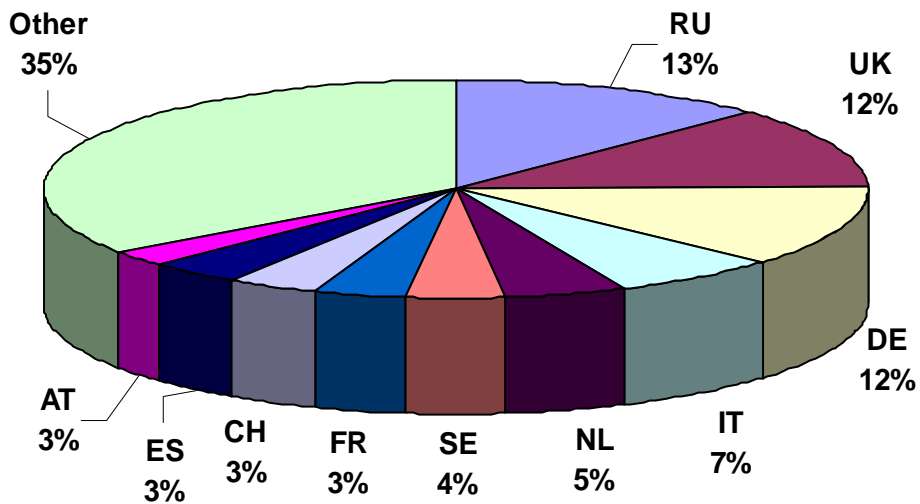
# Top 5 countries 2001 – Aug 2005



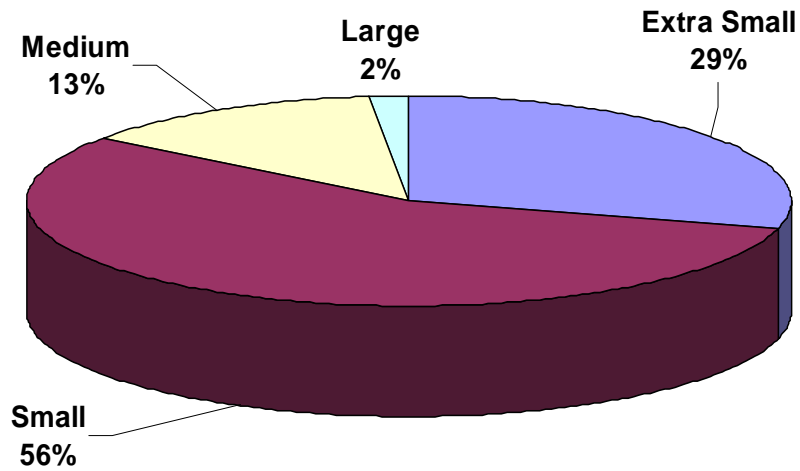
# Russian member info

- Currently 525 Russian members (31 Dec 2004: 451)
- Russian applications 93 in 2005 (2004: 74)
- Russian member income approximately 1.4 MEUR

Member per country 2005



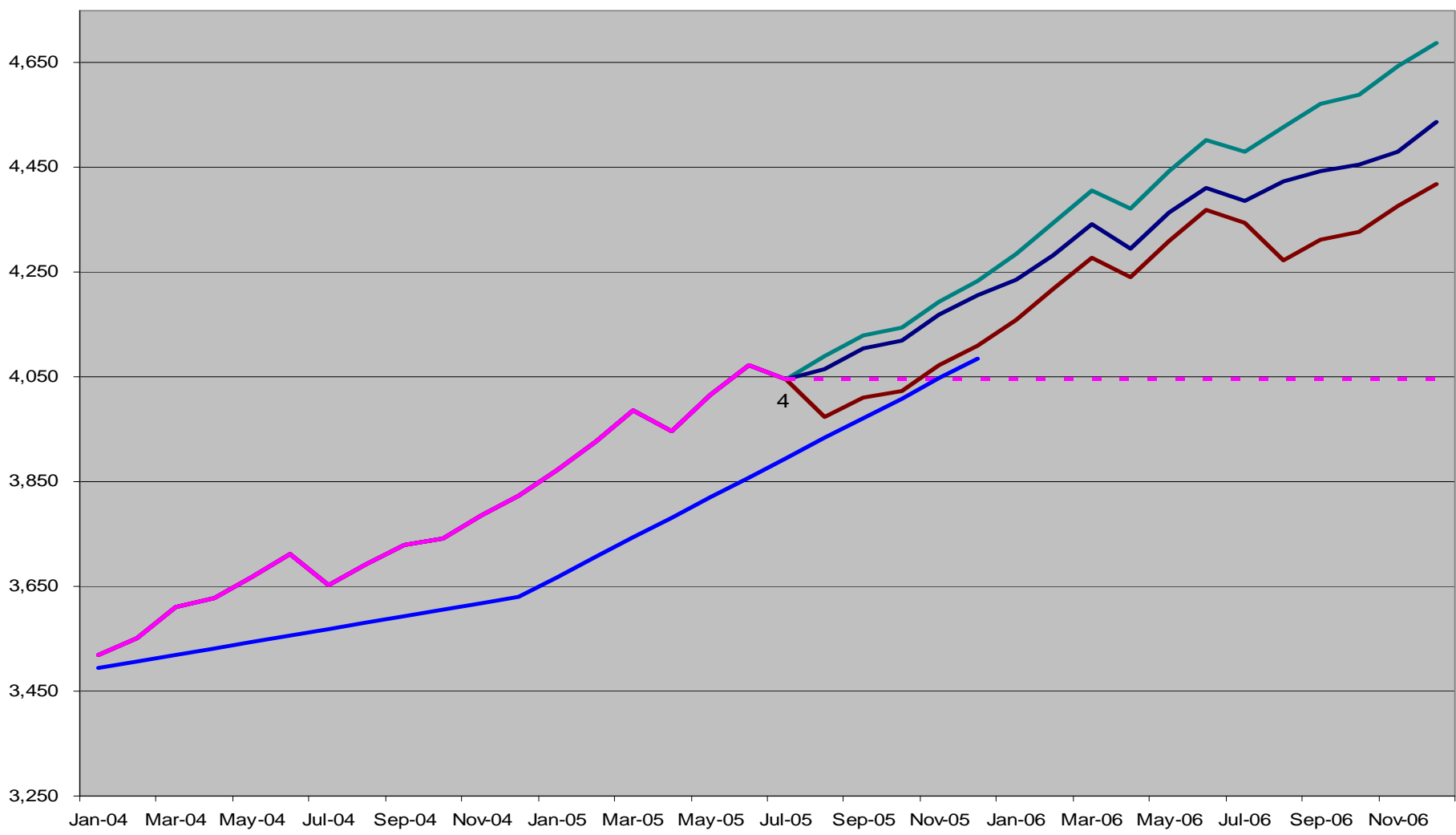
Russian member categories 2005





# Membership Growth Prediction

Max Latest estimate Min Current Survey





# Budgeted Membership 2006

Number of LIRs	2002	2003	2004	Projection 2005	Budget 2006
Extra Small	-	-	766	1,303	1,162
Small	2,503	2,664	2,126	2,005	2,320
Medium	614	659	749	720	844
Large	152	165	144	139	169
Extra Large	-	-	39	39	42
<b>Total membership</b>	<b>3,269</b>	<b>3,488</b>	<b>3,824</b>	<b>4,206</b>	<b>4,537</b>
<b>Net Growth %</b>	<b>5 %</b>	<b>7 %</b>	<b>10 %</b>	<b>10 %</b>	<b>8 %</b>



# Changes Charging Scheme 2006

- Decrease in average Service Fee of 12%
- The Administration fee lowered by 20%
- Special purpose IPv6 assignments taken into account in the algorithm
- Adjustment of Billing Score for PA IPv4 /21



# Items that remain the same 2006

- ASN scoring, one time charge
- PI IPv4 assignment taken into account
- Same algorithmic function
- Boundaries set% of members per billing category as 2005



# Annual Service Fees 2006

	2002	2003	2004	2005	2006
Extra Small	-	-	2,000	1,750	1,500
Small	1,800	2,750	2,500	2,250	2,000
Medium	2,500	3,750	3,500	3,150	2,750
Large	3,400	5,250	5,000	4,750	4,250
Extra Large	-	-	6,750	6,500	5,750
Sign-up fee	2,100	2,500	2,500	2,000	2,000
Administration fee	-	-	1,250	1,250	1,000



# Average Fee development 2001 – 2006 I







# Billing Score Table 2006

Prefix IPv4	Prefix IPv6	AS Numbers 2005	Prefix PI IPv4 2005	IPv6 Special Assignments 2005	Scoring Unit
IPv4 / 22	IPv6 / 33		PI IPv4 / 25		0.5
IPv4 / 21	IPv6 / 32	1 ASN	PI IPv4 / 24	1	1
IPv4 / 20	IPv6 / 31	2 ASN	PI IPv4 / 23	2	2
IPv4 / 19	IPv6 / 30	4 ASN	PI IPv4 / 22	4	4

# Questions





# Calculation of Charging Scheme

1. Determine the allocations / assignments for registries
2. Set per allocation / assignment the score
3. Set score of the age of the allocation
4. Calculate the score per allocation / assignment
5. Determine total score per registry
6. List all registries from lowest score to highest score
7. Set the boundaries on basis of Billing category table
  - Inform registries and publish the boundaries



# 1. Determine the allocations / assignments for registries

Alloc/assign	Age	Alloc score	Age score	Score
IPv4 / 19	2000			
IPv4 / 19	2002			
IPv6 / 32	2003			
IPv4 / 19	2002			
IPv6 / 32	2003			
Total score my.regid				



# Billing score my.regid

Alloc/assign	Age	Alloc score	Age score	Score
IPv4 / 19	2000			
IPv4 / 19	2002			
IPv6 / 32	2003			
ASN	2000			
Total score my.regid				



# Billing category my.regid III

Category	Maximum score	Cumulative % of members
EXTRA SMALL	15	19.1%
SMALL	47	75%
MEDIUM	274	95%
LARGE	1,182	99%
EXTRA LARGE	14,320	100%

Category size of my.regid = MEDIUM



## 2. Set score of the age of the allocation

Alloc/assign	Age		Age score
IPv4 / 19	2000	2000 - 1992	8
IPv4 / 19	2002		
IPv6 / 32	2003		
ASN	2000		

# Billing category my.regid III

Category		Maximum score	
EXTRA SMALL		15	19.1%
SMALL		47	75%
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Category size of my.regid = MEDIUM



# Scoring Algorithm 2006

- Size is determined on basis of 2 variables
  - Prefix of the allocation/assignment
  - Age of the allocation/assignment

Registry score = (Alloc1 \* Time)+(Alloc2\*Time)+etc.

$$S(\text{reg}) = \sum_{i=1}^N a_i * t_i$$

$a_i$  = Scoring unit

$t_i$  = Time function of allocation/assignment  $i$  ( year of allocation – 1992 )

$N$  = Number of allocations/assignments



# Billing category my.regid III

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Category size of my.regid = MEDIUM

# Charging Scheme

LIR billing category	Fee per year	Fee ½ year	Fee ¼ year
Very Small	€ 2,000	€ 1,050	€ 550
Small	€ 2,500	€ 1,300	€ 675
Medium	€ 3,500	€ 1,800	€ 925
Large	€ 5,000	€ 2,550	€ 1,300
Extra Large	€ 6,750	€ 3,425	€ 1,738
Take-over fee	€ 1,000		
Start up fee	€ 2,500		
* Note New Members are charged a SMALL registry fee			

# Billing category my.regid II

Billing Category	2000	2001	2002	July 2003	Cumulative % 2004
Extra Small	-	-	-	-	20 %
Small	77 %	81 %	77 %	78 %	75 %
Medium	18 %	14 %	19 %	18 %	95 %
Large	5 %	5 %	4 %	4 %	99 %
Extra large	-	-	-	-	100 %



# Charging Scheme Procedure

- Simple and clear structure
- In line with the development and size of registries
- No direct charge for Addresses, improve charging for Services rendered
- Improve predictability of Income
- Height of fees dependent of Financial developments