RIPE NCC Financial Status and Billing Procedures

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1. Contributors Committee

All those organisations contributing to NCC funding have been invited to advise TERENA on NCC funding matters. For details see `ftp://ftp.ripe.net/ripe/new-registry.` The contributors committee has met on September 21st 1994 and agreed on the activity plan as amended by the last RIPE meeting as well as the expenditure budget prepared by the NCC which is presented below.

There was also consensus that a more usage based charging scheme should be introduced in 1996 and the NCC committed to develop alternatives by mid 1995.

Although there was a clear majority opinion about the charging scheme for 1995, consensus could not be reached. Those dissenting have thus far not proposed an alternative scheme. Despite several efforts by TERENA and the NCC no consensus has been reached at this point.

In this situation there is no alternative for the NCC but to work to the charging scheme endorsed by the majority and continue asking the contributors for a resolution. At this point contributions equivalent to 70% of the planned expenditure have been confirmed according to the majority endorsed scheme. For more details see below.

2. 1995 Expenditure Budget

The 1994 budget based on 3.6FTE is presented for comparison. "1995 Contributors Committee" is the budget presented to and endorsed by the Contributors Committee on September 21st 1994. It is based on 7 FTE available at the end of the year. "1995, Working Budget" incorporates corrections due to better data and is the budget being worked to in 1995.

This budget is conservative because the revenue situation from current customers is not stable and the growth in customers is hard to predict. It should be noted that as soon as significant additional revenue is generated from the growth in the number of customers, resources will have to be increased beyond this budget.

	1994 for comparison	1995 Contributors Committee	**1995 Working Budget**
Staff	160000	290000	**294000**
Computing Equipment	15000	15000	**15000**
Computing running costs	5000	5000	**5000**
Travel	30000	40000	**35000**
Rent & fixed service	25000	30000	**34000**
Variable service	5000	5000	**5000**
RARE Services	5000	10000	**10000**
Recruitment		2500	**2500**
Unforseen	10000	10000	**7000**
	245000	407500	**407500**

3. 1995 Charging Scheme

Below you find the the charging and billing scheme. For more details see ftp://ftp.ripe.net/ripe/new-registry/billing.txt.

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     1995 RIPE NCC BILLING PROCEDURE and FEE SCHEDULE


1. The 1995 fee schedule is as follows:

     Enterprise registries:      ECU  1000.- / year

     Service Provider Registries

              Small         ECU  2000.- / year
              Medium        ECU  6000.- / year
              Large         ECU 12000.- / year

     Start-up fee for registries
     established during 1995     ECU  2000.-

2. Registries established during the course of the year are
   charged as follows:

     established during charge

     1st quarter       start-up fee + full yearly fee
     2nd quarter       start-up fee + 3/4 yearly fee
     3rd quarter       start-up fee + 1/2 yearly fee
     4th quarter       start-up fee + 1/4 yearly fee

3. The start-up fee is due with the first invoice.

4. Billing is in advance.

5. The billing period is the calendar year.

6. By prior special arrangement half-yearly and quarterly  billing
   is possible under the following conditions:

     - The minimum amount invoiced is ECU 1000.-.

     - An ECU 65.- service charge applies to each invoice.

7. Bills are due on the last day of the month preceding the
   billing period or 30 days after issuing of the invoice,
   whichever is later.

8. Late payments will be subject to an late payment charges of ECU 100.-
   and cause an immediate reduction in NCC service level.
   Interest according to the prevailing bank rate in the Netherlands
   may be charged on any late payments.
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4. 1995 Revenue Situation

Notes

Below you find a summary of the state of RIPE NCC Income for 1995 based on the above charging scheme. This reflects the state of confirmations and commitments on January 23rd to the best of the NCC's knowledge. This status has been communicated regularly to the NCC contributors on the contributors committee mailing list. This will continue as commitments and payments are received. The Estimated column has a fair amount of safety built in. This is to account for customers dropping off and obviously wrong estimates.

Explanation of the Tables

REGISTRIES
: the (hopefully) paying customers. registry IDs are assigned by the NCC and start with the ISO3166 country code.

GRANTS
: organisations contributing without running a local registry. This income is not structural and thus will be used to finance non-structural services.

Estimated
: a rough estimation of appropriate contributions by registry size.

Confirmed
: contributions confirmed informally (e-mail, aurally, ...).

Correction
: difference between Confirmed and Estimated. The purpose of this is to keep an eye on how accurate the estimates are and most importantly whether the corrected total still meets the expenditure budget.

Committed
: contributions confirmed by written commitment, i.e. the signed service agreement.

PAID payments received.

REGISTRIES	Estimated	Confirmed	Correction	Committed	PAID
ae.gulf	2000				
at.aconet	6000	6000	0	6000	
at.eunet	6000				
at.spardat	2000	2000	0		
at.vianet	2000				
be.belnet	6000	6000	0		
be.eunet	6000				
be.inet	2000	2000	0		
be.interpac	2000				
be.kredietbank	1000				
bg.eunet	2000				
ch.chuug	12000				
ch.switch	12000	12000	0	12000	
cy.univ	2000				
cz.cesnet	6000	2000	-4000	2000	
cz.eunet	2000	2000	0		
de.belwue	2000				
de.dfn	12000	12000	0		
de.eunet	12000				
de.gtn	2000	2000	0	2000	
de.maz	2000				

de.nacamar	2000	2000		2000
de.roka	2000			
de.xlink	6000	6000	0	
dk.denet	6000	6000	0	6000
dk.dknet	6000			
dk.telebit	2000	2000	0	
es.eunet	6000			
es.rediris	6000	6000	0	
fi.alands	2000			
fi.clinet	2000	2000	0	
fi.datanet	6000	6000	0	
fi.edu	6000	1000	-5000	
fi.eunet	6000			
fi.funet	6000	6000	0	6000
fi.helsinki	6000			
fi.nordic	2000	2000	0	
fi.oulu	6000			
fr.eunet	12000			
fr.jeux	1000			
fr.oleane	6000	6000	0	
fr.renater	12000	12000	0	
fr.societe-g	1000			
fr.telecom	1000			
fr.transpac	12000	12000	0	
fr.transrel	6000	6000	0	
gr.ariadnet	2000	2000	0	
gr.forth	2000	2000	0	
hr.carnet	2000			
hu.hungarnet	2000	2000	0	2000
ie.eireann	2000			
ie.eunet	6000			
ie.heanet	6000	6000	0	6000
ie.iol	2000	2000		
il.ilan	2000	2000	0	2000
il.netvision	6000	2000	-4000	
is.eunet	2000	2000	0	2000
it.alpcom	2000	2000	0	
it.eunet	12000			
it.garr	12000	12000	0	
it.itnet	2000	2000	0	
it.nettuno	2000			
lb.lir	2000			
lt.litnet	2000			
lu.eunet	2000			
lu.restena	2000	2000	0	2000
mk.marnet	2000			
nl.erisccon	1000			
nl.ibm	6000	2000	-4000	
nl.nlnet	12000			
nl.philips	6000			
nl.surfnet	12000	12000	0	
nl.unisource	6000	6000	0	
nl.xs4all	2000			
no.daxnet	2000	2000	0	
no.eunet	2000			
no.telepost	6000	2000	-4000	
no.uninett	6000	6000	0	6000
pl.eunet	2000	2000	0	

pl.nask	2000	2000	0		
pt.ccful	2000				
pt.eunet	2000				
pt.rccn	2000	2000	0		
ro.rnc	2000	2000	0		
ru.msu	2000	2000	0		
ru.relcom	6000				
ru.rosprint	6000	2000	-4000		
se.electrolux	1000				
se.eunet	2000				
se.lund	2000	1000	-1000		
se.sunet	12000	12000	0	12000	
se.swipnet	12000	6000	-6000		
se.transpac	6000	6000	0		
se.unisource	6000	6000	0		
si.arnes	2000	2000	0		
si.eiger	2000				
si.eunet	2000				
sk.eunet	2000				
sk.sanet	6000	6000	0		
su.demos	6000				
uk.bt	12000	12000	0	12000	
uk.btent	1000	1000	0		
uk.cns	6000				
uk.demon	6000	6000	0		
uk.energis	1000				
uk.eunet	12000				
uk.genesis	2000				
uk.istel	6000				
uk.janet	12000	12000	0		
uk.marconi	1000				
uk.mercury	12000				
uk.nhs	1000	1000	0		
uk.pipex	12000	12000	0		
uk.racal	2000				
uk.royal	1000				
uk.trafalgar	1000	1000	0		
uk.vbcnet	2000	2000	0		
Total	542000	287000	510000	80000	0
%of Exp. Budget	133	70	125	20	0

GRANTS	Confirmed	Paid
de.ecrc	3000	
eu.cern	3000	
eu.esa	5000	
fr.inria	2000	
	13000	0

5. 1995 Commitment and Billing Procedure

Due to the establishment of TERENA, other work pressures and some coordination problems it took longer than expected to produce the final agreement and work out the billing procedures. Closer liaison procedures between the TERENA secretariat and the RIPE NCC needed to be established for 1995 in order to make it possible to reliably determine the service level of a customer at any time. These procedures have been established now. The final service agreements have been circulated on December 22nd.

The agreement text, fee schedule, billing procedures etc. can be found in:

`ftp://ftp.ripe.net/ripe/new-registry`

1995 billing has now been initiated for all registries which have either confirmed, committed or both.

As additional commitments come in these customers will be billed as well. Confirmation only will not usually cause billing to be initiated.

All questions and correspondence associated with this should be directed to <billing@ripe.net>. They can also help you if you prefer the documents to be sent by e-mail or surface mail. But please use this facility only if absolutely necessary.

6. Service Levels

From February 1st 1995 the Committed column will determine the service level a registry receives from the NCC:

> Registries which have signed the agreement will be serviced normally as long as they have no overdue outstanding invoices.
>
> All other registries as well as individuals will be served only as time permits and after all requests from paying customers have been dealt with.

Because the agreements have "only" been available for about a month now, registries which have confirmed contributions but not signed the agreement yet will be treated as if they had signed until February 28th 1995.

7. What you should do!

Please check the entries of the registries you are responsible for in the table above.

If there is no confirmation (see column 3 in the table above), please contact the NCC as soon as possible at `<billing@ripe.net>` specifying your charging category. If we have no confirmation your requests will be processed on a time-permitting basis only from February 1st (next week).

If there is no commitment (see column 5 in the table above), please pick up the files in `ftp://ftp.ripe.net/ripe/new-registry`, sign and send in the agreement. We also have hard-copies available during the meeting. Please note that you need to send *two* signed copies if you require a copy signed by TERENA to be returned to you. If we have not received a signed commitment by February 28th your requests will be processed on a time-permitting basis only.

If you are not sure that the billing information (address, VAT#, etc.) we have is correct, ask `<billing@ripe.net>` to send you an electronic form with the current information filled in and return it to us.

Local registries should include their registry ID prominently in their requests to ensure the correct service level.

If you have any questions or comments, please contact `<billing@ripe.net>`.

8. 1994 Finances

The accounts for 1994 have not been finalised. The financial report for 1994 is expected in March after the TERENA auditors have reviewed the books.

There have been some problems with billing for new registries in 1994. If you have any questions about 1994 bills, please contact `<billing@ripe.net>`. The 1995 procedures have been tightened to prevent such problems from occurring again.

9. Conclusions

Commitments will have to reach the level of budgeted expenditure soon or expenditure levels will have to be reduced with serious consequences for the NCC. The NCC is already suffering from this situation as it is.

This is a problem which needs resolution by the contributors (committee). The NCC can only help with this but not solve the problem.

Those willing to contribute now should please sign the service agreement as soon as possible.