

## COMPETITION >> NGN COST MODELING

In the new NGN environment, the traditional key principle of cost causation may lead to unexpected outcomes. The value of different NGN services—e.g., those involving high speed data and video—does not necessarily reflect the volume or the value of network resources required to deliver such services.

- For NGN Cost modeling, some of the key issues that differentiate NGN and traditional networks include:
- The difference in equipment which makes up an NGN for costing purposes
- The difference in the value and type of services being carried on the network
- Prioritization and packet loss
- Costing for individual services