



WaTech
Washington Technology Solutions

Network Allocation

July 28, 2015

Allocation Overview

Legislative Intent

...The agency will take over responsibility from agencies for management of and connectivity to these networks, enabling it to more efficiently manage enterprise network resource needs. The full cost of the networks will be allocated...

Allocation Overview

Fiscal - What does this mean?

- Budget Line Item related to Network Allocation
 - 31% increase from FY14 Agency Expenditures to CTS
 - This restores revenue to actual expenses (from a reduction in FY12 rates)
- Reduced complexity on your WaTech bill
 - One Network Allocation line item (billed monthly), replacing items like:
 - CAMPUS FIBER CORE CONNECTION
 - CORE xxx Meg Ethernet Port
 - SGN/PGN/IGN TDM T1
 - SGN/PGN/IGN ETHERNET
 - STATE METRO OPTICAL NETWORK
 - AES Network Management
 - Internet Access
 - SONET Transport
- New report with Agency services provided

Allocation Overview

Operations - What does this mean?

	Pre Allocation		Post Allocation	
	WaTech	Customer	WaTech	Customer
Requests and Requirements	X	X	X	X
Technical Design/Provisioning	X		X	
Maintenance/Operations	X		X	
Budget Decisions/Payments		X	X	Exceptions
Quote Acceptance		X	X	Exceptions
Contract Management	X		X	
Vendor Management	X		X	
Capacity Planning		X	X	X
Manage Customer Edge Devices	Exceptions	X	Exceptions	X
Manage Provider Edge Devices	X		X	

Allocation Overview

Service Model - What does this mean?

- Previous Business Model – Charge for Services
 - Vendor Last Mile – Charges based on actual vendor costs
 - Core Network Connection – Charges based on “Port” costs
 - Internet – Charges based on FTE count
- New Network Allocation Model
 - Agencies Allocated Based on FY14 Expenditures - (95% of revenue)
 - Local Governments and non-allocated agencies will continue to be billed - (5% of revenue)
 - Non-allocated/minimally allocated (e.g., Agency who manages their own network) agencies may be added to the allocation as part of a budget request

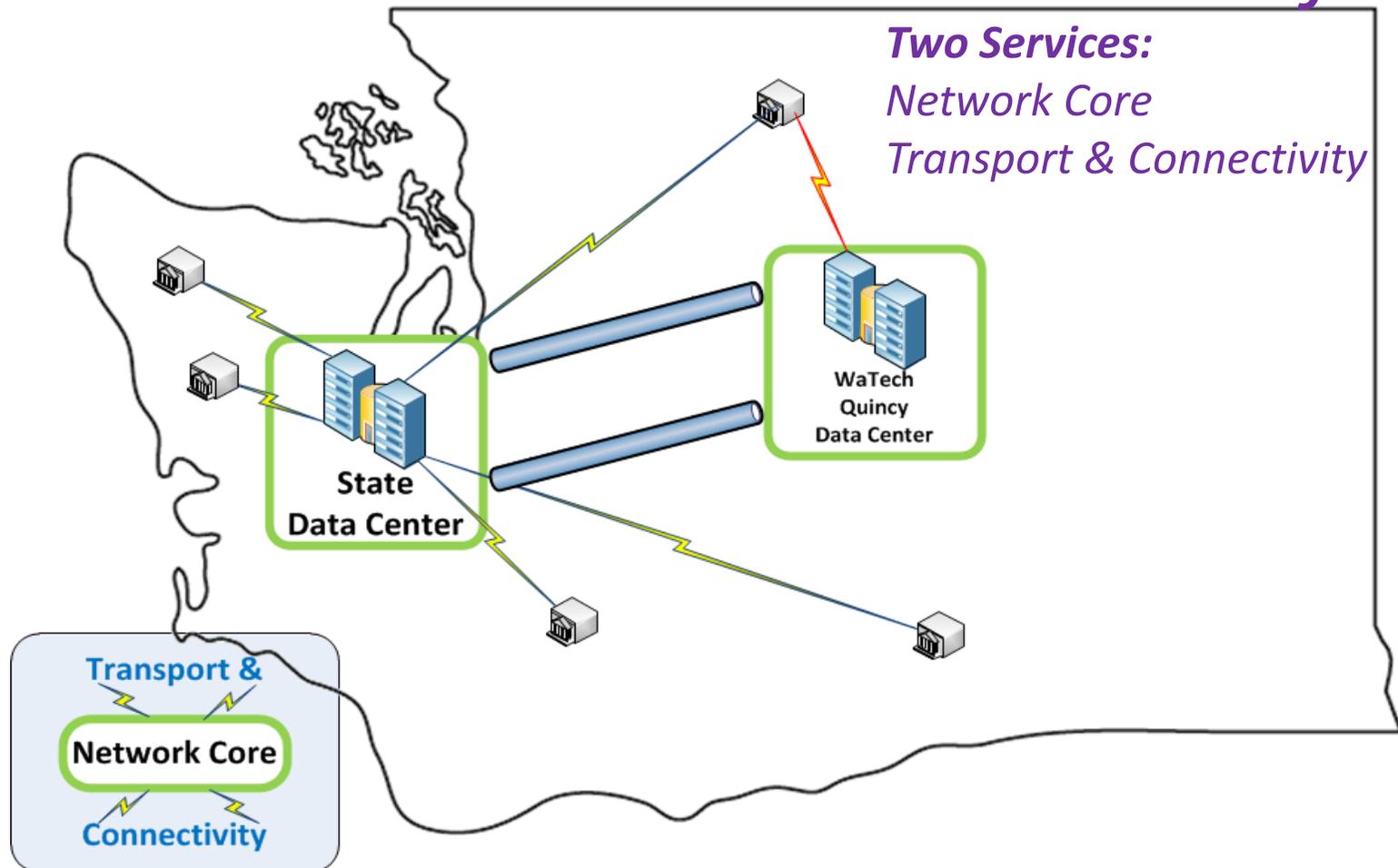
Allocation Overview

Not Allocated – What does this mean?

- Allocation funding in the 15-17 Biennium does not include:
 - Wireless Service
 - Voice Services
 - Audio/Video Conferencing Services

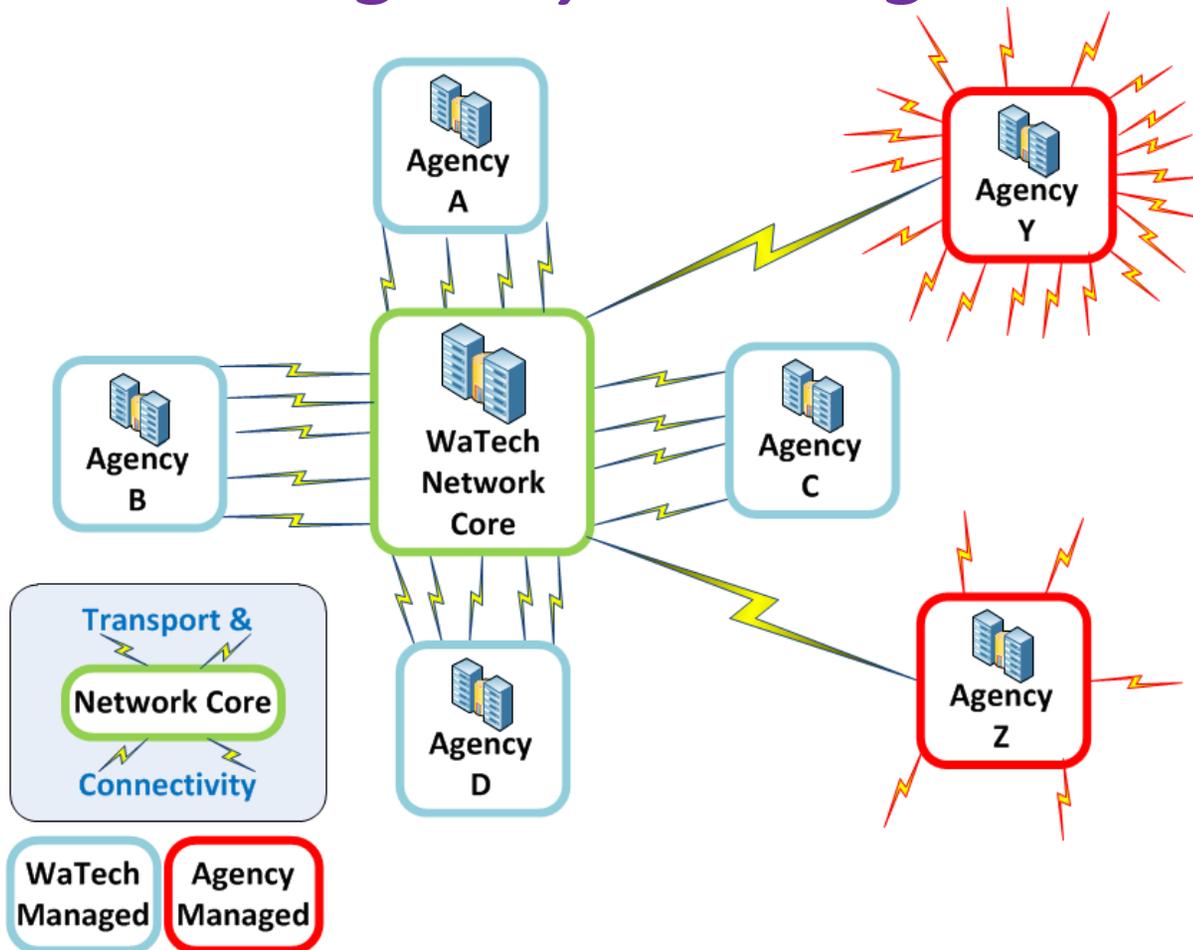
Data Network Services

Defined



Transport & Connectivity

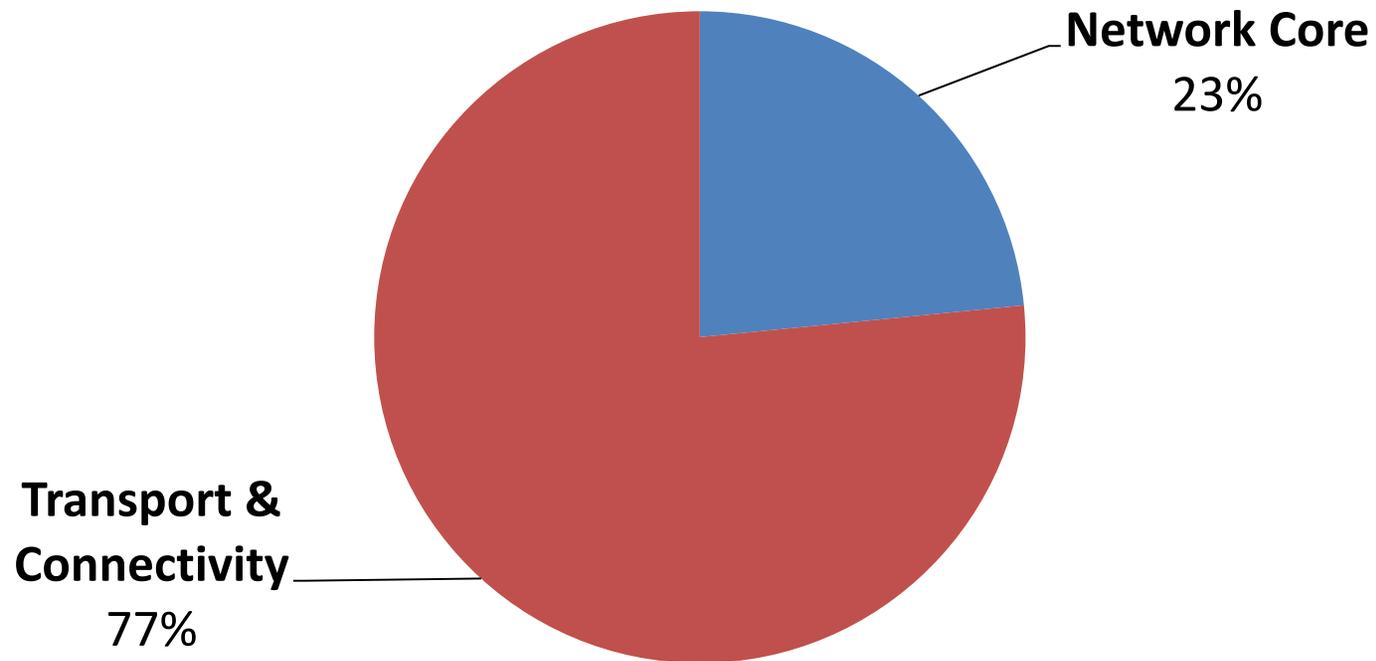
WaTech and Agency Managed Transport



Data Network Services

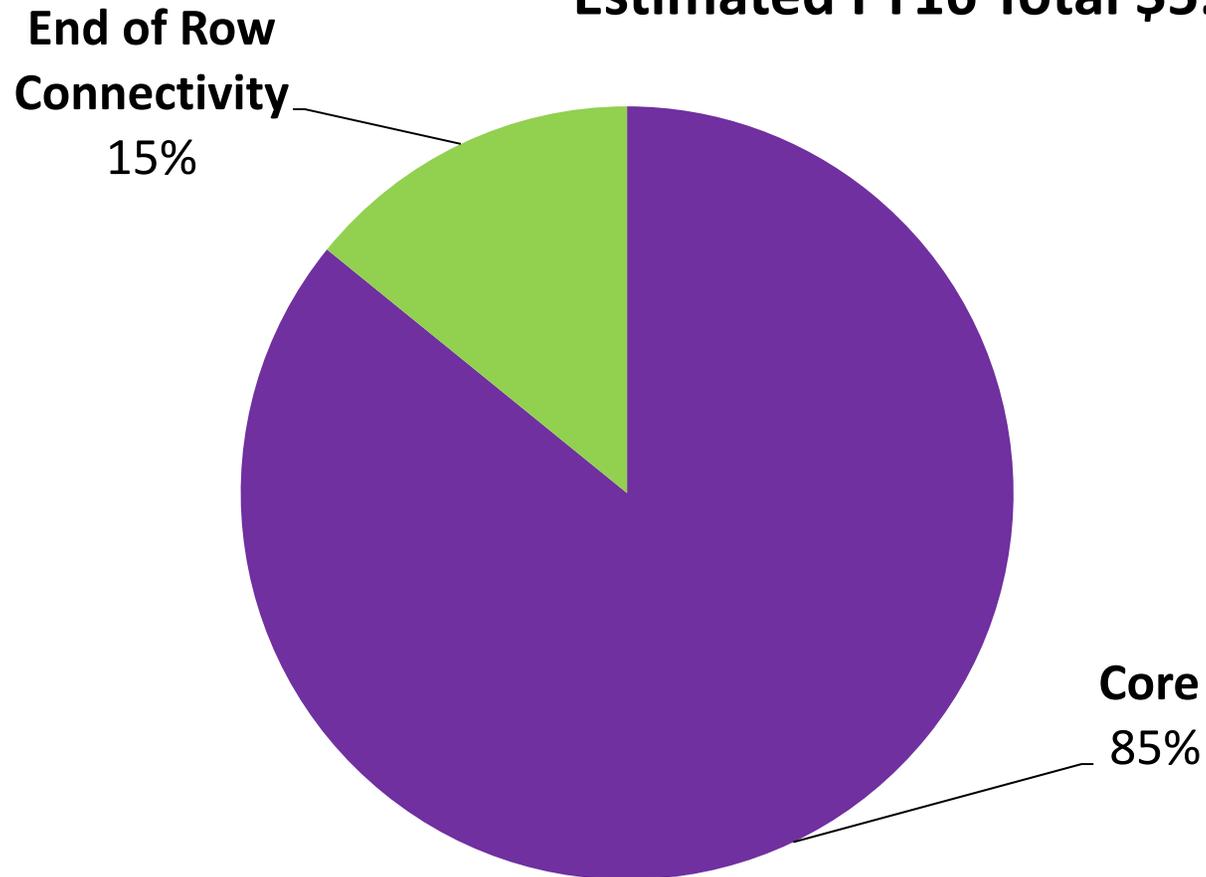
Fiscal

Estimated FY16 Total \$23.1 Million



Network Core

Estimated FY16 Total \$5.4 Million



Network Core *Service Overview*

- Network Core Service
 - Logical State Networks (SGN, PGN, IGN)
 - Internet
 - Routing Isolation & Aggregation
 - WAN Circuit Aggregation
 - Monitoring & Troubleshooting
 - Out of Band Management

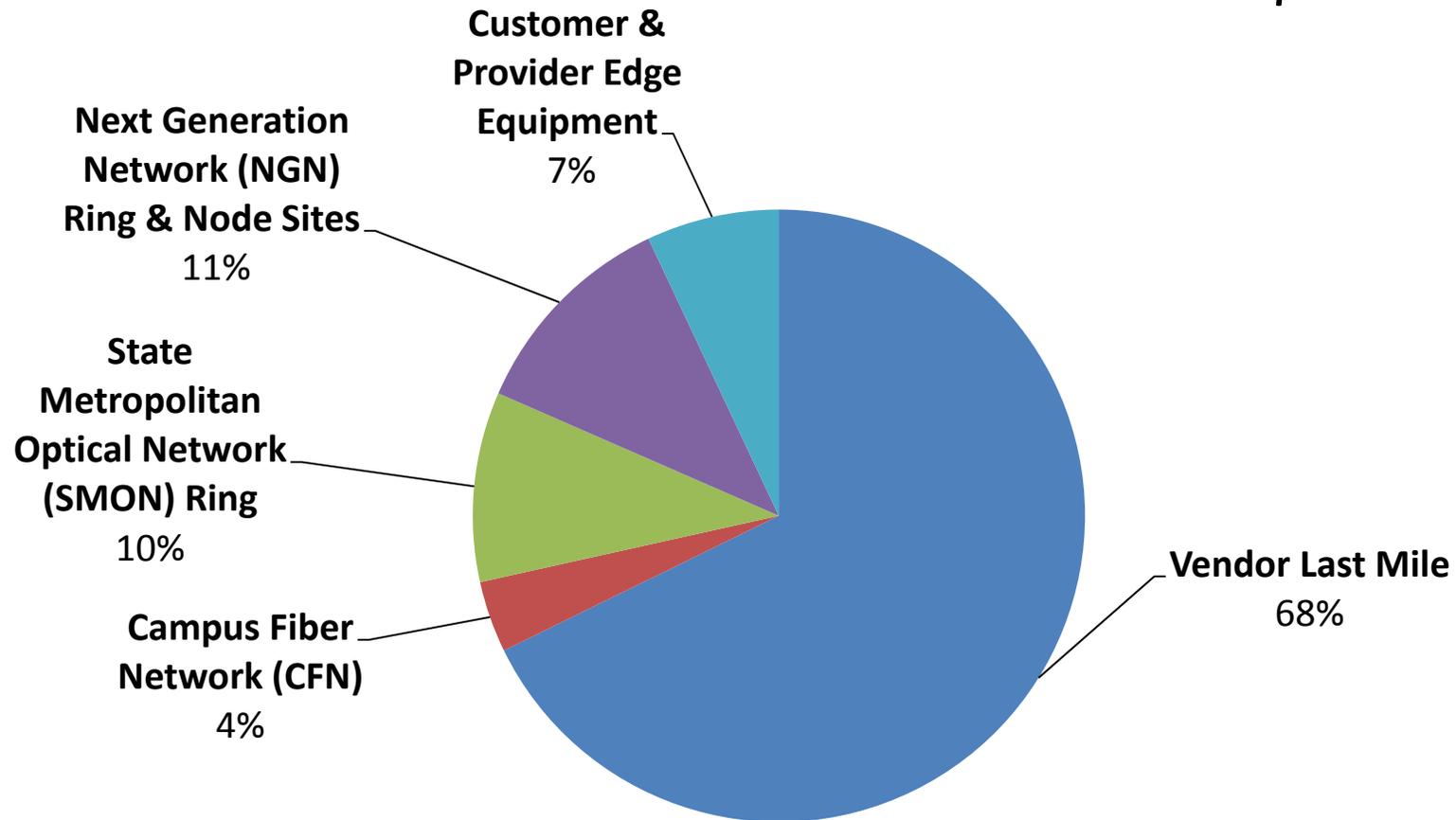
- End of Row Connectivity
 - Customer Colocation Connectivity

Network Core *Allocation Details*

- **Included in Allocation**
 - All WaTech Network equipment, services, and support
- **Excluded from Allocation**
 - Additional end of row infrastructure as use of the SDC and WaTech Quincy sites expand. These will be addressed in the supplemental budget process.
 - Customer Local Area Networks

Transport & Connectivity

Estimated FY16 Total \$17.7 Million



Transport & Connectivity *Overview*

- Vendor Managed (Vendor Last Mile & NGN Ring)
 - 983 Last Mile vendor provided/WaTech managed circuits
 - \$1,185/Month Average Cost per connection (circuit) costs
- WaTech Managed (CFN & SMON Ring)
 - 190 Last Mile WaTech provided/ managed circuits
 - \$1,069/Month Average Cost per connection (circuit) costs
 - *This only factors in costs for 1 year*

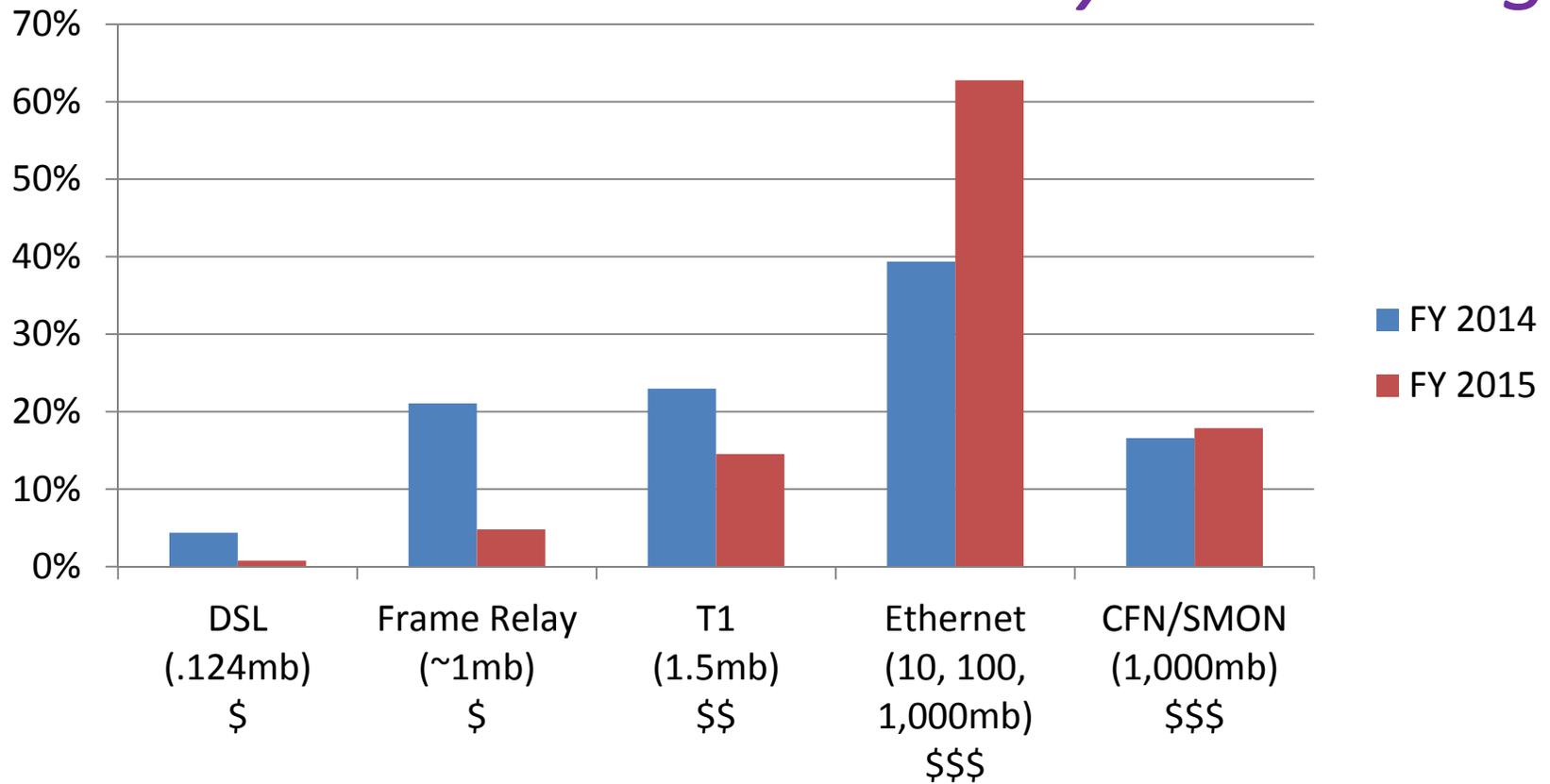
Transport & Connectivity *Overview*

- **Customer Edge (CE) Routers (1,159)**
 - ~6% of the network CE's are WaTech owned/managed
 - ~65% of the network CE's are WaTech co-managed
 - ~29% of the network CE's are Agency managed

- **Provider Edge (PE) Routers (14)**
 - 100% of the network PE's are WaTech owned/managed

Transport & Connectivity

Evolution & Percent by Technology



Transport & Connectivity

Key Concepts

- Supplemental Budget Requests
 - Based on the incremental change in the # of circuits
 - Periodic “Caseload” updates to OFM/Legislature
 - Transport changes based on technology and business requirements
 - “Caseload” metric based on average cost per circuit/type/capacity

Transport & Connectivity

Key Concepts

- New WaTech Minimum Transport Standards
 - Defined methodology for circuit capacity
 - Primarily based upon FTE count (e.g. 50 staff = 10mb)
 - One Example, utilizing Gartner research numbers as a beginning point

New Ethernet Site Standard	
0-50 users*	10 mb
51-500 users*	100 mb
501+ users*	1 gb
*concurrent users	

- Standardized WAN Routing Protocols, Monitoring for capacity management (allow SNMP), and Customer Edge Device capabilities
- Exception process

Transport & Connectivity

Key Concepts

- New WaTech Transport Prioritization Process Factors
 - Changing/New locations
 - Capacity Management & Planning
 - Insufficient Bandwidth
 - Upgrades to meet Transport Standards
 - Expiring Contracts
 - Upgrading technology – i.e. Move frame relay / T1 to Ethernet
 - Agencies rolling out new functionality/applications/services
 - Consolidating multiple circuits going to one site
- Facilitate a governance group to review exceptions



Transport & Connectivity

Allocation Details

- Included in Allocation
 - Monthly Recurring Cost (MRC) Circuit Costs (paid to vendor)
 - Non Recurring Costs (NRC) Costs up to set amount
 - PE devices where multiple customers are at the same site
 - All WaTech managed Transport must terminate to a WaTech site

Transport & Connectivity

Allocation Details

- Additional Customer Fiscal Responsibilities
 - NRC Costs exceeding set amount
 - Termination Liability for circuits cancelled by customer
 - Non standard/exceptional (one off) costs
 - Customer Edge Devices - Purchase & Maintenance
 - Funding multiple circuits to one site/customer
 - Example, Transport Services for Disaster Recovery/Business Continuity (WaTech Quincy)



Transport & Connectivity

Allocation Details

- Not Currently Allocated
 - Capacity Management (tools & resources)
 - Significantly Increased levels of service
 - Moving non-WaTech managed circuits to WaTech
 - WaTech has no visibility into circuits managed by customers.

Allocation Overview

Now What?

- Business as usual
 - Submit Tickets via the Service Desk
 - Continue performing capacity planning
- Identify who you would like to participate in a governance group to review exceptions/questions.



WaTech

Washington Technology Solutions

Questions/Comments? Submit Ticket to the Service Desk

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