

The “legacy IP holders” group would like to present two financial proposals to the RIPE community. The first is based on the existing charging algorithm (see RIPE-499). The text is lifted straight from RIPE-499 and has been modified in red below:

Appendix 1: Billing Score Algorithm

A member's billing category is set based on the member's billing algorithm score. This score is based on Internet resource allocations made over time at the member's request. The scoring system takes into account all:

IPv4 allocations

IPv4 legacy allocations

IPv6 additional allocations (initial IPv6 allocations are not taken into account)

For the purpose of this scoring algorithm, an allocation of IPv4 /21 is equivalent (\triangleq) to one IPv6 /32 additional allocation **which is equivalent to one IPv4 legacy /18**. The following table shows how scoring units are determined based on resource usage. To establish scoring units based on larger or smaller resource usage, the same ratio applies.

IPv4 Allocation	IPv4 Legacy allocation	IPv6 Additional Allocation	Scoring Unit
/ 22 \triangleq	/19 \triangleq	/ 33 \triangleq	0.5
/ 21 \triangleq	/18 \triangleq	/ 32 \triangleq	1
/ 20 \triangleq	/17 \triangleq	/ 31 \triangleq	2
/ 19 \triangleq	/16 \triangleq	/ 30 \triangleq	4

Using this matching system, the following algorithm is run to determine the total score per member:

N

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

a_i = Scoring unit

t_i = Time function of allocation i (year of allocation - 1992)

N = Number of allocations

In simplified terms:

- Score = Scoring unit that an allocation is worth

- Time Score = Time function of an allocation (year of allocation - 1992)

- Score X Time Score = Allocation Score

The total score per member is the sum of all allocation scores for that member with a time factor applied to give more weight to recent allocations. Thus, the relative weight of a given allocation decreases over time.

Legacy IP addresses have never been charged for in the past. Some of these IP address ranges were assigned to organizations before the existence of RIPE. Even though the legacy IP holders could invoke a [grandfather clause](#) and request that these ranges be forever free of charge, we feel that it is the right thing to do and contribute a certain amount of fees for registration of legacy IP ranges. The rationale behind

this change is to contribute to the one time registration of these legacy IP ranges. Since handling of these IP ranges has been of minimal effort by the NCC in the past, and since registering the legacy IP ranges should be a one-time effort, we feel that these IP ranges should be counted for less than a normal IP range.

The second financial proposal is based on the “Daniel Karrenberg” simplified charging plan entitled “RIPE NCC Charging: 2013 and Beyond” as is currently being presented. We agree with this proposal with a small change as can be seen in the following section with changes highlighted in red:

Appendix F: Holders of Legacy Address Space

Holders of legacy resources should be encouraged to register their resources in order to strengthen the RIPE NCC Internet Number Registry. We recommend that legacy resource holders who are not already RIPE NCC members are encouraged to become members. Including legacy resource holders in RIPE NCC governance will strengthen the NCC.

We propose to waive the sign-up fee for those new members that only register legacy resources and do not require additional Internet number resources. For those who register a small amount of legacy resource the absolute amount of the yearly fee for “Small” members is very reasonable considering the other costs of being in business.

Should the absolute amount of fees be too high for specific legacy resource holders, the RIPE NCC should actively bring them in contact with suitable LIRs that are willing to provide registration services at a lower fee.

In order to further encourage legacy resource holders to register their resources, the board could consider partially or fully waiving membership fees for an initial period.

Existing LIRs that add in a reasonable amount of legacy address space should be assessed without taking into account legacy resources. Adding in legacy address space should not force a LIR to move up a “band” into a higher charging category.