

Proposal for permitting the withdrawal of positive renewals

Executive response to PAB paper

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1. Introduction

The executive has been asked to submit a formal response to the PAB paper proposing a change to the current renewals system to permit the withdrawal of a positive renewal request. The board approved this paper at their November 2004 meeting.

2. Background

One of the central principles of the positive renewals policy and procedure is that once a renewal request has been submitted for a domain name the renewal cannot be withdrawn. A renewal invoice is issued to the tag holder at the next invoicing point and the invoice must be paid.

The thinking behind this policy was two fold. Firstly, the issuing of credit notes under the previous renewals system was an extremely time consuming, labour intensive and therefore costly exercise. Secondly, at the time of the introduction of positive renewals new WHOIS output was also introduced allowing registrants to view the renewal status of their domain name. This information, in conjunction with a system that prevents the withdrawal of such a request, provides a level of certainty for registrants not previously available.

In the 12 months since the introduction of positive renewals the executive has received approximately 30 requests to reverse domain name renewals. Of these, two have related to a large number of domain names. On average approximately 80,000 domain names have been renewed each month since the new system was introduced. We would therefore argue that the reversal of positive renewals is not a significant issue for the majority of tag holders although it is of course extremely frustrating for those tag holders affected.

3. Options

The PAB paper outlines three possible options which are paraphrased below for completeness.

- (i) Do nothing to change the procedure
- (ii) Permit the cancellation of positive renewals before the invoice is generated

This proposal mirrors the current registration policy that permits the cancellation of a domain name by the registering tag holder before the creation of the registration invoice.

(iii) Permit the cancellation of positive renewals after the invoice is generated

This would require the reintroduction of credit notes. The paper goes on to suggest that it would be appropriate for the tag holder to incur a charge to cover the cost of validating the request and processing a credit note and it would therefore be more appropriate in circumstances of a high volume renewal error.

4. Executive response

4.1 Implications of the three options

4.1.1 Do nothing to change the procedure

This option would not have any policy or resource implications.

4.1.2 Permit the cancellation of positive renewals before the invoice is generated

There are several operational implications of this option that the executive would need to address. In particular, to avoid an infinite loop of renewal and withdrawal, and therefore an indefinite payment delay, it would be necessary to limit the number of times a domain name can be renewed. Logically this would be limited to once only. However, if the tag holder withdrew the renewal in error this policy would prevent a second renewal and would therefore mean the registrant would have to pay for the renewal at the non-discounted rate.

In terms of resource implications this option would require the development of Nominet's sales ledger system and the Automaton. Based on the current project programme the implementation could be completed by the end of Q2/05.

4.1.3 Permit the cancellation of positive renewals after the invoice is generated

The executive does not support the implementation of this option. We are concerned that this option represents an unnecessary policy reversal and will incur additional costs. In addition, there is a suggestion in the PAB paper that implementation of this option might require the executive to take a subjective view on whether errors are genuine and therefore whether credit notes should be issued. Again, the executive is unhappy with this.

Technical development to support this option would be limited but the impact would be on staff time in processing requests.

5. Recommendation

The executive would support the recommendation in the PAB paper to implement option (ii) *Permit the cancellation of positive renewals before the invoice is generated*. While we do not believe that this is a major issue for the majority of tag holders, we feel that this option is appropriate given our strategic aim to consistently improve the quality of service we provide to tag holders. Limiting the number of withdrawal requests to one only would also avoid unnecessary confusion for registrants.