TABLE OF CONTENTS

APPROVAL PAGE i

SELF DECLARATION AGAINST PLAGIARISM ii

ABSTRACT iii

PREFACE iv

ACKNOWLEDGEMENT v

TABLE OF CONTENTS vi

PICTURE LIST ix

TABLE LIST x

INTRODUCTION CHAPTER 1

1.1. Background 1

1.2. Objective Research 3

1.3. Problem Identification 4

1.4. Scope of Problem 4

1.5. Methodology 5

1.6. Research Method 6

1.7. Hypothesis 8

CHAPTER II 9

LITERATURE REVIEW 9

2.1. Private Network 9

2.2. Multiprotocol Label Switching (MPLS) 9

2.3. Virtual Private Network (VPN) 10

2.4. Layer 3 Virtual Private Network (L3VPN) 10

2.5. Routing Protocol 11

2.6. Border Gateway Protocol (BGP) 12
2.7. Revenue Model 12
2.8. Marketing Model 13
2.9 Economic Analysis 13
2.9.1 Capital Expenditure 13
2.9.2 Operational Expenditure 13
2.9.3 Economic Feasibility Indicator 13
2.10 Regulation of Private Networks 15
CHAPTER III 16
MPLS L3VPN IMPLEMENTATION SYSTEM MODEL 16
3.1. Overview 16
3.2. System Model and Scenarios 16
3.3. Simulation Scenarios 19
3.4 Simulation Scenario 19
3.5 Scenario Analysis 19
CHAPTER IV 20
TECHNO-ECONOMIC ANALYSIS AND REGULATION OF MPLS L3VPN IMPLEMENTATION IN JAKARTA 20
4.1 Technical Analysis 20
4.1.1 Network Topology 20
4.1.2 IP Addresses 22
4.1.3 Core MPLS L3VPN 23
4.1.4 VRF Configuration between PE Router and CE Router 26
4.1.5 Conclusion of Technical Analysis 28
4.2 Economic Analysis 28
4.2.1 Capex Opex Fee Plan 29

4.2.2 Revenue 33
4.2.3 Feseability Analysis 34
4.2.4 Conclusion of Analytical Economics 35
4.3 Regulation of Analysis 36
4.3.1 Policy Brief Introduction 36
4.3.2 Identification Problem in Policy Brief 37
4.3.3 Policy Brief SWOT Analysis 40
4.3.4 Policy Brief Related Regulation 42
4.3.5 Impact of Regulation 44
4.3.6 Policy Recommendation 46
CHAPTER CONCLUSION 48
BIBLIOGRAPHY 50