Internet eXchange Points (IXPs), Peering, and ISP Interconnection The Keystone of Internet Economy

Version 3.1

Saturday, February 17, 2001



Contributors

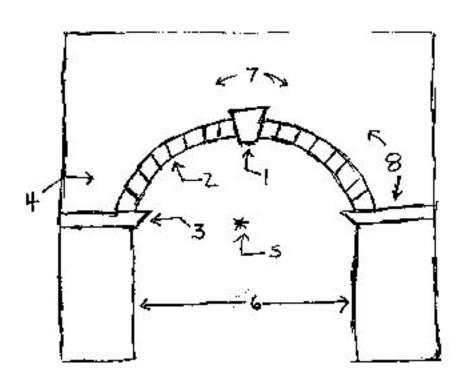
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Agenda

- ✓ IXPs The keystone to Internet Economy
- ✓ Why should I connect to an IXP?
- Transit and Peering
- ✓ Interconnections A Short History
- Types of IXPs
- Examples of IXPs
- ✓ Cisco's Role
- Case Studies and Technical Addendum

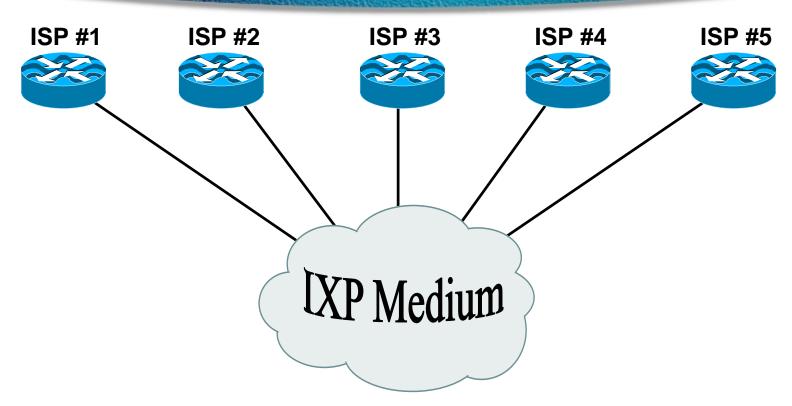


IXP is the Keystone to E-Commerce



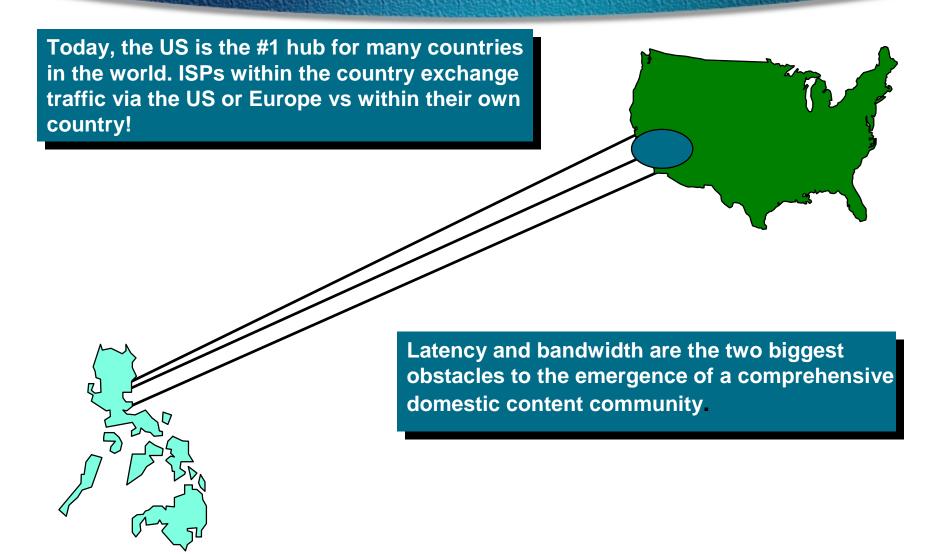
- **DKEXSTONE**
- 2 VOUSSOIRS
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- @ SPAN
- (7) CROWN
- (2) HAUNCH

What is a IXP?

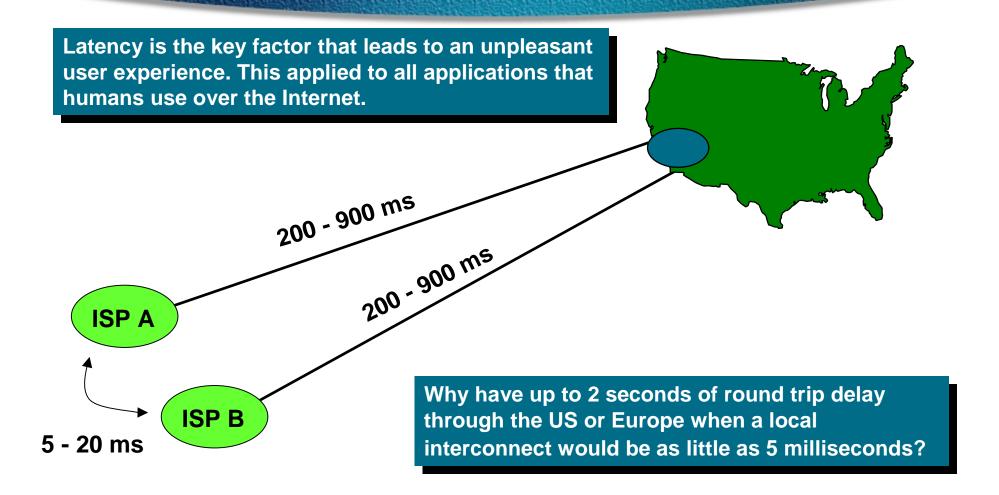


- ✓ The Interconnection Points of the Internet
- ✓ Place where ISPs come to Interconnect with each other.

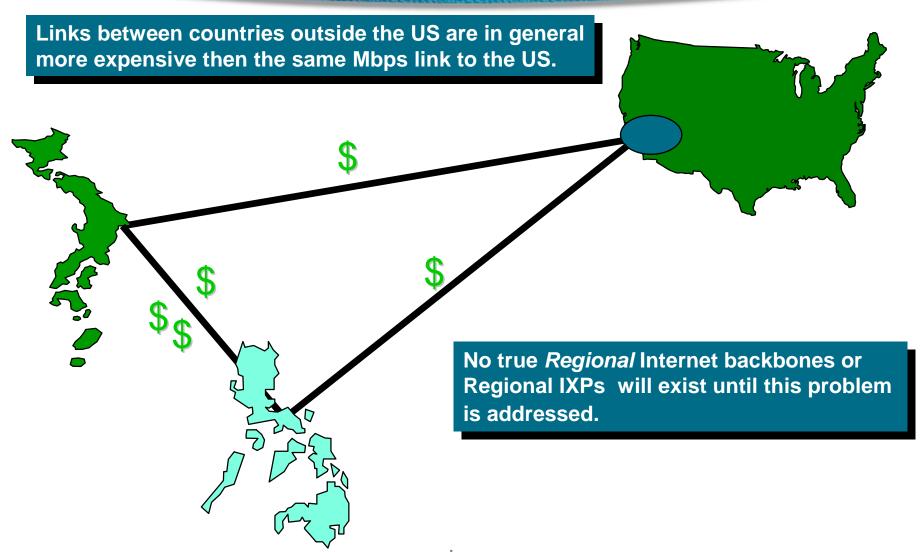
Using the US as a Internet Hub



Using the US as a Internet Hub



Using the US as a Internet Hub



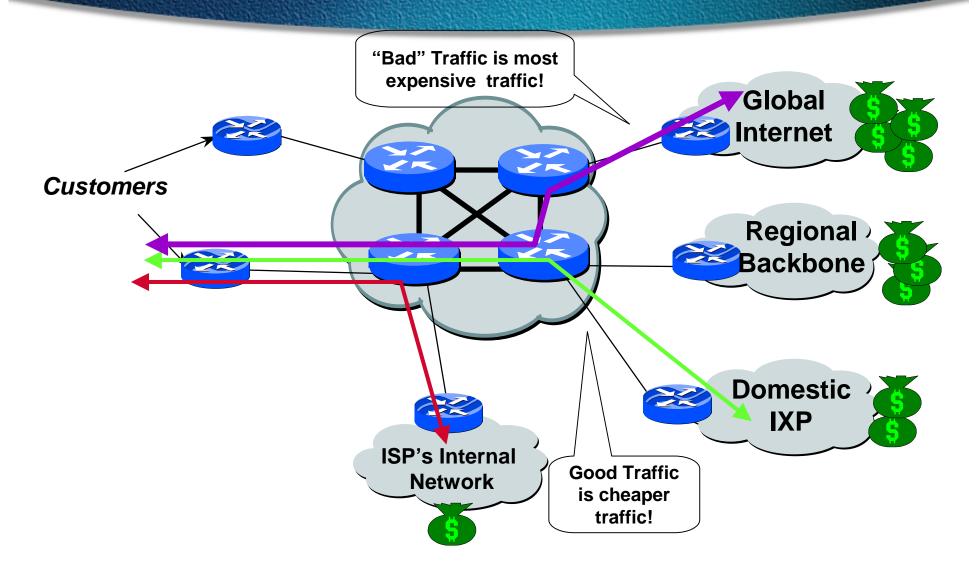


I'm doing OK now. Why do I need to spend money to connect to an IXP?

It's about saving money!

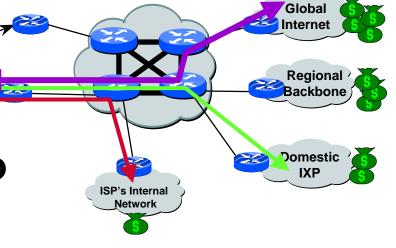


- It's about adding value!
- It is about new REVENUE
 OPPORTUNITIES



 Many ISPs only have a link to the Global Internet.

 That means all their traffic is taking the most expensive path to a neighboring ISP



- √ (i.e. via the US/Europe)
- Why do ISPs like loosing money?

People Adding Value

Metcalfe's law The Magic of Interconnections

Connect any number, "n," of machines - whether computers, phones or even cars - and you get "n" squared potential value.

Your get n² value from and given connection to the Internet.

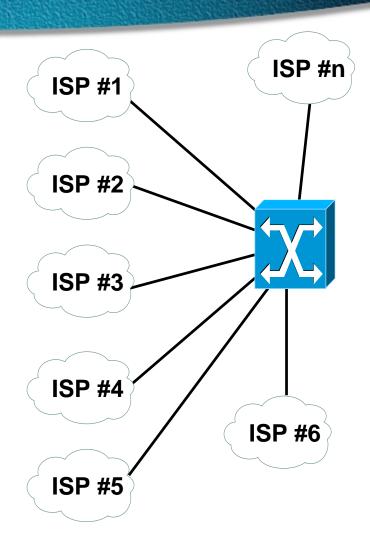
Metcalfe's law - The Magic of Interconnections

Hence, the real value of the Internet can be viewed as:

$$n_{1+}^{2} n_{2+}^{2} n_{3+}^{2} n_{4+}^{2} n_{5}^{2} \dots n_{n}^{2}$$

....and the Internet is more than doubling every year!

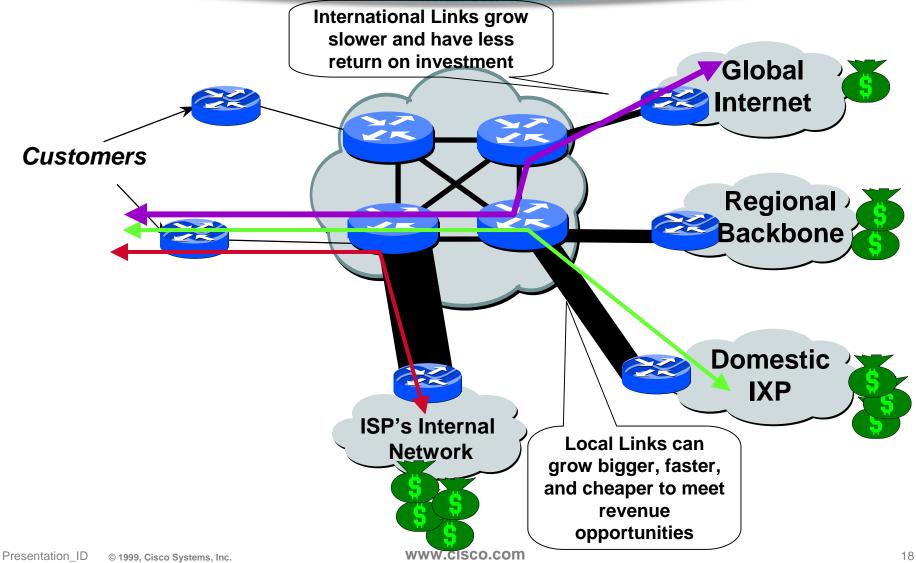
- 1 ISP = n²₁
- 2 ISPs = $n_1^2 + n_2^2$
- 3 ISPs = $n_1^2 + n_2^2 + n_3^2$
- 4 ISPs = $n_1^2 + n_2^2 + n_3^2 + n_4^2$
- etc.
- The more ISPs interconnect, the more value each individual ISP can offer it's customer!

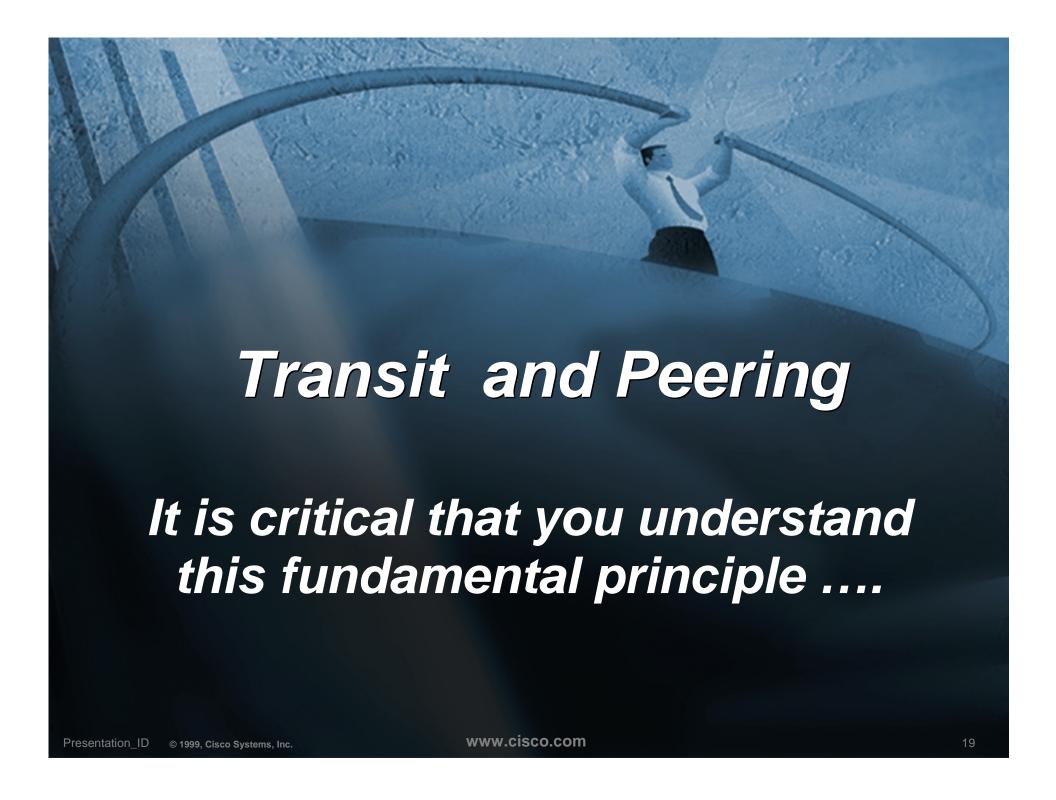


Your competitor's content is your content! Your competitor's customers are your potential customers! All you need to do is interconnect!

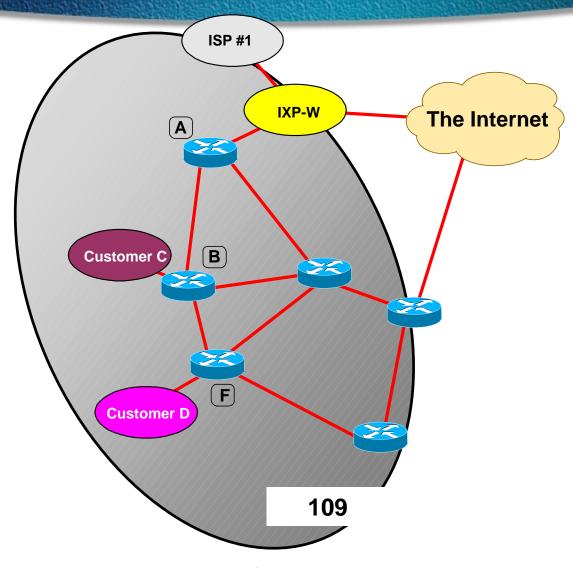
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Revenue Opportunities



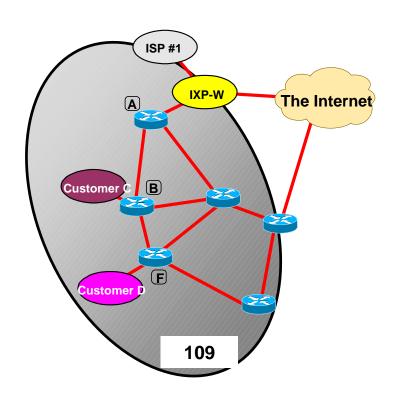


What is Transit?

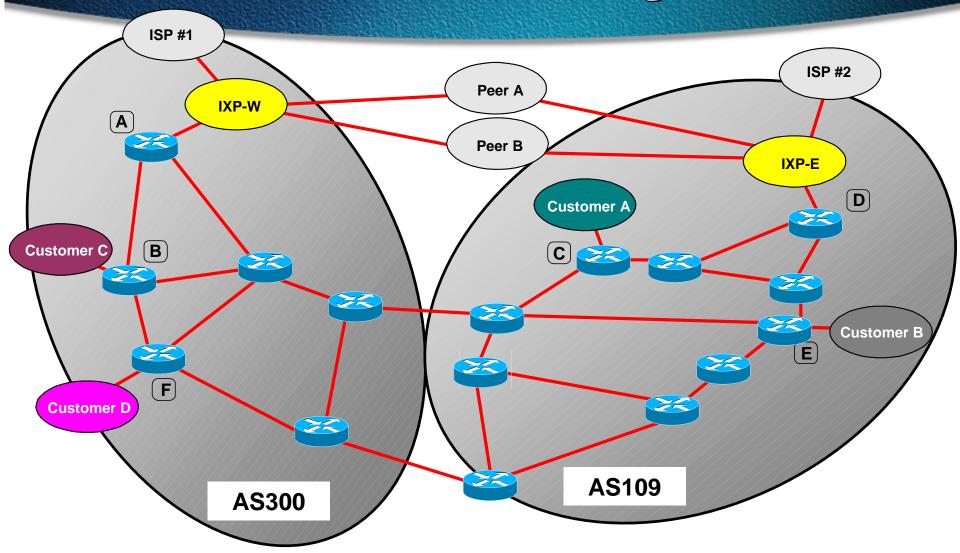


What is Transit?

 Transit is when a customer get routes from the entire <u>Internet</u>.

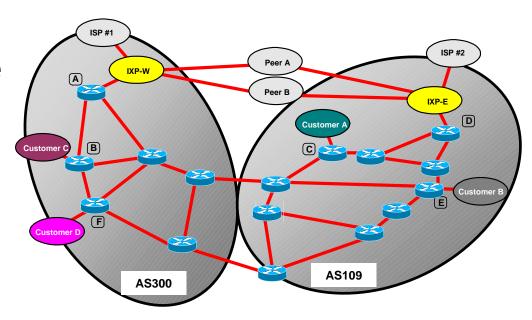


What is Peering?



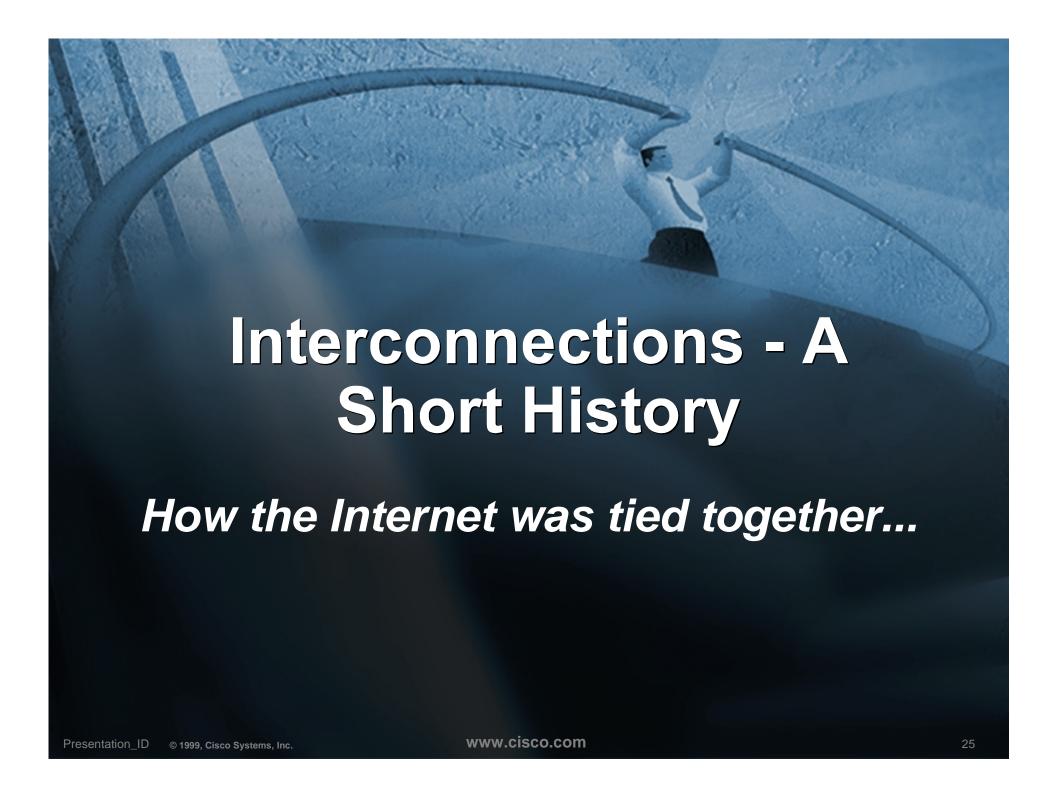
What is Peering?

- Peering is when two ISPs exchange the routes for each other's <u>transit</u> <u>customers</u>.
- Peering usually happens via IXPs or Private Peering



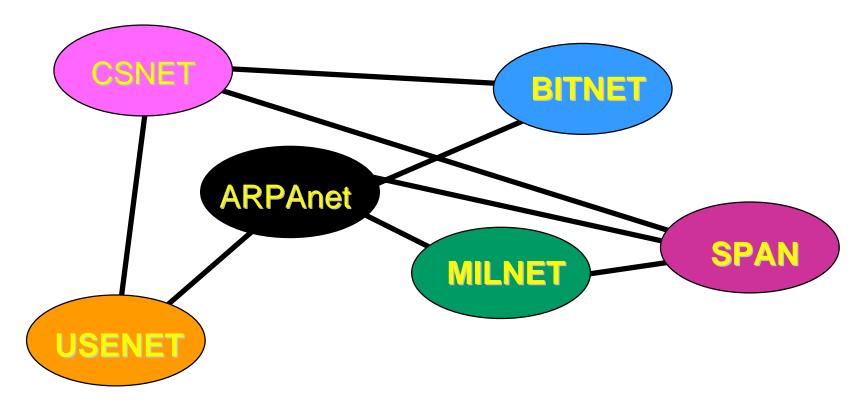
Transit and Peering

- Internet eXchange Points are a tool for peering.
- Once transit is offered on the IXP, it stops being an tool for peering and becomes a transit service.
- It is OK to buy transit with local peering from a transit service. That is what upstream ISPs (NSPs) sell.



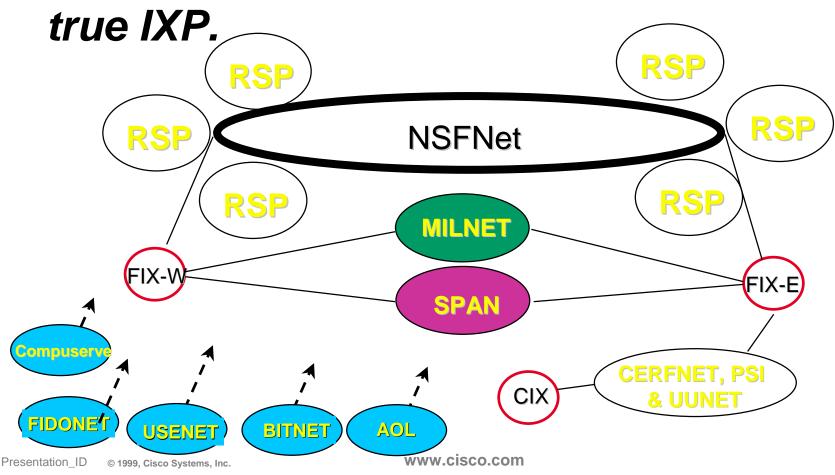
Internet Backbones....

• In the beginning, there was no *Internet* Backbone...people just interconnected..

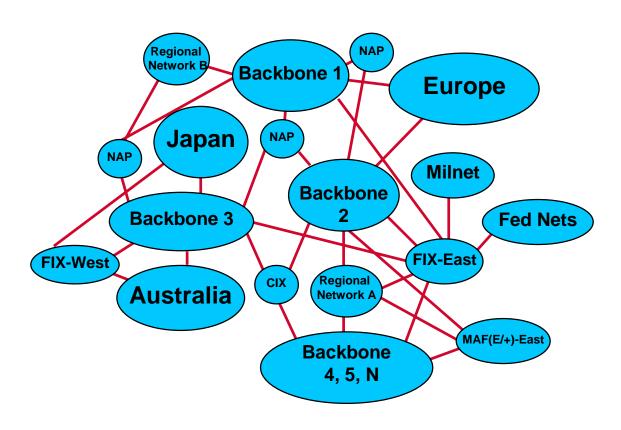


Internet Backbones....

The NSFNet Created the first concept of Internet Backbone. FIX East was the first



Cisco Scales Internet Routing



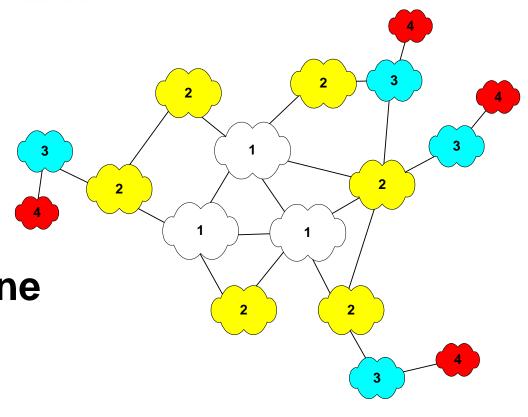
Current Internet Architecture

 Less explicit interconnection

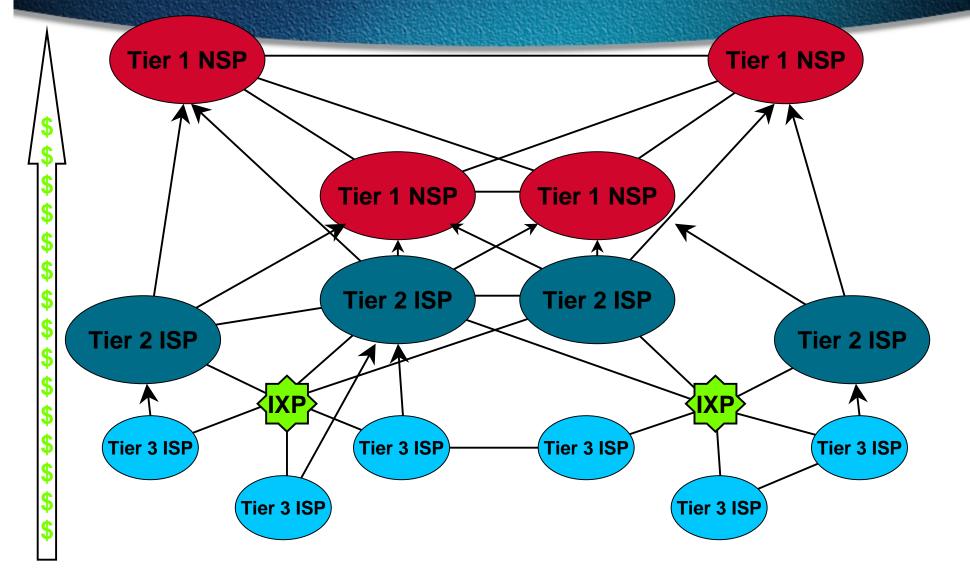
Tiered architecture

No explicit backbone

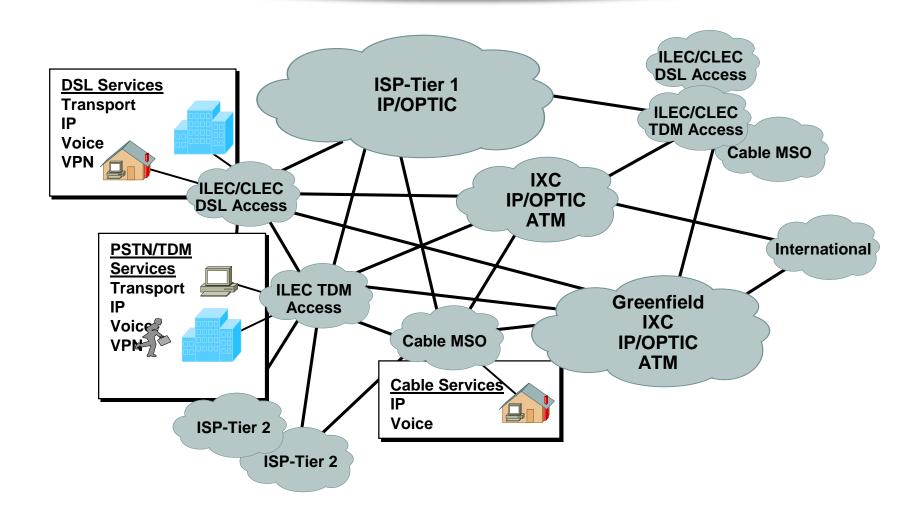
Commercially operated

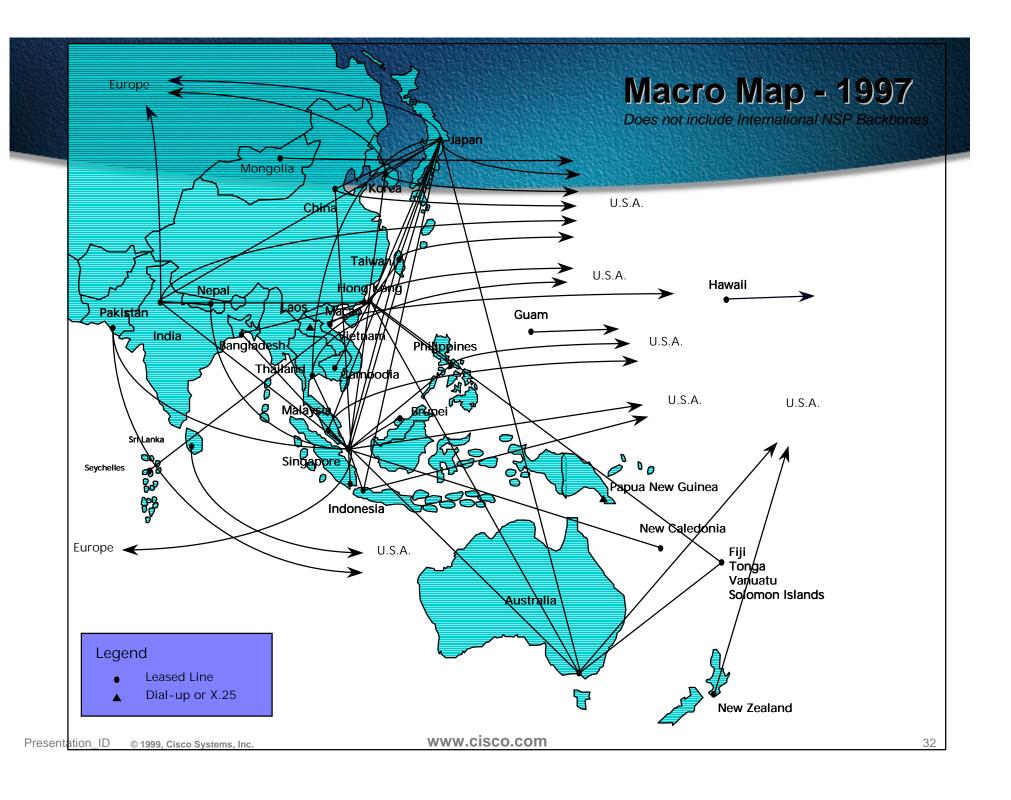


Categorizing ISPs - US Centric POV

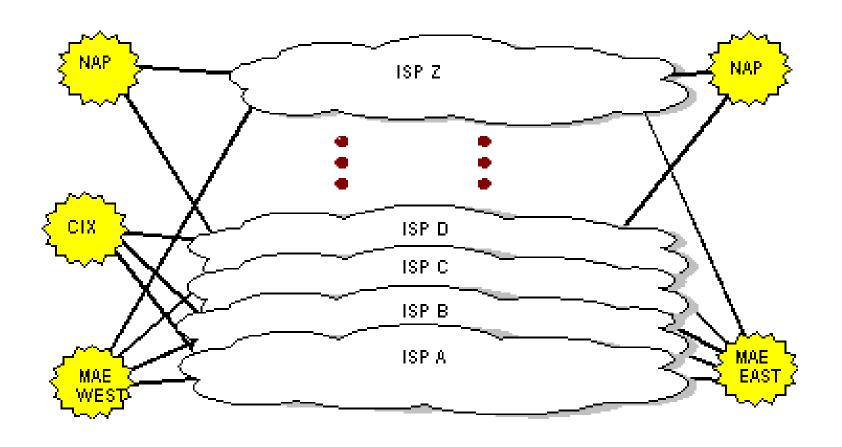


New World Landscape

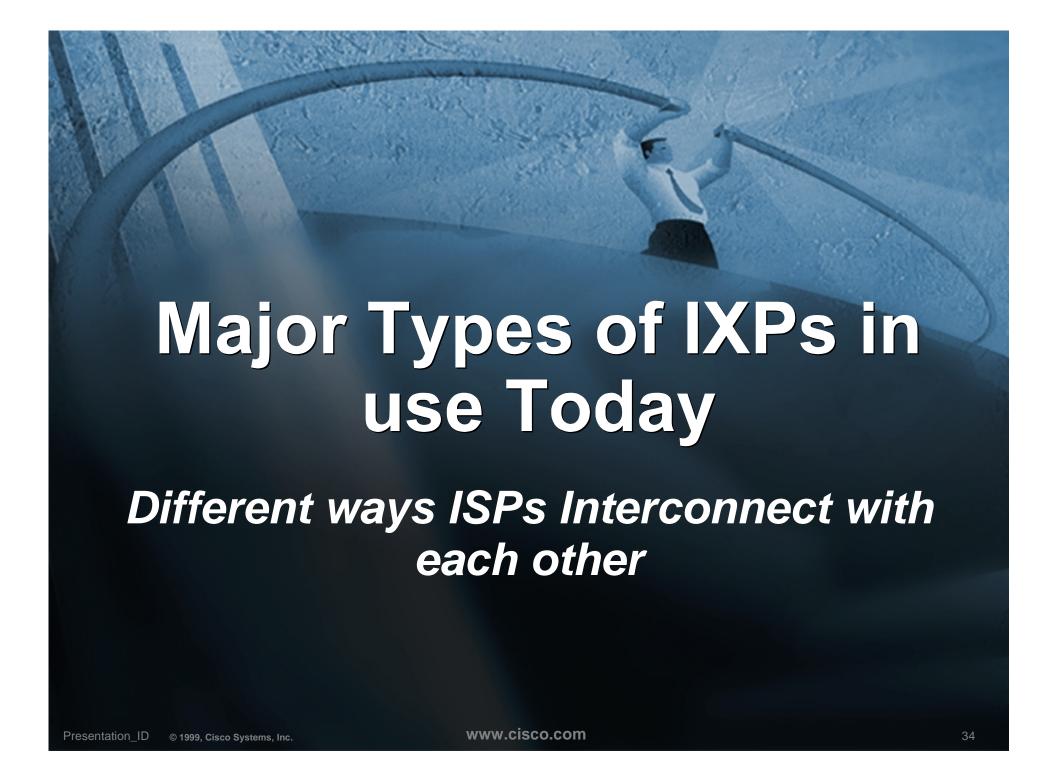




ISP/IXC Interconnection Points



Source: WorldCom MAE Services

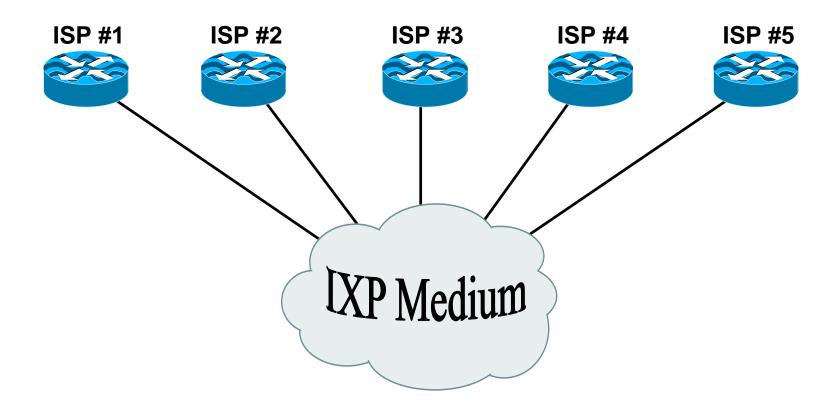


IXPs - The Bottom Line

 The Commercial Internet world is built on the following theme:



Typical IXP.....



Types of IXPs

Three major categories of interconnecting ISPs:

- Layer 2
- Private Interconnect
- Ring

Several Alternatives used to Interconnect

- ✓ Layer 3
- Network Service Provider (NSP)
- Specials & Hybrids
- ✓ GigaPOP

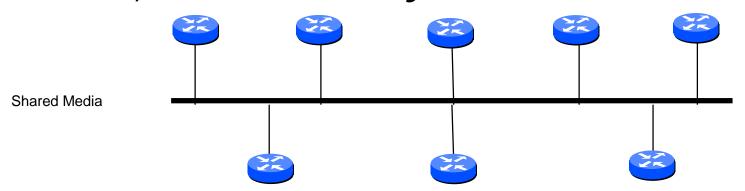
Layer 2 IXPs

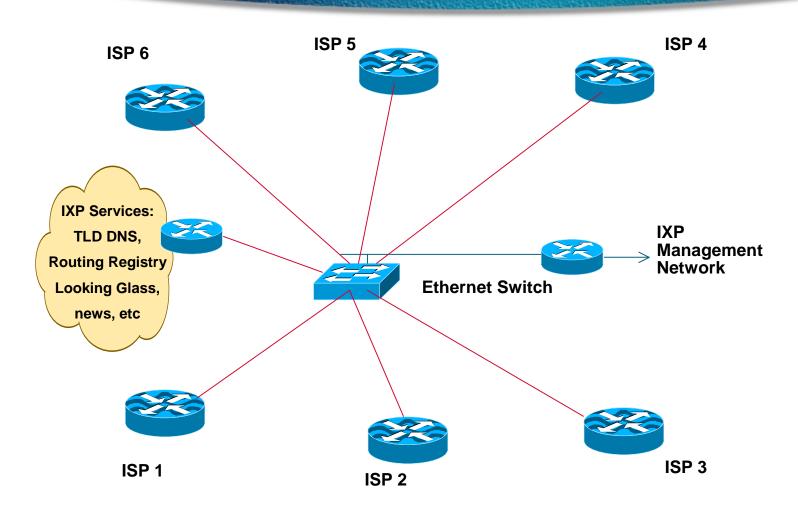
Layer 2

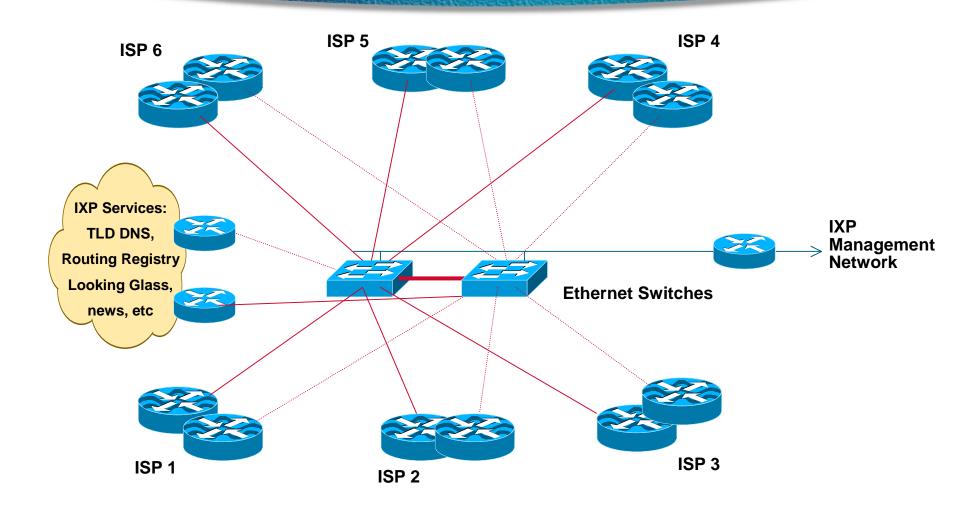
- Uses a common network medium like ethernet, FDDI, SMDS, or ATM
- Members bring their own routers and circuits from their backbone.
- No Transit or customer connections
- Members of the IXP determine who they peer with. You do not have to peer with everyone.
- MAE-E, MAE-W, PAC-Bell, Sprint, D-GIX, LINX, NSPIXP, HKIX

Layer 2 IXPs

Layer 2 Exchange - All traffic is exchanged outside routers that are connected to a shared media (i.e. ethernet, FDDI, Switched FDDI, or ATM)







- Two switches for redundancy
- ISPs use dual routers for redundancy or loadsharing
- Offer services for the "common good"
 - ✓ Internet portals and search engines
 - DNS TLD, News, NTP servers
 - Routing Registry and Looking Glass

- Requires neutral IXP management
 - usually funded equally by IXP participants
 - ✓ 24x7 cover, support, value add services
- Secure and neutral location
- Configuration
 - private address space if non-transit and no value add services
 - ✓ ISPs require AS, basic IXP does not

Layer 2 IXPs

Layer 2 - Business Case

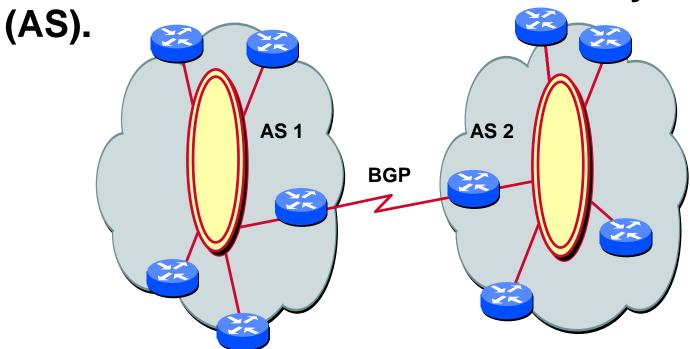
- Based on Facilities Management not telecommunications services.
- Space, security, power, air con, level 1 maintenance and a interconnect medium.
- New services emerging:
 - Route server, content co-location, proxy/cache

Private Interconnects

- Private Interconnect
 - Two ISPs or NSPs negotiate a bi-lateral "private" interconnection.
 - One or two Lease Line connections
 - Shared WAN Medium SMDS or ATM
 - Back-to-Back router connection at a router
 - Speeds from 128Kbps to OC-48 (and soon OC-192)

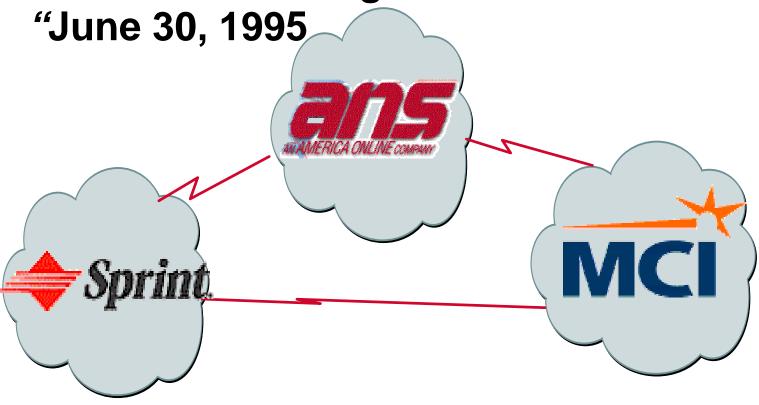
Private Interconnects

 Private Interconnects usually exchange routes between two Autonomous Systems



Private Interconnects

"ANS, MCI and Sprint Sign Agreements for Direct Exchange of Internet Traffic



IP over SDH/SONET

Optimal Backbone for IP/Internet Services

Performance

Scalability to multigigabit rates

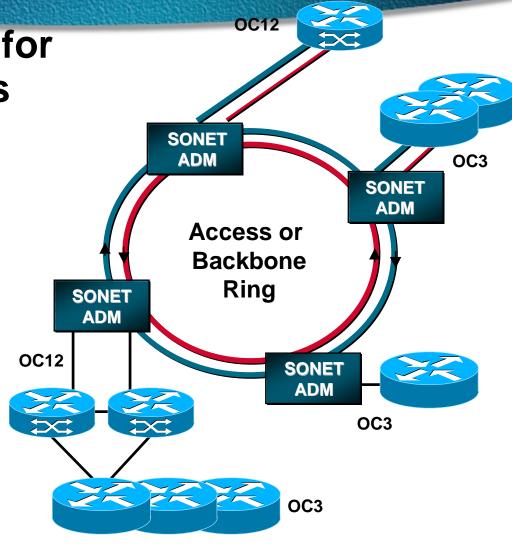
Lower costs

Optimum utilization of bandwidth for IP

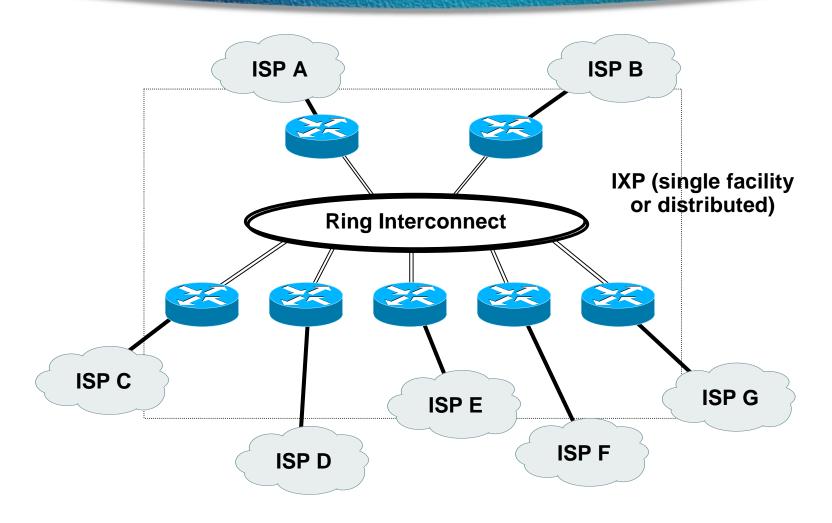
Time to market

IP feature transparency

High availability SONET/SDH resilience



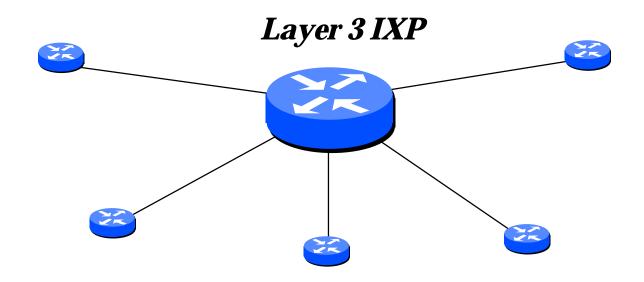
Exchange Point Ring Architecture





Layer 3 IXPs

 Layer 3 Internet eXchange Point - All traffic is exchanged inside a router. Old Technique that is not the best option in today's Internet.



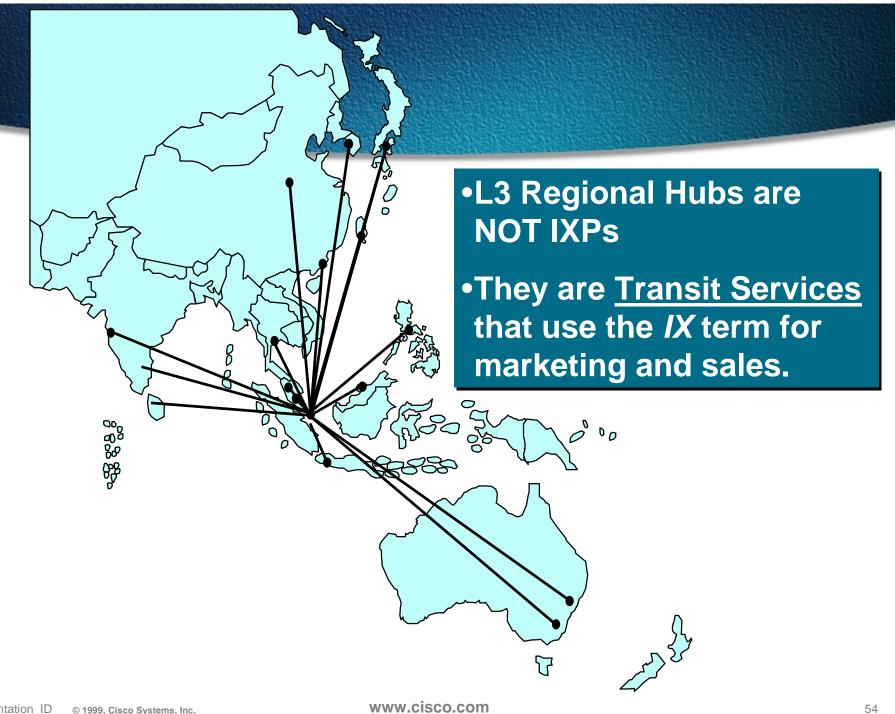
Layer 3 IXPs

- Layer 3 IXPs limit the autonomy of the members.
- Someone has to manage the router in the middle.
- Yet, Layer 3 IXPs are quick and cheap for developing regions.
- Do Layer 3 IXPs still have a role to play?

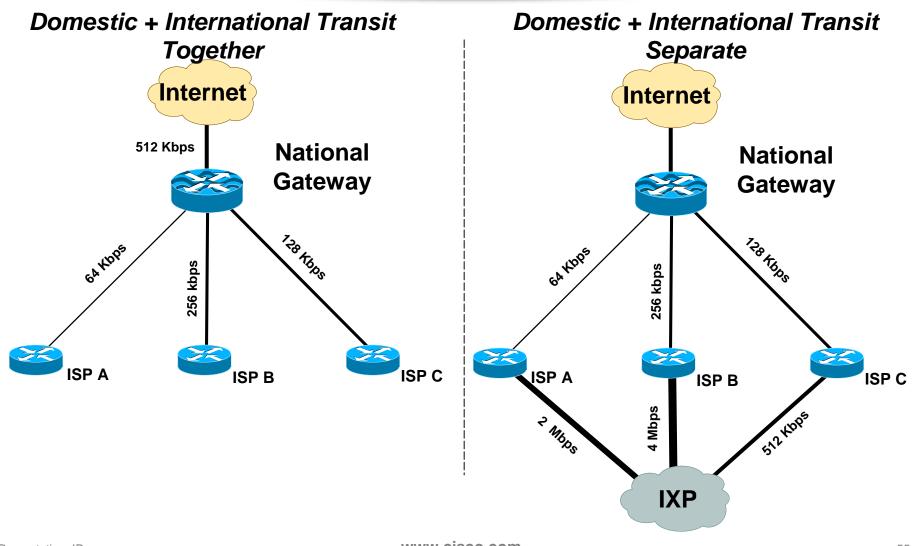
Layer 2 versus Layer 3

- Layer 3
 - IXP team requires good BGP knowledge
 - Rely on 3rd party for BGP configuration
 - Eess freedom on who peers with whom
 - © Could potentially compete with IXP membership
 - Easier to distribute over wide area

- Layer 2
 - IXP team does not need routing knowledge
 - Easy to get started
 - More complicated to distribute over wide area
 - ISPs free to set up peering agreements with each other as they wish



National Gateways are NOT IXPs

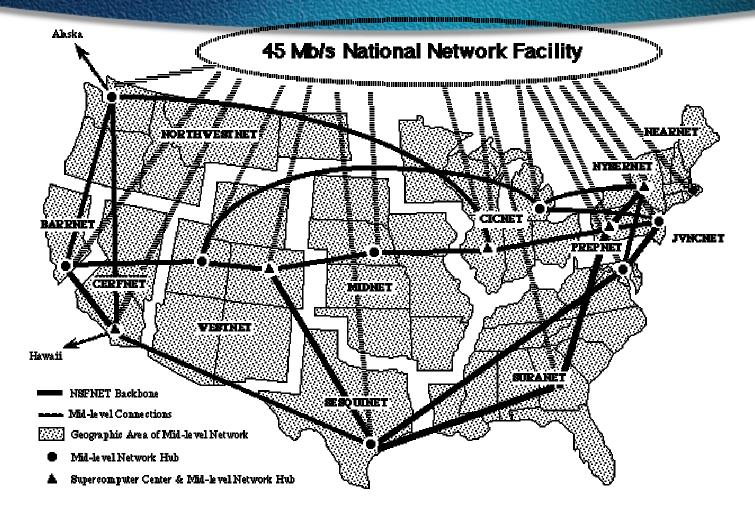


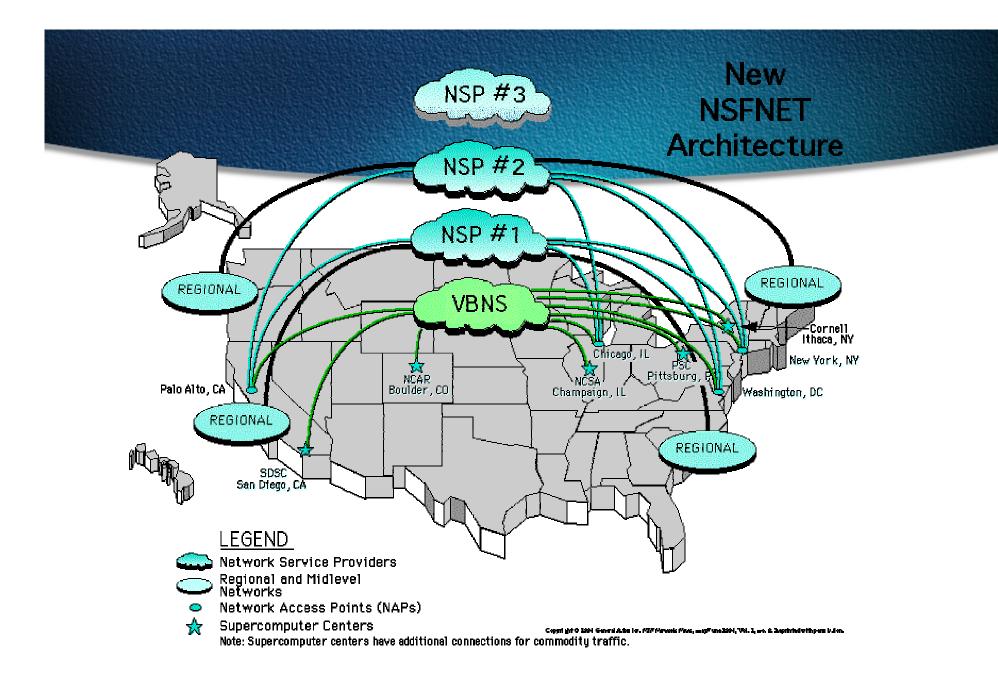
NSPs as IXPs

Network Service Providers

- ✓ ISP of ISPs
- First NSP was the NSFNet
- Sprint, WorldCom/UUNET, PSI, Ebone, vBNS

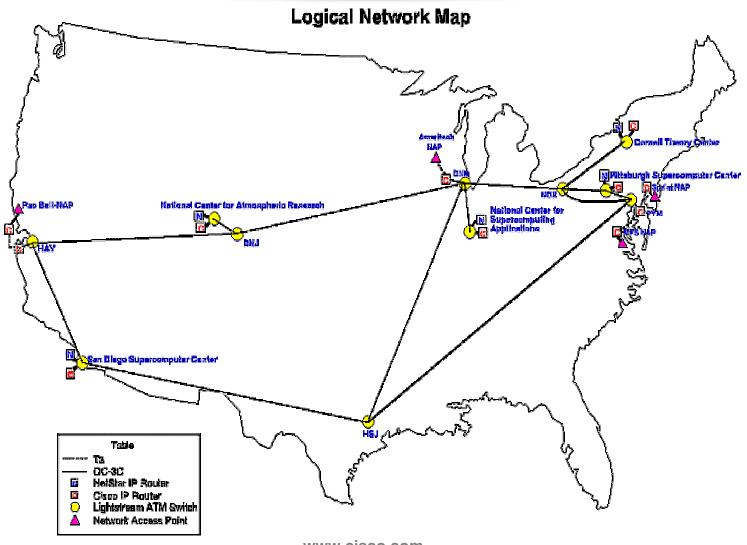
The Old NSFNET Backbone





NSPs as IXPs

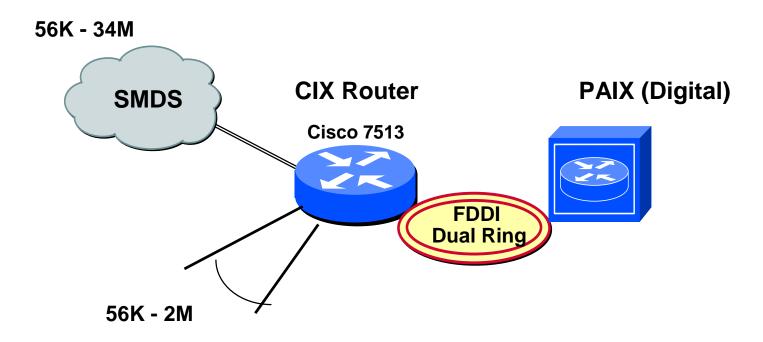
The National Science Foundation Very-High-Speed Backbone Network Service

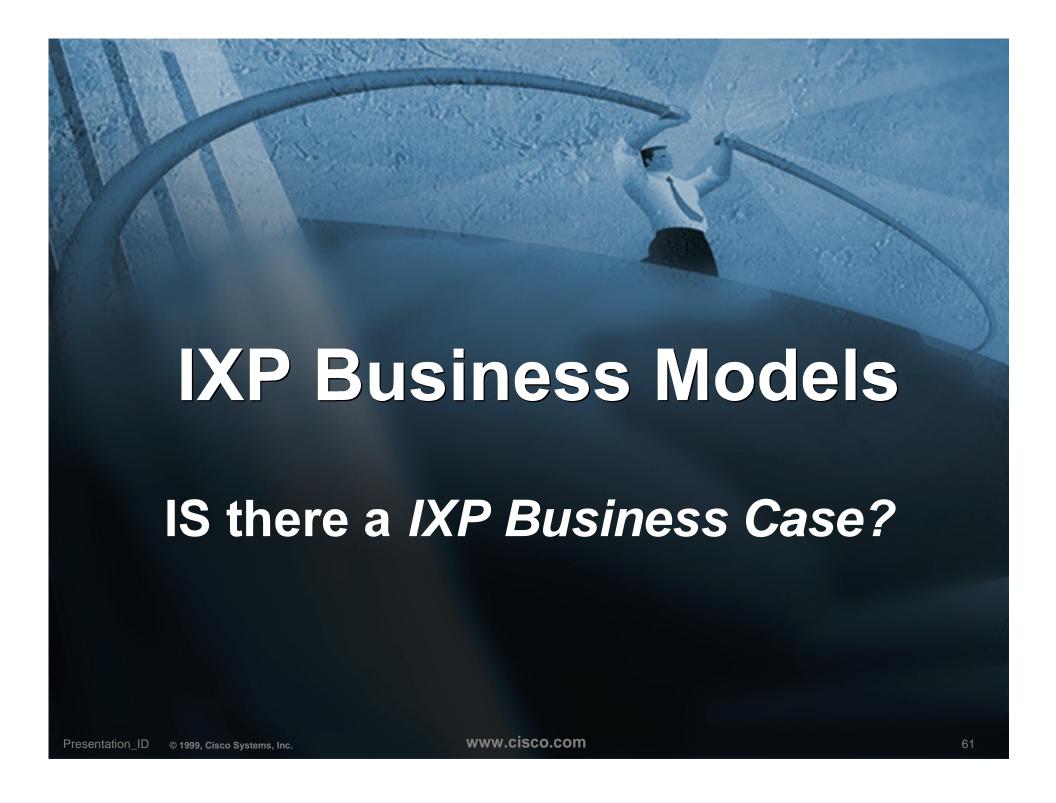


Hybrid IXPs



CIX Hybrid IXP - Topology





IXP Business Models



Some people think there is something called an *IXP*Business Case. The reality is that there has never been a profitable IXP Business case.

"

ISP Organizational / Business Models

- Commercial
- Non-Profit
- Government/Educational

Commercial IXPs

- Commercial IXPs are built and operated by a Telco or Co-Location provider
 - Profit is not from the IXP Services, but from the services that support the IXP.
 - Co-Location space, telecommunications services, etc. are where the money is made – not from the IXP Service.
- Examples: MAE, PacBell NAP, Equinix, AboveNet

Non-Profit IXPs

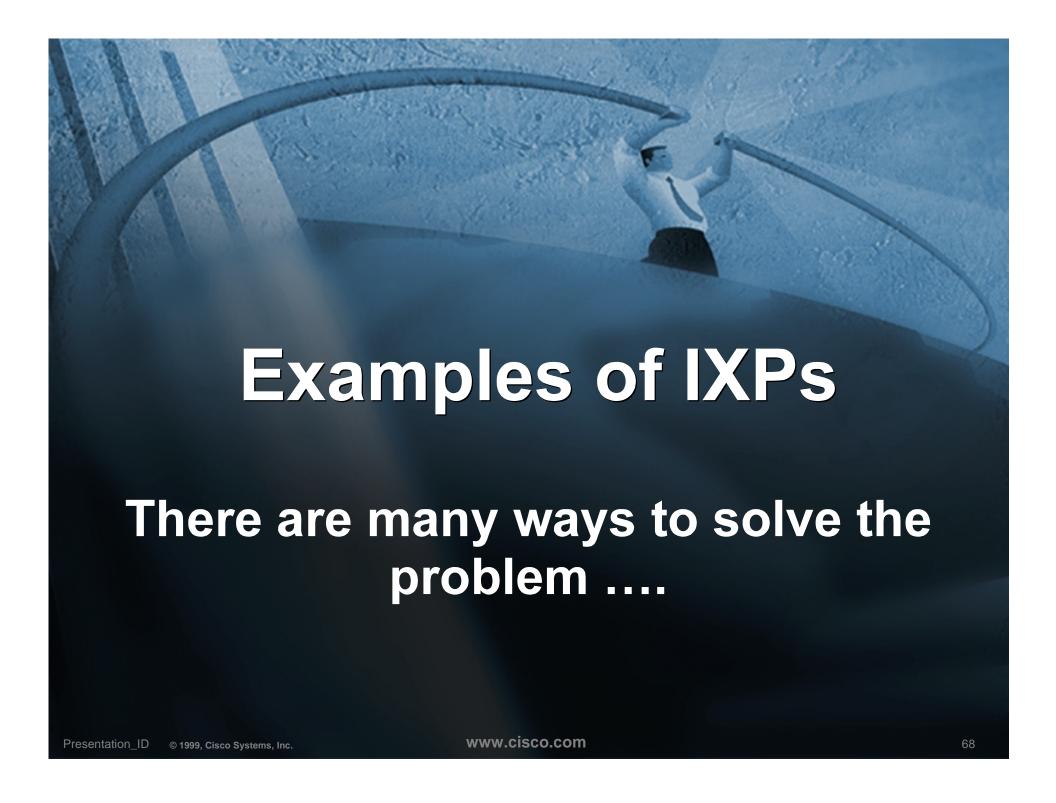
- Non-Profit IXPs are a collective effort by several ISP.
 - Incorporate a non-profit in order to operate the IXP.
 - ✓ Some times refereed as the "club" IXP model.
- Examples: LINX, Kenya IX, APE (NZ)

Government/Educational IXPs

- Government and Educational Institutions build IXPs to enhance their own connectivity.
 - Federal Internet eXchanges (FIXs) were the first IXPs to interconnect US Gov Networks
 - Internet2's GigaPOPs are private IXPs for Universities.
 - StarTap is a IXP for the R& D Networks.

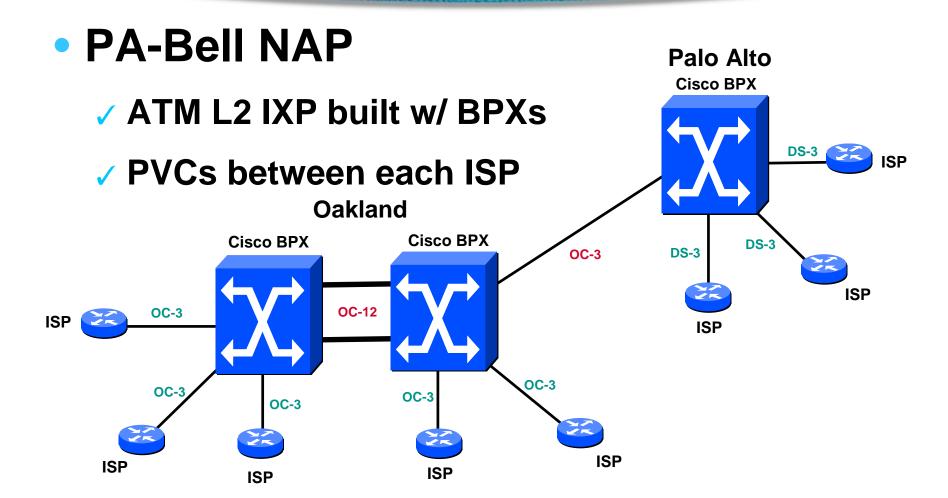
IXPs are a Tool to a Business Case

- Bottom Line IXPs are a tool for interconnection – not a independent business case.
 - IXPs are used to enhanced attract customers to other services (i.e. to a co-location service)
 - ✓ The "IX" name is used to sell and market transit services (i.e. STIX).
- There has yet to be a successful (i.e. huge profits) IXP Business.

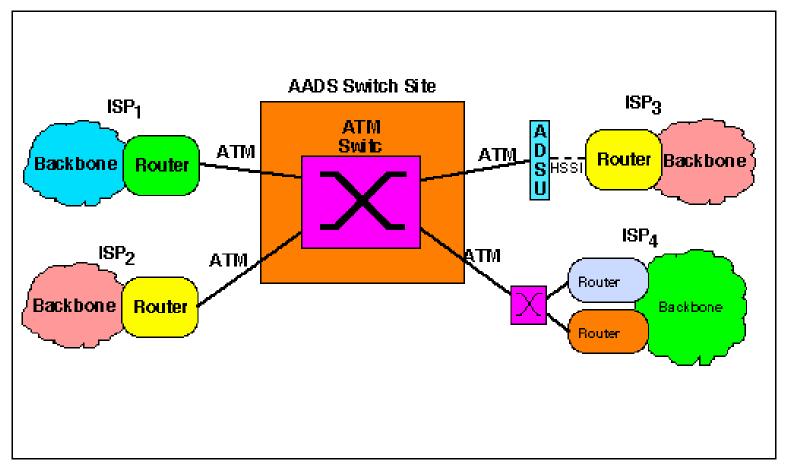






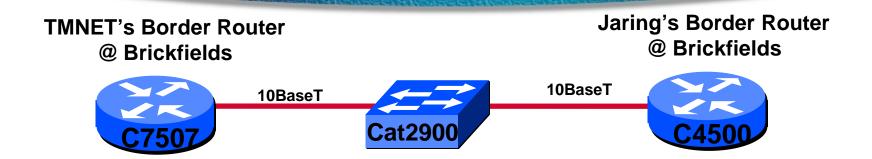


An Example: Ameritech NAP



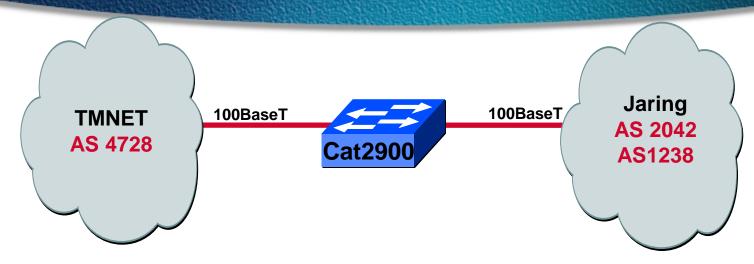
Source: Ameritech

Malaysia IX



- Malaysia Internet Exchange (IX) -- Catalyst 2900 (10/100 Ethernet Switch)
- TMNET & Jaring's Brickfields' Border routers connect to the Malaysian IX.
- BGP route maps are used to insure only routes from local ASNs are exchanged.

Malaysia IX



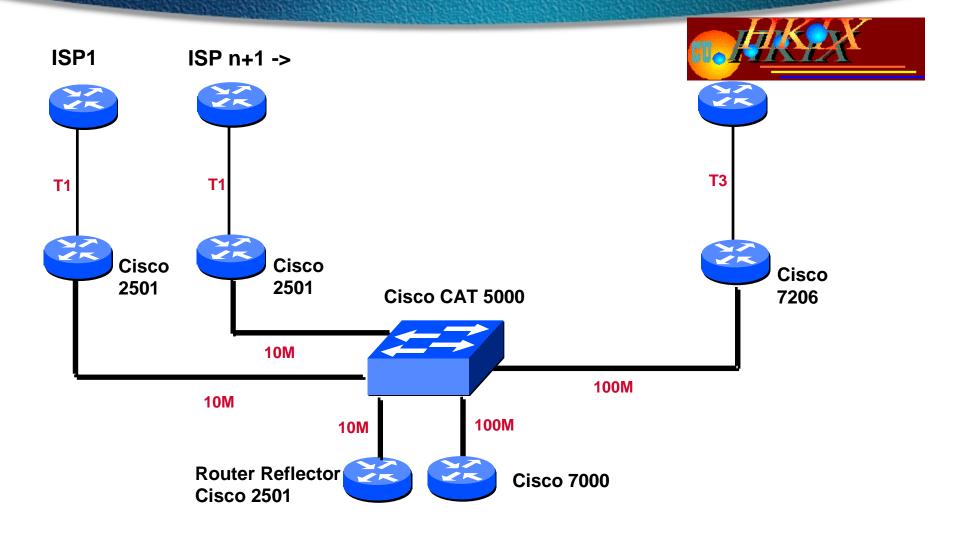
- Exchange of local routes keeps traffic within Malaysia. Saves <u>bandwidth</u> & reduces <u>latency.</u>
- Each redistributes local information into their IGP (OSPF or iBGP) for proper forwarding decisions in their backbone.

- Hong Kong Internet Exchange (HKIX)
 - Set up by Computer Services Center (CSC) Chinese University of Hong Kong (CUHK) in Apr 95
 - Mainly for intra-Hong Kong traffic
 - Serve ISPs only
 - 68 ISPs connected now
 - Everybody gains benefits but arguments and politics are inevitable.



HKIX - Technical Aspects

- CUHK provides space (open racks), electricity, air-conditioning and manpower for coordination and operations.
- Ethernet coax initially
- Upgraded to Ethernet switch in Dec 95
- Use BGP4
- Mandatory multilateral peering agreement (MLPA)
- Use Cisco 2501 as route server/route reflector
- Routing information distribution controlled by IP network address or Origin AS access lists in the route server
- Minimum speed: T1
- Two T3 links now



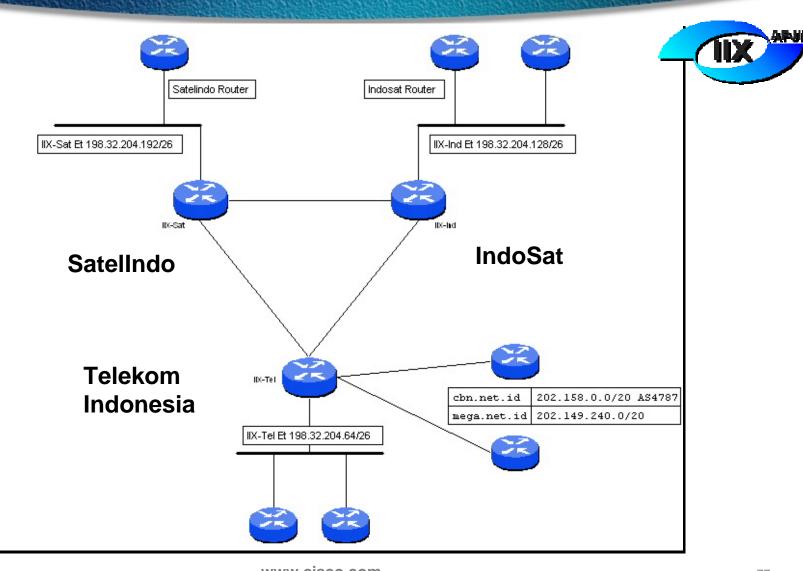
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Success of HKIX



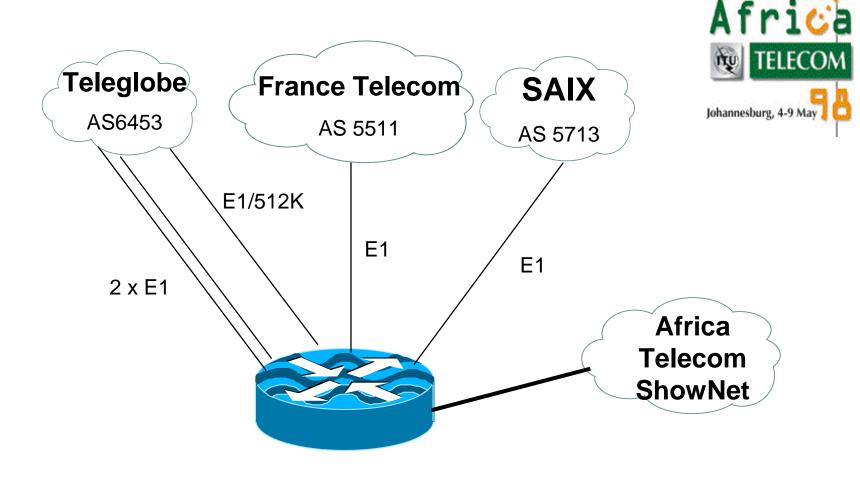
- Operated by a relatively neutral and non-profit party so little competition seen by participants
- Free-of-charge service
- Low set-up cost and simple configuration
- MLPA and no settlement (Free to set up bilateral agreements among participants)
- Everyone is equal; No discrimination
- ISPs' Need of highly efficient network infrastructure
- Enthusiasm of CSC staff

Indonesia - APJII



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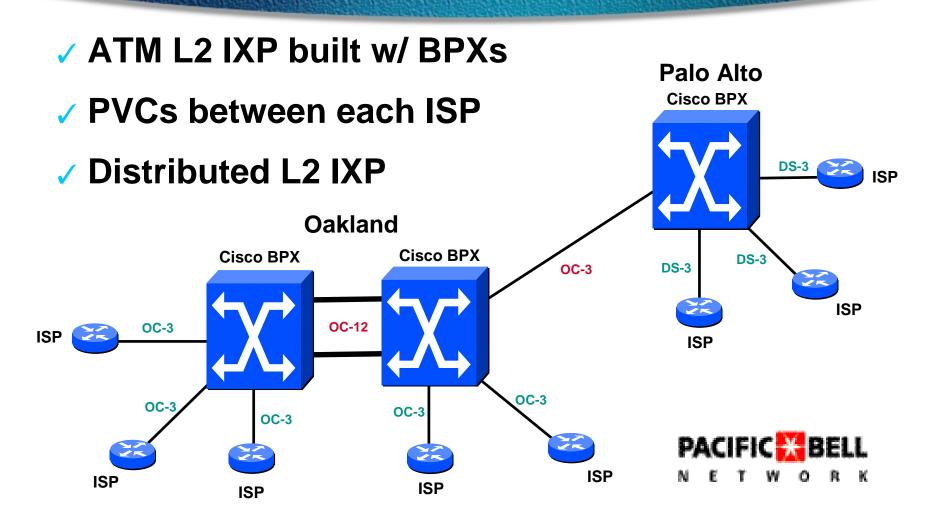
Internet Circuit Termination



AS 8414

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PAC Bell NAP



PAC Bell NAP

- Cisco's Stratacom ATM Platform in use since March 1996:
 - √ 52 Customers using 62 Ports
 - 35 DS-3 Customers 75% Growth since Jan '98
 - → 27 OC-3 Customers 150% Growth since Jan '98
- Evolution
 - OC12 ports
 - all trunks upgraded to OC12

Amsterdam IX: AMSIX

- AMS-IX Shared Infrastructure:
 - Two locations (SARA & NIKHEF, Amsterdam)
 - Switching hardware, and router & service LANs
 - Gig Ether trunk, plus backup
 - 10BaseT and 100BaseTX connections
 - Dropped FDDI some years ago
- Many private interconnects
 - lots of fibers available for private ix's
- 250Mbps of aggregate traffic

Erik-Jan Bos

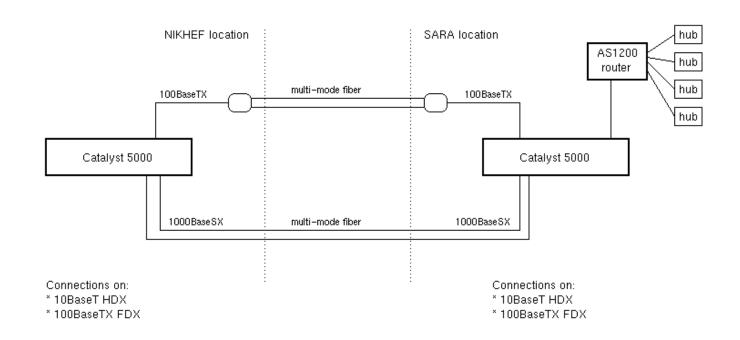
SURFnet bv

Eugene, OR - NANOG16#



Amsterdam IX: AMSIX

AMS-IX Topology Map



(C) EJB 15 Sep 1998

Erik-Jan Bos

SURFnet bv

Eugene, OR - NANOG16#



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London EP: LINX

- 91 members
 - ✓ UK: 39, US: 9, Fr: 4, DE: 9...
- Content Providers
 - ✓ BBC
- Technology
 - Gigabit Ethernet
 - multiple locations
 - 2 now, later 4 interconnected with dark fiber
 - evolution to DWDM
- Feb00 Traffic: 1.2Gbps



LINX and Peering Facilitation

Template Peering Agreement

- http://www.linx.net/joininfo/peering/agreement-v4.html
- Sample inter-provider contract
- Non-mandatory
- Dispute Resolution Procedure
 - http://www.linx.net/joininfo/dispute_resolution.html
 - e.g. peering
 - Voluntary, non-binding



LINX: Other Infrastructure

- Route Servers
 - little interest (feedback given at NANOG18)
- Pilot Multicast Exchange
 - ~10 participants
- 3 Cesium NTP Stratum 1 atomic clocks
 - "Greenwich e-Time" (really UTC)
 - http://www.GeT-time.org

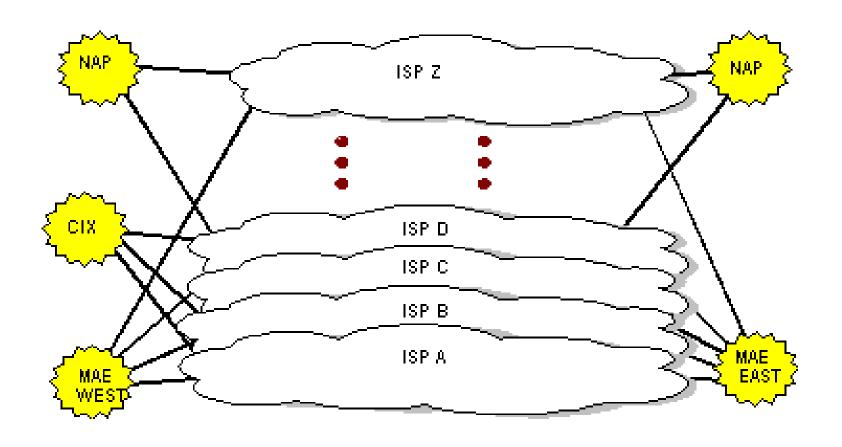


MAE-East History

- Started in 1992: shared Ethernet over DS3 ring
- 1993: Migrated to switched Ethernet
- 1994: Added shared FDDI
- 1995: Added switched FDDI (Gigaswitch)
- 1997: Multiple Gigaswitches, star topology
- 1998: MAE-ATM introduced

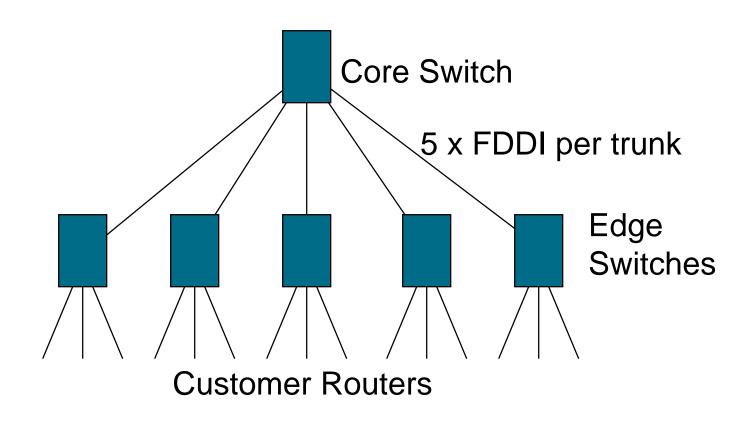


MAE Interconnection Points



Source: WorldCom MAE Services

MAE East Topology





MAE-East Status

- As of early Feb. 1999
- 116 Connections
- over 2.1 Gbps traffic (typical peaks)
 - was 2.0 Gpbs at Nov. NANOG
 - √ 1.6 Gpbs in August 1998



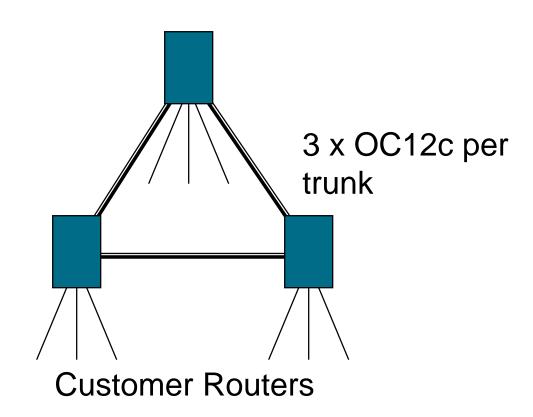
MAE-East Current Issues

- Head-of-line blocking
- Overloaded trunk
- Overloaded access ports
- Doesn't scale
 - Number of users
 - Port speeds beyond 100 Mbps

MAE-ATM

- Local ATM service
- Three Cisco/Stratacom BPX switches
- Fixed-bandwidth PVCs among providers
- "Virtual private peering"
- "PeerMaker" for customer provisioning
- Port speeds up to OC12c (622 Mbps) today
- Not interconnected with FDDI MAE
 MCI WORLDCOM

MAE-ATM Topology





MAE's PeerMakerTM

- Web-based PVC provisioning tool
 - customers provision their own PVCs
 - no human intervention by MCI Worldcom!
 - enforces bilateral agreements
 - enforces no oversubscription
- Beta test in progress



MAE-East What Next?

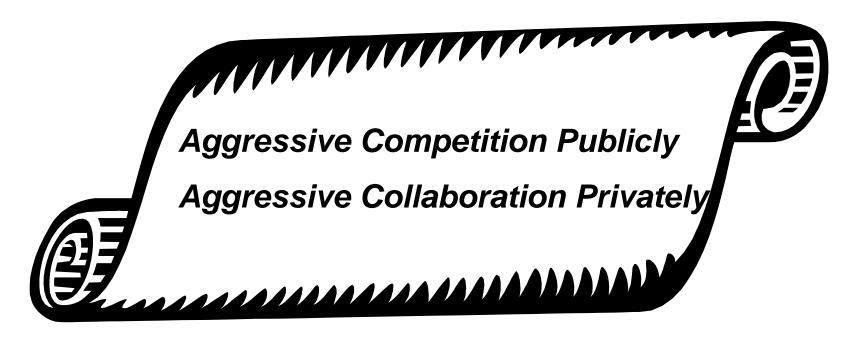
FDDI

- Possible replacement for Gigaswitch
- Fast Ethernet for FDDI
- ATM
 - Evaluating bigger switches
 - Estimated need by summer
- Other
 - POS/MPLS?



The Bottom Line

 The Commercial Internet world is built on the following theme:



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What services should a IXP offer to be successful?

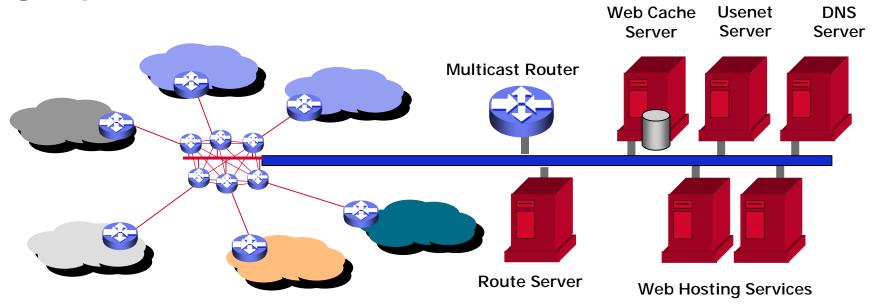
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Adding Value to the Exchange

 exchanges represent a very efficient centralized service launch point

Service Environment

Eg. equinix



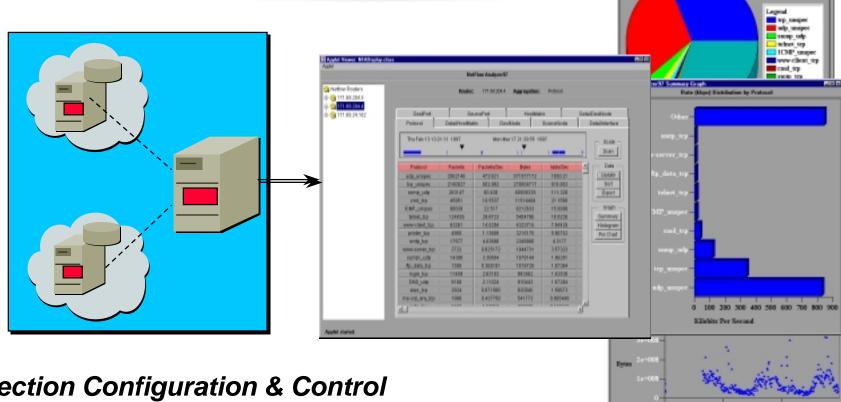
The Basics....

- Contractual Maintenance ISPs peering at the IXP should be able to rely on a level agreed upon maintenance level.
- WWW Pages IXP Web pages containing information on the IXP, the status, contact information, IXP statistics, etc.
- ✓ Router Server A route server helps the IXP scale from a few peering members (1-10) to many peering members (10-80).

- Other Ideas....
 - WWW Proxy/Cache Pool WWW Proxy/Cache resources via a IXP Proxy/Cache server.
 - Multicast Server Coordinate Multicast traffic (Mbone) via a IXP Multicast router (Cisco with PIM or a UNIX workstation with Mrouted).
 - Content Co-Location Co-locate strategic content at the IXP site (Internet Railroad/Worlds Fair project) or sell Co--location services (Digital's IXP).

- Other Ideas....
 - Statistical Analysis Tools:
 - → Traffic Flow Analysis CAIDA (http://www.caida.org)
 - NetFlow Analysis and IP switching technology build into Cisco's IOS.



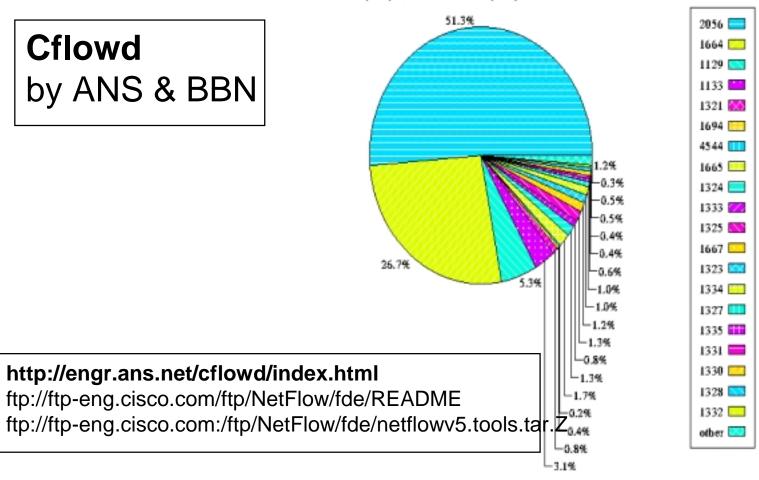


- Collection Configuration & Control
- Visualization Policy
- •Data Analysis
- Graphical Visualization
- Spreadsheet Data Export

NetFlow Provides Open Interfaces

mae-east2.ans.net Traffic (bytes) By Destination AS 12/12/96 23:55 - 12/13/96 23:55 GMT

Cflowd by ANS & BBN



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Other Ideas....

- Route Policy Registry IXP members can registry their peering policies at a central site.
- ✓ NTP Servers Network Time Protocol is very important to the Internet community. It keeps all the clocks in sync. A IXP could install a Stratum 1 server and provide Stratum 2 NTP connections for a fee.

- Other Ideas....
 - ✓ USENET News Server Offer USENET News services to IXP members. Allows for local USENET interconnect and saves them bandwidth.
 - Secondary TLD DNS Server Connect a Secondary DNS server for a country code's TLD directly (or one hop off) the IXP. Speeds up access, look-ups, and provides more equal access to the server.



What equipment should an ISP have to support their peering at a IXP?

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Choosing an IXP Edge Router

- Factors to consider:
 - Physical IXP Interconnection What is the physical interconnect medium?
 - Traffic How much traffic will be sent across the IXP?
 - Routes the number advertised, the number received, the size of the routing tables, and the growth rate of each?
 - Peer Connections How many? Will there be a router service or router reflector?

Choosing an IXP Edge Router

- Factors to consider:
 - Policy Enforcement How large do the filters need to be?
 - Dampening Can your router withstand route flapping on the IXP?
 - Network Ingress and RFC 1918 Filtering -Minimizing the effects your network will have on the Internet.
 - Security Filters needed to protect your router and network from attack.

Choosing an IXP Edge Router

- Factors to consider:
 - Internal Network How is your network designed
 physical, routing protocols, etc.
 - Statistics Tools Do you want to turn NetFlow on for gathering traffic statistics on the IXP edge router.
 - Multicast Support Do you want to have Mbone distributed through the IXP Router.



How Cisco's Historical Leadership in IXP technology can help IXPs grow and evolve.

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Cisco's Role to help ISP Interconnect

- Cisco has helped the development of IXPs throughout the world.
 - Technical Consulting
 - IOS Features specifically designed for IXPs
 - Special IOS images
 - New products (Cat 5000, POSIP, Duplex FDDI, LS 1010, etc.)
 - ✓ ISP/IXP Seminars and Workshops

Cisco's Role to help ISP Interconnect

- ISP/IXP Seminars and Workshop
 - Special training to help ISPs learn how to:
 - build their network
 - interconnect with other ISPs
 - get the maximum value from their Cisco investment
 - Program is expanding world wide.
 - Send a mail to con-serv-isp-workshop@cisco.com for more details

Where to Get More Information



http://www.cisco.com/

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