

CONSUMER ADVISORY COMMITTEE ON UTILITIES

c/o The OUR, P.O. Box 593, 36 Trafalgar Road, Kingston 10, Jamaica W.I.

Tel: (876) 968-6053-4 Fax: (876) 929-3635 Mobile: (876) 322-9301

E-mail: cacu2@our.org.jm

Office of Utilities Regulation
P.O. Box 593
36 Trafalgar Road
Kingston 10

July 10, 2017

Re : Cable & Wireless Application for Reconsideration on Cost Model for Fixed Termination Rates - The Decision on Rates

The C.A.C.U has reviewed the application for re-consideration submitted by Cable & Wireless in respect of the timeline or glide path for implementation of Termination Rates.

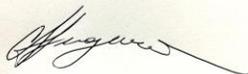
The C.A.C.U believes that the OUR should give due consideration to the application and seek to review the timelines proposed by the OUR, namely a six month glide path, with a twenty three day notice of the first reduction.

We believe that the points below warrant consideration of the application:

- *“.....Flow submits that in the context that the OUR had indicated a glide path of a maximum period of two years in the course of the consultation leading to the Determination of Rates, and given the size of the reductions of the Fixed Termination Rates, it had a reasonable expectation that the OUR would have implemented the new rates over a glide path which was longer than six months....”*
- *“.....to implement a six months glide path with almost immediate effect for the first reduction, to the detriment to the “efficient investment incentive”. The OUR does not appear to have given consideration to the magnitude of such sharp reductions on the immediate cash flow of the company, and the immediate and direct impact this reduction will have on working capital, investment incentives and potentially the long-term welfare of the society itself.”*
- *“The reduction in the rates for the Incoming International Call Termination Service on PSTN, will also impose irreparable harm on Flow’s Wholesale Carrier Services operations.”*

We look forward to a productive discourse and a mutually agreeable resolution on the matter.

Regards,



Carolyn Ferguson PE. PMP
Engineer & ICT Professional
Consumer Advisory Committee on Utilities (C.A.C.U)