

PO Box 2502 Grand Cayman KY1-1104 CAYMAN ISLANDS

Tel: (345) 946-ICTA (4282)

Fax: (345) 945-8284 Web: www.icta.ky

Information & Communications Technology Authority

Our ref: ICTA/160/161-09 Your ref: GRCR/GR/15.24

24 October 2008

Mr. Darrel Rankine Vice President Regulatory Affairs Cable and Wireless (Cayman Islands) Limited PO Box 293 Grand Cayman KY1-1104

Dear Mr. Rankine,

## **Revision to Cable & Wireless NetSpeak Service**

On 18 July 2008, Cable & Wireless (Cayman Islands) Limited ("C&W") submitted a service filing to the Information and Communications Technology Authority (the "Authority") for authorization to modify the existing NetSpeak Service (General Tariff Item 603) to split the service into a revised NetSpeak Service and an optional NetSpeak Domestic Service. C&W's service filing stated that the proposed change would separate the local component of the service from the rest of the service and that the revised NetSpeak Service would be an international only service with the local component available to NetSpeak customers as an option under a separate tariff, NetSpeak Domestic Service.

On 14 August 2008, the Authority requested that C&W reply to a number of questions pertaining to the service filing. C&W provided responses to the Authority's questions on 15 September 2008. In those responses, C&W identified errors in the assignment of tariff item and page numbers and provided revised proposed tariff pages.

## **Service Categorization**

In its 18 July 2008 service filing, C&W submitted that the proposed revised NetSpeak Service should be a Category 3 service as it would no longer contain a Category 1 local element. C&W also identified that, as the proposed NetSpeak Domestic Service provides for fixed originated domestic voice and fixed to mobile calls, NetSpeak Domestic Service would be classified as a Category 1 service.

The Authority concurs with C&W that the proposed NetSpeak Domestic Service is a Category 1 service. However, the Authority does not concur with C&W's suggestion that the revised NetSpeak service is a Category 3 service.

In the proceeding leading to the Authority's 29 March 2005 determination regarding the appropriate service category for NetSpeak, C&W submitted that the domestic calling services and calling features identified as Category 1 services in paragraph 4 of Annex 5 to the C&W licence referred to services provided by the circuit-switched network. The Authority disagreed with C&W's position and stated that it was the service attributes rather than the underlying technology that should be the focus of analysis.

In reviewing the service attributes of the proposed NetSpeak service, the Authority notes that, whilst the revised tariff does not identify it, C&W stated in response to an Authority question that the NetSpeak Service provides the ability to receive domestic and international calls. In the 29 March 2005 NetSpeak determination, the Authority stated that "[t]he ability to place and receive domestic and international voice calls using NetSpeak is no different, in the Authority's view, from the local call and international call service functionalities provided by C&W using its circuit-switched network." In the Authority's view, the ability to receive domestic and international calls is a part of the functionality of connecting to the domestic and international networks. That functionality of connecting to the domestic and international networks on the proposed NetSpeak Service is no different than the functionality that is provided to customers who subscribe to C&W's Line Rental Service, which is a Category 1 service. In the Authority's view, the network connection functionality of the proposed revised NetSpeak Service is also a Category 1 service.

The Authority also notes whilst C&W's 18 July 2008 letter identified that the revised NetSpeak service would be an international-only service, the proposed service includes a number of features such as call waiting, caller ID, call return and voicemail. The Authority notes that paragraph 4.d of Annex 5 of C&W's licence lists "Custom Calling Features (e.g. Voicemail)" as Category 1 services.

In reviewing this service filing, the Authority concludes that the service attributes of many of the calling features included in the proposed revised NetSpeak Service are no different from the service attributes of calling features offered on C&W's PSTN switches

and related platforms and, therefore, the NetSpeak calling features are appropriately classified as Category 1 Services.

Therefore, the Authority determines that the revised NetSpeak service continues to provide a combination of Category 1 and Category 3 services and the revised NetSpeak Service remains a Category 4 service.

As C&W may have undertaken this service redefinition in an attempt to change the classification of certain of the service components offered under the current NetSpeak service, the Authority identifies that it would be amenable (depending on the specifics of the service filing) to approving a classification of service Category 3 for a revision of the NetSpeak service that separated out all or portions of the international calling components of the service.

## **Tariff Page Wording**

In response to Authority questions, C&W indicated that under the revised NetSpeak Service, customers who subscribe to NetSpeak Service but not to NetSpeak Domestic Service would be able to receive domestic-originated calls on the NetSpeak Service but would not be able to use any of the forwarding features to forward calls to a domestic number.

The tariff wording for the call forwarding features of the proposed NetSpeak Service identifies that NetSpeak customers can forward calls to the telephone number of their choice "such as your home phone, cell phone, or office". In order to avoid possible customer confusion, the Authority determines that the tariff should identify those features that do not route calls to domestic numbers unless the customer subscribes to NetSpeak Domestic Service (for example: Call Return, Call Forwarding, Service Interruption Forwarding, or Reach Me).

The Authority notes that Item 1.1 of the existing NetSpeak tariff identifies that NetSpeak provides the ability "to receive voice calls in the Cayman Islands from any domestic or international Calling Party" and that the proposed NetSpeak tariff does not include similar wording. In order to avoid possible customer confusion, the Authority directs that similar wording be added to the proposed NetSpeak tariff.

## **Determination**

The Authority hereby approves the tariff changes proposed in the NetSpeak Service filing as amended subject to C&W providing acceptable revised tariff wording to the

Authority as specified above. C&W is directed to provide revised tariff wording to the Authority for approval at least five business days before the proposed effective date.

However, as the Authority has determined that the NetSpeak Service as filed remains a Category 4 service, C&W may prefer not to implement the proposed changes. C&W is directed to indicate in writing to the Authority within ten business days if it intends to implement the changes to the NetSpeak Service proposed in this service filing.

Yours sincerely,

[signed by]

David A. Archbold Managing Director