



Information & Communications Technology Authority

**Public Consultation
on
FTR and Transit Rate**

CD 2012-1

Launch Date: 4 September 2012

1 Introduction

In this public consultation, the Information and Communications Technology Authority (the "ICTA" or the "Authority") seeks input from all interested parties on an appropriate cost-oriented Fixed Termination Rate ("FTR") and on an appropriate cost-oriented Transit Rate.

2 Background

The FTR and the Transit rate are examples of the rates that apply for the type of services classified as "interconnection" services. The rates for interconnection services are not directly charged to retail customers but are instead charged by telecommunications licensees to other telecommunications licensees. Rates for interconnection services typically apply for the routing of traffic from customers on one licensee's network to customers on another licensee's network. Under the Authority's interconnection regulations, licensees are required to attempt to reach agreement on interconnection rates by negotiation. Where there is a dispute, parties may refer the matter to the Authority for resolution.

In ICT Decision 2010-5 *Decision in Digicel Determination Request related to Digicel/LIME Interconnection Agreement Dispute*, (available at: http://www.icta.ky/docs/Decisions/2010-1%20Inter/2010_04_29_ICTA_Decision_2010-5_Interconnection_dispute.pdf), the Authority noted that if LIME and Digicel were unable to agree to cost-oriented rates, then after the FLLRIC model was approved, the Authority could have a follow-up proceeding to review those rates. Following that decision, LIME and Digicel have not been able to agree on cost-oriented rates. As the Authority has recently concluded an initial review of the FLLRIC model, it is now in a position to have that model used in a review of the FTR and the Transit Rate.

For this review, the Authority will follow the same four stage process it used for the FLLRIC process whereby parties will:

- first, be given an opportunity to file evidence,
- second, be permitted to ask interrogatories regarding the evidence of other parties,
- third, be allowed to file Final Comments summarizing their position in relation to the information on the record of the proceeding, and
- fourth, be permitted to file Reply Comments to items raised in the Final Comments of other parties.

Specifically, for this proceeding, LIME will be required to file its proposed rates along with the supporting documentation and calculations, other parties may suggest any

proposed changes to the assumptions and calculations proposed by LIME, parties including LIME may address interrogatories to other parties who make submissions in this proceeding, and all parties may file final comments and reply comments. The detailed process is provided below.

3 Process

The Authority determines that the following procedure should be used in this proceeding.

- All parties are required to provide any submissions made in this proceeding to the distribution list for the proceeding at the same time they are submitted to the Authority.
- If a party files any information in confidence with the Authority, it must provide a public record version to the distribution list for the proceeding at the same time the confidential filing is made to the Authority and any such filings must be made in accordance with the *ICTA (Confidentiality) Regulations, 2003* ("Confidentiality Regulations"). (The Confidentiality Regulations are available at <http://www.icta.ky/docs/Regs/ICTA-%20Confidentiality%20Regulations.pdf>.)
- Any requests for disclosure of information filed in confidence with the Authority must be made within ten calendar days of the material being provided. All requests for disclosure and responses to disclosure requests must be in accordance with the Confidentiality Regulations.
- By **2 October 2012**, LIME is required to file on the public record its proposed FTR and Transit Rate and identify the source of its proposed rates by providing the specific file name, worksheet name and cell reference for those rates from the FLLRIC model.

LIME is also directed to file all supporting calculations and any related documentation and explanations. For example, LIME is required to file the modules from the FLLRIC model from which those rates are derived and must include any appendices or spreadsheets that are directly linked to that module that have any effect on the proposed rates.

All proposed changes from the last version of the model submitted by LIME must be documented by listing the file name, the spreadsheet name, the specific cell references, a description of the changes that were made and a rationale for each such change. For any proposed changes, where analysis has been conducted that is

used as input to the FLLRIC model, but not linked directly to the model, such analysis must also be provided.

If any information is filed in confidence with the Authority, it must be done so in accordance with the Authority's Confidentiality Regulations and the previous Authority determinations regarding disclosure of information in the FLLRIC model. For example, if LIME submits parts of the FLLRIC model in confidence, it is required to submit a public version of the model that must be a fully working copy of the model with any confidential information noted and replaced with dummy data. The replacement of confidential data with dummy data must, at a minimum, be made in accordance with the Authority's determinations in the CD 2009-1 proceeding. Except for the pasting of values for certain intermediate calculations as previously directed by the Authority, all formulas, calculations and non-confidential data are to be left intact.

- If, in response to the above direction with the 2 October 2012 due date, LIME files no information in confidence or if there are no requests for disclosure by any other party, then by **30 October 2012** parties other than LIME may provide suggested changes to the assumptions, data, or calculations proposed by LIME along with supporting documentation and detailed rationale to justify those changes.

If there are requests for disclosure for information submitted by LIME pursuant to above direction with the 2 October 2012 due date, the Authority will issue the due date for the submissions of other parties at the time it makes its determination related to any such disclosure requests.

- Parties may address interrogatories to LIME and any other party who filed submissions pursuant to the above directions by **13 November 2012**.
- Interrogatory responses are due by **4 December 2012**.
- The Authority anticipates that it may address interrogatories to the parties. However, whilst the Authority may use more than one round of interrogatories for its questions, parties are to address all their interrogatories at the same time.
- When the Authority has completed any interrogatories it intends to address, it will set dates by which parties can file Final Comments addressing the record of the proceeding and Reply Comments addressing points raised in Final Comments by other parties.

4 Contact Details

All submissions should be filed with the Authority at the addresses provided below. In addition, all submissions should be copied to all parties at the same time they are filed with the Authority.

By e-mail to:

consultations@icta.ky

Or by post:

Information and Communications Technology Authority
P.O. Box 2502
Grand Cayman KY1-1104
CAYMAN ISLANDS

Or by courier:

Information and Communications Technology Authority
3rd Floor, Alissta Towers
85 North Sound Road
Grand Cayman
CAYMAN ISLANDS

Or by fax to:

(345) 945-8284