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Information & Communications Technology Authority

Ref: ICTA/160/161-09

11 March 2014

Mr. Frans Vandendries Vice President, Legal, Regulatory and Corporate Affairs LIME/Cable and Wireless (Cayman Islands) Limited P.O. Box 293 Grand Cayman KY1-1104 CAYMAN ISLANDS

Dear Mr. Vandendries,

Re: Increase to residential line rental rate

This is in response to the application filed by Cable and Wireless (Cayman Islands) Limited ("LIME") dated 20 February 2014 to increase the residential line rental rate by \$1 per month effective 1 May 2014. LIME's application included proposed tariff pages for General Tariff Item 201 – Public Switched Network Access, Item 802 – Smart Choice and Item 802 – Smart Choice Plus.

In a letter dated 27 February 2014, LIME provided the proposed rate change notice that would appear on customers' bills and the proposed information sheet that will be posted at the URL noted on the bill notice. In that letter, LIME also identified that it anticipated that the press advertisement would be placed in the Caymanian Compass on 27 March 2014.

In an email dated 4 March 2014, the Authority requested further information on LIME's proposed information sheet. LIME provided a response to that request on 10 March 2014.

The Authority has reviewed the application and hereby approves the \$1 increase to the residential line rental rate subject to LIME undertaking the communications plan as it proposed in the 20 February 2014 application and the 27 February 2014 letter and subject to the following conditions.

- 1) The "Issued Date" on all of the proposed tariff pages is "24 February 2014" which is not consistent with the 20 February 2014 date on which the service filing was submitted. LIME is to change the "Issued Date" on the proposed tariff pages to "20 February 2014".
- 2) Within one week of the advertisement being published, LIME is directed to provide the Authority with a tear sheet showing the full page on which the advertisement was placed. An electronic format (such as pdf) is preferred.
- 3) By the effective date, LIME is directed to update its website to reflect the new tariff pages, change the mentions of the affected rates on other pages on its website to reflect the new rates and to notify the Authority in writing via email to consultations@icta.ky that it has done so.

In arriving at this determination, the Authority notes that the 10 July 2003 agreement between LIME, the Authority, and the Cayman Islands Government permits LIME to increase the monthly rates for residential line rentals by a maximum of \$1 each year after the first two years following the effective date of the agreement. As LIME's proposal is within the range permitted by the agreement, the Authority approves the proposal.

The Authority notes that in the proposed "Q&A Line Rental Increase" document, LIME makes statements about why it is raising prices. The Authority has not evaluated these statements and makes no determination regarding the contents of those statements.

Yours sincerely,

[signed by]

Mark Connors Head of Economics and Regulation