

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

22 December 2011

Mr. Anthony Ritch General Manager LIME/Cable and Wireless (Cayman Islands) Limited P.O. Box 293 Grand Cayman KY1-1104 **CAYMAN ISLANDS**

Dear Mr. Ritch,

Re: Reversal of residential line rental rate increase

This is further to recent communications between the Authority and Cable and Wireless (Cayman Islands) Limited ("LIME") concerning the 24 June 2011 LIME application to increase the residential line rental rate by \$1 per month effective 1 August 2011.

In that application, LIME stated that its customer notification would be done via notice on the customers' bills as well as via press advertisement.

The Authority was satisfied with LIME's proposed customer notification plan and in a letter dated 30 June 2011, it approved the rate increase subject to a number of conditions. One of those conditions was that LIME was directed to provide to the Authority a copy of the wording for the notice on customer's bills at the time the notice was sent to customers as well as a copy of the press advertisement at the time of publication.

Another condition was that LIME was directed to update its website by the effective date to reflect the new tariff pages and to notify the Authority in writing that it had done so.

While LIME did provide the Authority with a copy of the press advertisement, the Authority did not receive a copy of the wording for the notice on customer's bills nor had LIME updated its tariff pages on its website by the effective date.

In a 28 November 2011 email, the Authority requested LIME to provide the copy of the notice on customers' bills, update the tariff pages on the website, and confirm in writing that the website changes have been made.

In a 16 December 2011 reply letter, LIME confirmed that it had placed the advertisement in the 1 July 2011 edition of a local newspaper and it provided a copy of the wording in the notices that it had prepared for customers' bills. However, LIME identified that, due to an oversight on the part of LIME, the notice was not actually included on the customer's bills.

LIME's letter did not address the requirement to update the tariff pages on its website.

After further communications between Authority staff and LIME staff, LIME updated the tariff pages on its website by today's date.

The Authority acknowledges that LIME had placed the notice in a local newspaper but notes that LIME has not satisfied the requirements to provide notice on the customers' bills or to update the website by the effective date. Therefore, the Authority determines that LIME has not satisfied the conditions for the approval of the rate increase and thus LIME's residential line rate has not been approved by the Authority.

LIME is directed to:

- 1) Cease charging the new residential line rates and revert to the previously approved rates.
- 2) By 17 January 2012, provide a credit to those customers who were charged the new rates equal to the additional charges that those customers paid since the billing implementation date for the new rates (i.e. as from 1 August 2011). For example, if a customer was charged the additional \$1 for five months, LIME should provide a credit to that customer of \$5.
- 3) When the credit is provided on the customers' bills, to provide a billing notification that explains why the rate is reverting to a previous rate and why the credit is being applied.
- 4) By 9 January 2012, provide the Authority with the proposed wording for the billing notification referred to in 3) above for approval before it is used for customer communications.

5) By the date that LIME reverts to the previously approved rates but no later than 17 January 2012, change its website content to reflect those rates and notify the Authority in writing that it has done so.

Yours sincerely,

[signed by]

David A Archbold Managing Director