



CABLE & WIRELESS

Our ref: GRCR/GR 14.4/MOB 22.1
08 April, 2004

Mr. David Archbold,
Managing Director,
Information, Communication Technology Authority,
P.O. Box 2502GT,
3rd Floor Alissta Towers,
Grand Cayman.

Dear Mr. Archbold:

Re: C&W's Mobile IDD Rates to "Other" Countries

Cable and Wireless (Cayman Islands) Limited is writing further to the Authority's ICT Decision 2004-1, in particular paragraph 106 which directs C&W to increase its rates by the minimum amounts identified in Attachment 3 (and summarized in paragraph 104), if C&W wishes to continue to offer the affected mobile services and plans. C&W has complied with this directive with respect to its Mobile IDD rates for its Post Paid Plans, by increasing the rates for calls to specified "Other" countries by the amounts indicated in Attachment 3.

As best as C&W can determine from the Decision, those specific "Other" IDD rates failed the ICTA's imputation test only because of the application of a 20% "Talkaway" discount. In the absence of that discount, the impugned rates would have passed the test.

It is clear that C&W had to increase the "Other" IDD rates for its Post Paid Plans. The alternative would have been to cease permitting calls from Post Paid Plan customers to those "Other" countries, which would have been unacceptable.

However, the result of complying with the ICTA's directive has meant first, the rates for "Other" IDD calls made by CoolDeal customers have also increased, as those are Post Paid Plans, even though CoolDeal customers were never eligible for Talkaway discounts, and second, C&W is charging different rates for "Other" IDD calls depending upon whether the customer is a Pre Paid or a Post Paid customer. The first penalizes CoolDeal customers and the second discriminates against Post Paid customers. Neither of these situations is acceptable to C&W.

As a result, C&W is proposing an alternative to the directive set out in paragraph 106 of ICT Decision 2004-1. C&W proposes to modify the Talkaway discount plan, such that telephone numbers in the “Other” countries could no longer be nominated as Talkaway numbers. This would remove the factor that caused the “Other” IDD rates to fail the ICTA’s imputation test. It would also allow us to maintain our rates at their pre-April 7 levels, and to cease to charge different rates to different groups of customers.

C&W also requests that this change to the Talkaway plan be made retroactive to April 8, 2004, the date C&W implemented the rate increases mentioned above, and that the reduction of the “Other” IDD rates to their pre-April 7 levels also be retroactive to April 8, 2004. As the change made to C&W’s rates to comply with the directive in paragraph 106 of the ICT Decision 2004-1 only applies to Post Paid customers, these rates have not yet been billed to any customers. Allowing C&W to make these changes retroactively on a timely basis would ensure no C&W customers are adversely affected.

C&W requests the Authority’s approval of these two proposals as soon as possible, in order to allow us to make any necessary changes to our systems and to communicate any changes to our customer as soon as possible.

Yours faithfully,
Cable & Wireless (Cayman Islands) Ltd.

[Signed]

Rudy B. Ebanks
Vice President, Regulatory and Carrier Relations

c.c. Timothy Adam, Chief Executive C&W
Lisa Agard, EVP Legal Regulatory and Carrier Services C&W
Frans Vandendries, Senior Regulatory Advisor C&W