

May 23, 2013



Mr. David Archbold
Information Communications Technology Authority
P.O. Box 2502 GT
3rd Floor Alissta Towers
Grand Cayman

Dear Mr. Archbold,

RE:-FTR and Transit Rate (CD 2012-1): Answering Interrogatories

Further to the Authority's email of 13th May 2013 requesting further information in respect of the interrogatories first submitted by Digicel on 12 February 2013, and further explained by Digicel on 9th May 2013 Digicel (Cayman) Ltd ("Digicel") hereby responds.

Before addressing each relevant question individually we think that it is important, and would be helpful, to lay out the underlying basis and context for the questions we have asked. In order to do that, we need to look at the nature of Next Generation Networks.

An NGN to the best of our knowledge would ordinarily result in a network configuration whereby traffic reaching LIME via the point of interconnect (POI) is then treated exactly the same way in terms of how it is directed onwards for ultimate delivery to its destination. That would apply whether the traffic went from Digicel to the POI to LIME's customers using fixed phones, or from Digicel to the POI to LIME customers using mobile phones. There is no such thing as transit in this context.

If this is correct then the parts of LIME's FLLRIC model dealing with transit charges are redundant and should be excised entirely along with all relevant network and cost components.

The questions that we have asked are aimed at trying to determine if LIME's network configuration behaves in this way or may be configured to do so. It should be remembered that Digicel, unlike the Authority and LIME, does not have detailed information about how LIME's network is, or could be most efficiently,

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configured. Therefore we are forced to guess about the composition of LIME's network, and what it can, or could, do.

In order for us to provide a response that merely attempted to meet all the requirements laid out in the Authority's email of 13th May we would have to inter alia:

1. Obtain expert NGN engineering consultancy advice and ask the consultants to speculate about the detailed configuration of LIME's NGN network or the ability LIME has to configure it more efficiently; and,
2. Pay for expert LRIC modellers to attempt to model the actual or possible NGN network guessed at by the NGN engineers.

That would be very expensive and take weeks or months to complete. Moreover, since we are denied access to actual details of LIME's network and would be speculating, we do not know to what extent it would actually be, or could be, applicable.

In the light of this we hope that the Authority will agree that it does not make sense for Digicel to take this approach. Only the Authority has the power to find out exactly what LIME's network is capable of, and therefore to ensure that it is modelled correctly.

The questions we have asked are the only practical way forward that we can see for Digicel. Answers to our questions would enable us to say with more confidence what LIME's network can and cannot do and whether there is indeed either no transit element, or no need for transit. We have therefore done all that we think we reasonably can do below, which is to spell out in more detail what the questions are aimed at achieving. For ease of reference the questions are numbered as they were in original set of questions circulated on 12th February 2013.



1. Is the cost of LIME's NGN soft switch already included in the mobile termination rate?

Further explanation: Put another way, if soft switch costs are included in the mobile termination rate they should not be counted towards the cost of fixed termination or transit. This seems clear and uncontroversial. There is no need for two sets of NGN costs. We are unclear why LIME cannot provide a straight answer to that question or what further explanation is necessary from us. There appears to be some soft switch costs in rows 291 to 296 of the Cost Assumptions sheet but we are unclear if this represents all soft switch costs or some of them.

2. Is the soft switch being used for sending traffic to the incumbent's fixed and mobile subscribers? If not, what would be necessary to enable it to handle traffic for both fixed and mobile traffic?

Further explanation: by reference to our explanation at the start of this letter this will help to establish if traffic from Digicel after reaching the POI is, or could be if LIME so chose, handled in like fashion whether it is directed at mobile or fixed phone users. If this is the case then it helps to confirm that the transit elements of the model should be removed and perhaps that alternative components should be added. As indicated, that would be a very significant task which only LIME and the Authority has sufficient information to undertake since the necessary information is withheld from Digicel. As for removal of all the transit elements from the model - this could be done but there will be numerous precedents and dependencies which will take some time to trace and remove and there is no point in doing this unless the principle that no transit is applicable is agreed first.

3. Does LIME's mobile switch have layered architecture or is it release 4 or above compliant?

Further explanation: an answer to this would help to corroborate that traffic destined for LIME's mobile users can be directed to them from the POI in



the same way that traffic is directed from the POI to LIME's fixed users. If the switch is packet capable by being release 4 or above compliant it would mean that this is a possibility. The consequences again would be confirmation that the transit elements of LIME's model could be removed.

4. What proportion of the traffic using the NGN is Digicel mobile traffic?

Further explanation: an answer to this question will do two things. Firstly, if the NGN is being used at all for mobile traffic it would corroborate the idea that there may be no basis for a transit charge. Secondly, it may help with subsequent cost allocations.

5. What proportion of the total traffic handling capacity of the NGN is represented by Digicel's mobile traffic?

Further explanation: an answer to this question will do two things. Firstly, if the NGN is being used at all for mobile traffic it would corroborate the idea that there may be no basis for a transit charge, and it will help to corroborate the answer to the question above. Secondly, it may help with subsequent cost allocations.

6. Does the traffic destined for LIME's mobile network from Digicel pass through the NGN in one direction only?

It is conceivable that LIME is deliberately passing Digicel's traffic from the POI through a circuit switched pathway to LIME's mobile users merely so that it can continue to charge for transit, even though there is no need to do so. LIME is financially incentivized to do just that. Our question seeks to determine whether LIME is sending traffic back to Digicel via the same route or via some other (more efficient) NGN pathway. If the traffic passes through the NGN in one direction only it would help to corroborate the suggestion that LIME could indeed use the NGN to direct the calls from Digicel without transit if LIME chose to do so.



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7. Which Codec is being used to send Digicel inbound traffic from the NGN to LIME's mobile switch?

Further explanation: if a Codec is being used it will help to corroborate the idea that no transit service exists as it suggests that voice is being transmitted in packet format direct from the POI to mobile users.

8. Does the soft switch separate traffic for fixed and mobile subscribers and route them accordingly?

Further explanation: as indicated previously if the soft switch is routing the traffic in this manner then it corroborates the idea that there is no transit service and therefore that all transit elements should be removed from the model.

11. What type of technology interface exists between the NGN and MSC?
TDM or IP, Sigtran or low speed SS7?

Further explanation: again this is a question aimed at helping to determine whether there is any such thing as, or continuing need for, a transit service. If the interface is IP for example that suggests that the NGN is carrying out all distribution of traffic and that there may be no need for a transit service.

Yours sincerely,
Digicel Cayman Ltd



Chris Hayman
Chief Executive Officer

cc: FTR and Transit proceeding distribution list

