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LIME

Our ref: GR CR/GR 15.19
23 January 2009

Mr. David Archbold,
Managing Director,
Information and Communication Technology Authority,
3rd Floor Alissta Towers,
P.O. Box 2502GT,
Grand Cayman. KY1-1104

Dear Mr. Archbold:

Re: Local Number Portability – Digicel Request for Reconsideration of Decision 2008-5

Cable and Wireless (Cayman Islands) Limited, trading as LIME (“**LIME**”) is pleased to provide the following comments in response to the Authority’s 15 January 2009 request for comments on the request for reconsideration of ICT Decision 2008-5, “Decision and Further Process on Local Number Portability”, 18 December 2008 (“**the Decision**”), filed by Digicel Cayman Limited (“**Digicel**”) on 12 January 2009.

LIME notes Digicel’s concern that the maximum retail charges mandated by the Authority might not be sufficient to cover the costs of implementing local number portability (“**LNP**”). LIME shares this concern and indeed had raised it in its own submission to the Authority on 27 June 2008. LIME submits that the Authority should refrain from setting maximum retail charges for the recovery of the costs of implementing and operating LNP in the Cayman Islands until after such costs have been fully determined. Simply put, it is more appropriate to determine the charges after the costs are known, not before.

LIME also submits that it is inappropriate for the Authority on the one hand to mandate “maximum” charges, and on the other state they do not necessarily need to be charged. This approach suggests that the Authority is not convinced LNP is in the public interest, and that it is reluctant to assume responsibility for its decision.

If the Authority does in fact believe LNP is in the public interest, then the charges must be mandatory and paid by all users of telephony services. An investment that is driven by the public interest should be paid for by the public, not by private commercial interests. A clear example of this is the public road system – all members of a society benefit from a proper road system, and therefore pay for it through their government. Similarly, the systems, databases and processes necessary to support LNP will benefit all residents of the Cayman Islands, and should be paid for by all residents of the Cayman Islands. While the Authority does not have the jurisdiction to impose a tax on the “public”, it does have the jurisdiction to impose telecommunications charges on a reasonable proxy for the “public”, namely, the body of all users of fixed and mobile telephony users in the country.

Just to be clear, however, the foregoing does not necessarily mean that LIME believes the Authority has properly determined all of the applicable costs of LNP, or that the so-called “maximum” charges are appropriate. However, once those costs have been fully determined, and once the Authority has concluded a proper cost-benefit analysis, those costs should then be recovered by, and imposed on, all users of the fixed and mobile telephony networks in the Cayman Islands.

Please do not hesitate to contact the undersigned if you should have any questions.

Yours faithfully,
LIME

‘Signed’

Darrel Rankine
Vice President Regulatory Affairs

c.c. Anthony Ritch, Country Manager, LIME
Donald Austin, EVP Legal Regulatory and Corporate Affairs, LIME
Frans Vandendries, Vice President Legal, Regulatory and Corporate Affairs Central, LIME
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Victor Corcoran, CEO Digicel Cayman Limited