

C3's Response to ICT Consultation 2016-2 Parts B and C

Issues Relating to the Permit Application Process, Including Make-Ready Work (Consultation 2016-2 Part B) - Proposals and Questions

Standard Terms and Conditions

Non-discriminatory provision of service to attachers

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes, subject to consultation, to require DataLink to ensure that all third-party utilities (i.e. other than DataLink) who attach communications cables to the communications space on CUC utility poles do so on non-discriminatory terms and conditions.

Question

QUESTION 1 Do you agree with the proposal to require DataLink to ensure that all third-party utilities (i.e. other than DataLink) who attach communications cables to the communications space on CUC utility poles do so on non-discriminatory terms and conditions? If not, explain in detail the reasons why. Please also indicate changes, if any, you suggest should be made to the proposed requirement.

C3 Response: Agreed. This speaks to a basic fairness principle and aligns with principles outlined in section 69(2), as well as concepts contained within the infrastructure sharing regulations.

Self-Provision of Service

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes, subject to consultation, to require DataLink to provide its pole attachment services to all attaching utilities on rates, terms and conditions that are no less favourable than the rates, terms and conditions as DataLink provides the same services to itself.

Question

QUESTION 2 Do you agree with the proposal to require DataLink to provide its pole attachment services to all attaching utilities on rates, terms and conditions that are no less favourable than the rates, terms and conditions as DataLink provides the same services to itself? If not, explain in detail the reasons why. Please also indicate changes, if any, you suggest should be made to the proposed requirement.

C3 Response: Agreed. This speaks to a basic fairness principle and aligns with principles outlined in section 69(2), as well as concepts contained within the infrastructure sharing regulations. Furthermore, DataLink has a Fixed Telephony license from OfReg and is therefore a potential competitor to the other attachers. DataLink should not therefore be granted any competitive advantage with respect to pole attachments.

Permit Application Process and Timetable

Responding to Permit Applications

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes applicants be required to provide a properly-completed Pre-Permit Survey with their applications for a permit to attach a communications cable to a CUC utility pole.

Questions

QUESTION 3 Do you agree with the proposal that applicants be required to provide a properly-completed Pre-Permit Survey with their applications for a permit to attach a communications cable to a CUC utility pole? If not, explain in detail the reasons why. Please also indicate changes, if any, you suggest should be made to the proposed requirement.

C3 Response: Agreed.

QUESTION 4 If applicants were to be required to provide a properly-completed Pre-Permit Survey with their applications for a permit to attach a communications cable to a CUC utility pole, what would be, in your view, the impact on the time required to provide a quotation to the applicant? Explain in detail the basis for your view.

C3 Response: Datalink should provide a schedule of charges for the various types of make-ready, an attaching utility could in theory review the pole and have good understanding of the make-ready charges that they would be charge for the pole, to determine if the best route would be to attached to the pole or possible trench the street. Therefore the attaching utility on it application could advise Datalink the make-ready needed on each pole and speed up review time and confirm the quotation for the application. The schedule fo charges should be sent out to each company authorized, including CUC to do basic make-ready work on the poles, that would get a competitive bid for the regulator to review and regulate the charges, as it is now, Datalink is not held accountable and can charge on an hourly basis and is under no pressure to get the project done in a timely manner—they pass on 100% of the cost to the attacher(s).

Responding to Quotations

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation, Attaching Utilities should be required to accept, reject or otherwise respond to estimates of the Make-Ready Work charges necessary to accommodate the Attaching Utility's attachment within a specific period of time following delivery of the estimate by DataLink.

Questions

QUESTION 5 Do you agree with the proposal that Attaching Utilities should be required to accept, reject or otherwise respond to estimates of the Make- Ready Work charges necessary to accommodate the Attaching Utility's attachment

within a specific period of time following delivery of the estimate by DataLink? If not, explain in detail the reasons why you disagree. Please also indicate changes, if any, you suggest should be made to the proposed requirement.

C3 Response: Agree. The concept of time-bound activities for each step of the process will address the both the inconsistencies of permitting and the inefficiencies of the existing processes.

QUESTION 6 What period of time should Attaching Utilities be given in order to accept, reject or otherwise respond to estimates delivered by DataLink?

C3 Response: 7 days with at least five of those working days.

QUESTION 7 What specific changes to the terms of the Pole Sharing Agreement would you propose to implement this proposal, if it were adopted as a determination following consultation?

C3 Response: See the Towerehouse Report, with respect to the recommended Service Level Agreement (SLA) for both Flow and CUC.

Treatment of Batches of Poles

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation, all permits issued for poles included in the same batch application be given the same effective date, irrespective of when the pole is actually ready and available for attachment, unless the applicant requests otherwise.

Questions

QUESTION 8 Do you agree with the proposal that all permits issued for poles included in the same batch application be given the same effective date, irrespective of when the pole is actually ready and available for attachment, unless the applicant requests otherwise? If not, explain in detail the reasons why you disagree. Please also indicate changes, if any, you suggest should be made to the proposed requirement.

C3 Response: Agree, problem with this is they may sit on batch that only requires make-ready on some poles and hold up the build out along that pole line until they finish the make-ready for all poles – again a SLA could speak to this—when they start make-ready work on a street they have X day to complete after there is penalty, similar to what you would find in a construction contract—time is money.

QUESTION 9 What specific changes to the terms of the Pole Sharing Agreement would you propose to implement this proposal, if it were adopted following consultation?

C3 Response: See the Towerehouse Report, with respect to the recommended Service Level Agreement (SLA) for both Flow and CUC.

Provisional versus Full Permits

Proposal

Subject to consultation, the Office is of the preliminary view that the Office should not require this change to the permit application process and to the Pole Sharing Agreements proposed by DataLink in its December 2022 Re-Submission.

Questions

QUESTION 10 Do you agree with the Office's preliminary view that it should not require changes to the permit application process and to the Pole Sharing Agreements to include the provision of a "Pre-Approved Permit" prior to the issuance of a "Full Permit"?

C3 Response: Agree. Would create potential conflicts and pathways to different treatment of applicants and therefore unfair situations.

QUESTION 11 If not, explain in detail the reasons why you disagree, and describe in detail how the changes proposed by DataLink would promote an efficient, economic and harmonised utilisation of infrastructure on Grand Cayman.

C3 Response: C3 agrees with the preliminary view of the Office as stated above.

Administration of Permits and Make-Ready Work

Form of Permit

Proposal

Pursuant to section 69 (2) of the ICT Act, in order to promote an efficient, economic and harmonized use of infrastructure, and pursuant to section 62 of the URC Act, in order to promote innovation within the sectors for which it has responsibility with a view to contributing to national economic competitiveness and development, the Office proposes, subject to consultation, that:

DataLink be directed to investigate and report to the Office within ninety (90) days of a final determination by the Office:

- a) the feasibility of the creation of an online portal or system for the submission of pole attachment permit applications and the issuance of pole attachment permits, including the requirements, scope and cost of such a system, and
- c) the feasibility of the creation of an online database containing relevant information on CUC utility poles managed by DataLink.

Questions

QUESTION 12 Do you agree with the Office's proposal to direct DataLink to investigate the creation of an online portal or system for the submission of pole attachment permit applications and the issuance of pole attachment permits? If not, explain in detail the reasons why you disagree.

C3 Response: Agreed.

QUESTION 13 If you agree with the Office's proposal to direct DataLink to investigate the creation of an online portal or system for the submission of pole attachment permit applications and the issuance of pole attachment permits, what should be the requirements and scope of such a system?.

C3 Response: 1. Privacy. Pursuant to the Data Protection Act, and pursuant to fair competition principles in the URC Act, no pole attachment applicant should be able to see any data associated with any other applicant.

2. Regulatory Oversight. Pursuant to its role as ICT regulator, OfReg ICT should be provided administrator rights on the portal to enable the Office to view all data on the portal and to oversee the function of the portal and its impact on ICT infrastructure sharing.

3. Workflow. The proposed portal should provide the ability for tasks to flow from role to role, person to person, and team to team. For example, an application from an ICT licensee should automatically be sent to the responsible DL employee (by email or text notification) and then onwards to other parties as needed. This "workflow" function will automate the transfer of tasks and enable more effective and efficient operations.

4. Time-bound tasks. Pursuant to the Pole Attachment Agreements and relevant regulations, tasks should be automatically monitored to ensure they are completed within the timeframes agreed.

QUESTION 14 Do you agree with the Office's proposal to direct DataLink to investigate the creation of an online database containing relevant information on CUC utility poles managed by DataLink? If not, explain in detail the reasons why you disagree.

C3 Response: Agreed.

QUESTION 15 If you agree with the Office's proposal to direct DataLink to investigate the creation of an online database containing relevant information on CUC utility poles managed by Data, what should be the requirements and scope of such a system? In particular, what information in relation to CUC utility poles should be included and which persons should have access to the database?

C3 Response: 1. Such a system could take the form of a list (as opposed to a relational database).

2. Access control. Said list should then be made available online via a portal with controlled credentials (usernames & passwords), and utilize multi-factor authentication for access.

3. Permitted Users. Nominated employees, agents, or contractors for each attached telco licensee should be granted credentials. Said credentials should be renewed each year to ensure that former employees, agents, contractors are removed. OfReg ICT should also be granted access.

4. Data format. The relevant data for each pole should include pole number, height, material (wood, concrete, metal, etc.), GPS coordinates, guy wires y/n, stabilizing attachments y/n, U/G riser pipes y/n.

QUESTION 16 Do you agree the Office has the jurisdiction under sections 6 and 62 of the URC Act to require DataLink to investigate the creation of an online portal or system for the submission of pole attachment permit applications and the issuance of pole attachment permits and/or the creation of an online database containing relevant information on CUC utility poles managed by DataLink?

C3 Response: Agreed.

Scope of Permit

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation that:

- a. the Pole Sharing Agreements be modified to include a more explicit condition in contract that *any* changes to the communications facilities authorised to be

attached to a pole under a permit *must* be reviewed by DataLink under the permit application process *before* the change is made;

- b. Attachers be required to report to DataLink all unauthorised attachments that have not yet come to the attention of DataLink, and must refrain from all future unauthorised attachments; and
- c. DataLink be required to review each unauthorised attachment that comes to its attention, determine the make-ready work that would have been required if the attacher in question had properly applied for a permit for the attachment under the Pole Sharing Agreement, and invoice the attacher the applicable make-ready work charges and complete the required make-ready works to ensure the protection of the electrical grid.

Questions

QUESTION 17 Do you agree with the Office's proposal to modify the Pole Sharing Agreements to include a more explicit condition in contract that *any* changes to the communications facilities authorised to be attached to a pole under a permit *must* be reviewed by DataLink under the permit application process *before* the change is made? If not, explain in detail the reasons why you disagree.

C3 Response: Agreed.

QUESTION 18 Do you agree with the Office's proposal to require Attachers to report to DataLink all unauthorised attachments that have not yet come to the attention of DataLink, and must refrain from all future unauthorised attachments? If not, explain in detail the reasons why you disagree.

C3 Response: Agreed.

QUESTION 19 Do you agree with the Office's proposal to require DataLink to review each unauthorised attachment that comes to its attention, determine the make-ready work that would have been required if the attacher in question had properly applied for a permit under the Pole Sharing Agreement, and invoice the attacher the applicable make-ready work charges? If not, explain in detail the reasons why you disagree.

C3 Response: Agreed.

QUESTION 20 Do you agree that the requirements should apply only to unauthorised attachments made after a final determination in this proceeding, or do you consider that they should apply to all unauthorised attachments, irrespective of when they were made or discovered? If the latter, describe in detail the power or jurisdiction that the Office would exercise in order to require retrospective adjustments to make-ready work charges.

C3 Response: Agreed.

QUESTION 21 Are there are other remedies that the Office should consider instead, such as mandatory removal of all unauthorised attachments? If yes, describe in detail the advantages or disadvantages of such other remedies including, without limitation, the impact on existing services provided to consumers.

C3 Response: No input.

QUESTION 22 Should different considerations apply to unauthorised attachments made by ICT licensees outside of the communication space. for example, in light of the danger to the safety and security of persons and of the electricity network, should they be subject to mandatory removal and/or to review under section 91 of the URC Act with a view to possible levying of administrative fines?

C3 Response: No input.

QUESTION 23 In light of the current limit of one Attachment per Assigned Space set out in Appendix C of the Pole Sharing Agreements, what process do you consider should apply when an Attacher seeks to replace an existing communications facility on a pole with a new facility, without interrupting service to consumers?

C3 Response: No input.

Timely Exercise of Access Rights

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation that a permit to attach to a pole should remain effective unless the right to attach contained in that permit is not exercised within no less than 200 calendar days after the date all permits in the same batch of poles have been issued.

Questions

QUESTION 24 Do you agree with the Office's proposal to ensure a permit to attach to a pole remains effective unless the right to attach contained in that permit is not exercised within no less than 200 calendar days after the date all permits in the same batch of poles have been issued? If not, explain in detail why you disagree.

C3 Response: [Agreed.](#)

QUESTION 25 Should the duration of the period to exercise the right to attach remain 200 calendar days or should it be modified? If so, what should be the new period to exercise the right to attach? Explain in detail why and, in particular, how changing the period to exercise might promote an efficient, economic and harmonised utilisation of infrastructure.

C3 Response: [Remain as-is.](#)

QUESTION 26 Alternatively, should Article IV.F be removed from the Pole Sharing Agreements? Explain in detail why and, in particular, how removing Article IV.F might promote an efficient, economic and harmonised utilisation of infrastructure.

C3 Response: [No input.](#)

Exchange of Forecasts

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, the Office proposes, subject to consultation, that attaching utilities be required to the Owner Utility (DataLink or CUC, as applicable) periodic forecasted attachment requirements over the next three-year period.

Questions

QUESTION 27 Do you agree with the Office's proposal attaching utilities be required to the Owner Utility (DataLink or CUC, as applicable) periodic forecasted attachment requirements over the next three-year period? If not, explain in detail why you disagree.

C3 Response: [Reasonable. However, given the forecasts are effectively commercially sensitive information, DL should be required to treat them as such and be forbidden from disclosing this data to any outside party.](#)

QUESTION 28 How often should attaching utilities be required to provide the forecasts, if any, and at what level of geographic specificity?

C3 Response: Between 3 to 5 years.

QUESTION 29 Should such forecasts, if any, include only new attachments, or should all attachments be included?

C3 Response: New only.

QUESTION 30 Should the forecasts, if any, be binding?

C3 Response: No. If they are to be considered binding on the applicant, then they should be considered applications for attachment and processed accordingly.

QUESTION 31 In light of the fact that DataLink also competes with the other attachers as an ICT licensee, what measures should be implemented, if any, in order to protect the confidential and commercially-sensitive information of the other attachers?

C3 Response: Forecasts could be sent to OfReg. The Office can then anonymise the data and forward the batch of consolidated information to DL. Attachers A, B, C, D, etc.

Right to Perform Work Pre-
Permit Surveys Proposals

1. Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation that:
 - a. DataLink shall permit attaching utilities to perform pre-permit surveys prior to submitting pole attachment permit applications to DataLink.
 - b. These pre-permit surveys shall consist of visual surveys only and may be subject to reasonable terms and conditions such as a requirement to give DataLink reasonable advance notice of an intent to carry out a pre-permit survey.
 - c. DataLink shall publish the information it reasonably requires from a pre-permit survey in order for DataLink to process an application for a pole attachment permit.
 - d. DataLink shall provide training at a reasonable cost to the persons proposing to do the Pre-Permit Surveys, and may also carry out a verification process whereby DataLink may audit a representative number of Pre-Permit Surveys to verify compliance with the requirements.

2. Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation that:

DataLink shall maintain an up-to-date list of all CUC utility poles, which shall include information on the X and Y coordinates, height, CUC pole number or equivalent information, and size of communications space (where known) of each such pole, and shall provide the list upon request to ICT licensees who have executed a master joint use pole sharing agreement with DataLink.

Questions

QUESTION 32 Do you agree with the Office's proposal that DataLink permit attaching utilities to perform pre-permit surveys prior to submitting pole attachment permit applications to DataLink? If not, explain in detail why you disagree.

C3 Response: Agreed.

QUESTION 33 Do you agree with the Office's proposal that these pre-permit surveys would consist of visual surveys only and may be subject to reasonable terms and conditions such as a requirement to give DataLink reasonable advance notice of an intent to carry out a pre-permit survey? If not, explain in detail why you disagree.

C3 Response: Agreed.

QUESTION 34 Do you agree with the Office's proposal that DataLink publish the information it reasonably requires from a pre-permit survey in order for DataLink to process an application for a pole attachment permit? If not, explain in detail why you disagree.

C3 Response: Agreed.

QUESTION 35 Do you agree with the Office's proposal DataLink provide training at a reasonable cost to the persons proposing to do the Pre-Permit Surveys, and carry out a verification process to verify compliance with the requirements? If not, explain in detail why you disagree.

C3 Response: Agreed.

QUESTION 36 Do you agree with the Office's proposal that DataLink maintain an up-to-date list of all CUC utility poles, which shall include information on the X and Y coordinates, height, CUC pole number or equivalent information, and size of communications space (where known) of each such pole, and shall provide the list upon request to ICT licensees who have executed a master joint use pole sharing agreement with DataLink? If not, explain in detail why you disagree.

C3 Response: Agree. Each pole currently has a unique number. There must therefore exist a list or database of poles, along with location data. This is standard practice within the power industry and expected of an entity to manage a critical element of their T&D infrastructure. The age of wooden poles in particular, should be tracked in order to plan replacement of poles as they age and become less structurally sound.

Make-Ready Work

Proposal

Pursuant to section 69 (2), in order to promote an efficient, economic and harmonized use of infrastructure, and to promote competition in the provision of ICT networks and ICT services, the Office proposes that, subject to consultation:

DataLink is required to permit third parties to perform make-ready work, including make-ready work in the electrical space or involving electrical facilities on the utility pole, provided all of the following conditions are satisfied:

- a. DataLink has failed to meet the timelines set out in Article VII (or equivalent) of the Pole Sharing Agreement, and DataLink and the relevant attaching utility have not agreed to new timelines;
- b. The attaching utility in question has requested in writing that a third-party contractor perform the work;

- c. The third-party contractor holds all certifications and qualifications required for the make-ready work in question (DataLink shall publish the relevant certifications and qualifications); and
- d. Whether or not the third-party contractor is paid by the attaching utility, the third-party contractor must be under the supervision and control of CUC personnel and contractually bound to CUC.

Questions

QUESTION 37 Do you agree with the Office's proposal that DataLink be required to permit third parties to perform make-ready work, including make-ready work in the electrical space or involving electrical facilities on the utility pole, provided certain conditions are satisfied? If not, explain in detail why you disagree.

C3 Response: Agreed.

QUESTION 38 Are the proposed conditions appropriate? Are there are other relevant considerations that the Office should consider?

C3 Response: No input.

Pre-Conditions for Pole Swaps /

Replacements

Proposals

Subject to consultation, that upon receipt of a request to attach to a CUC utility pole, DataLink should replace the pole with one capable of accommodating up to four attachers, and that the costs of pole replacement should be shared by all attachers who have included the pole in their attachment demand forecasts, as this means they would sooner or later be requesting access.

In the event the Office concludes that it does not have jurisdiction to mandate such a solution, the Office proposes in the alternative, subject to consultation, that DataLink should first attempt to accommodate all attachment requests within the existing communications space before replacing the pole with a pole with can accommodate up to four attachers, subject to the terms discussed below.

The Office proposes, subject to consultation, that the requester pay for the cost of replacing the pole with one that can accommodate up to four attachers.

Questions

QUESTION 39 Do you agree with the Office's proposal that upon receipt of a request to attach to a CUC utility pole, DataLink should replace the pole with

one capable of accommodating up to four attachers, and that the costs of pole replacement should be shared by all attachers who have included the pole in their attachment demand forecasts. If not, explain in detail why not.

[C3 Response: Agreed.](#)

QUESTION 40 In your view, does the Office has power to mandate such a solution under the current ICT Act and Regulations? Provide your reasoning in detail.

[C3 Response: Agreed.](#)

QUESTION 41 In your view, can the parties (Owner Utilities and Attaching Utilities) agree to such a solution, in the event the Office does not have the power to mandate such a solution under the current ICT Act and Regulations? Provide your reasoning in detail.

C3 Response: Yes. Would be a commercial agreement outside a regulatory mandate, subject to standard contract law.

QUESTION 42 Do you agree with the Office's alternative proposals that DataLink should first attempt to accommodate all attachment requests within the existing communications space before replacing the pole with a pole with can accommodate up to four attachers, that in such a case the requester should pay for the cost of replacing the pole with one that can accommodate up to four attachers, provided that, if a pole was installed between 1996 and 2016 and does not have a 1-foot 8-inch communications space, DataLink should bear half the cost of replacing the pole unless DataLink can demonstrate that Flow declined future use of the pole in question under the terms of the 1996 CUC-Flow Pole Sharing Agreement? If not, explain in detail why not.

C3 Response: Agreed. Would be more efficient, less costly and aid in rapid fiber rollout.

Standard Poles

Proposal

The Office also considers that any new definition would have significant implications on the apportionment of costs associated with installing such poles, particularly in light of Condition 7.1 of CUC's T&D Licence.

Accordingly, the Office will not propose for consultation a revised definition of "standard utility pole" at this time.

Questions

QUESTION 43 Do you agree with the Office's preliminary view that it should not propose for consultation a revised definition of "standard utility pole"?

C3 Response: Agreed.

QUESTION 44 If not, explain in detail the reasons why you disagree, provide a revised definition of "standard utility pole", and describe in detail how the application of that revised definition would promote an efficient, economic and harmonised utilisation of infrastructure on Grand Cayman.

C3 Response: No input.

Issues Relating to the Charging Principles (Consultation 2016-2 Part C) - Proposals and Questions

Recurring Charges for the Attachment of Communications Cables

Questions

QUESTION 45 Is DataLink pricing formula for calculation of the “Annual Attachment Fee” an appropriate pricing methodology for determining cost-oriented prices for attachment of communication cables onto CUC’s utility poles, and if so, why.

C3 Response: No. It should be based on a bare pole, no more than say 30’ that would ensure that there is space for 18’6” road crossing height. The 3’ for attaching telecom utilities, safety space from 21’6” to 25’ and the space for CUC to connect it power, any poles above this height would only be for the benefit of CUC infrastructure, there should be no annual CPI increases for the space. This would therefore also change the formulas as it relates to the space allocation on the pole.

QUESTION 46 If DataLink pricing formula for calculation of “Annual Attachment Fee” is not an appropriate pricing methodology, what other methodology should be used for determining cost-oriented prices for attachment of communications cables onto CUC’s utility poles.

C3 Response: No input.

QUESTION 47 If DataLink pricing formula for calculation of the “Annual Attachment Fee” is an appropriate pricing methodology, should any changes be made in the various elements of the formula, namely:

- o Net Cost of a Bare Pole,

- o Space Factor,

- o CUC’s Annual Carrying Charge Rate,

o Inflation, and

o Management & Overhead.

C3 Response is of the view that formula in the present Datalink MPJUA has a bit of double dipping and formula needs to be reviewed.

Net Cost of the Bare Pole- should be based on a 30' Pole.

Space Factor- 12.5% is acceptable.

CUC Annual Carrying Charge- presently at $\square\%$ with CUC making a $\square\%$ return on asset, C3 is of the view this return should be in line with regular commercial rental asset in Cayman that range from 5-10%, not surely not $\square\%$ on an asset that it is already being used to calculate the return on its electrical distribution business.

Inflation- this is set at $\square\%$, why are their rates for pole rental to telcom allowed to have an annual $\square\%$ inflation rate, again this will result in the cost of telcom services to increase each year, on an asset that its primary use is to deliver electrical services to its customers. Furthermore it is not insured and the last time the island was hit by a major hurricane the customers of Cayman contributed to a fund to rebuild this infrastructure, which should clearly be considered, on any revenue model used to calculate the attachment fees, maybe these fees should be used to go towards a fund in the event there is another Hurricane the people of the Cayman Islands will not once again for any portion of the replacement of this infrastructure.

Rather than inflation, straight line depreciation of the asset value should be part of the cost formula.

Management & Overhead- $\square\%$ is acceptable

QUESTION 48 Provide your view as to whether or not DataLink pricing formula has any effect on the prices electricity users pay to CUC and/or the potential profitability of CUC's business operations resulting from the provision of access to its utility poles, including any evidence you have to support your view.

C3 Response: C3 has not data to provide input on this question but clearly CUC expects to make % return on the utility poles.

Again, since DL is a licensed telecom provider, the cost of the infrastructure, in this case the communications space on the poles, should be subject to straight line asset depreciation, as per normal infrastructure sharing cost models.

CUC can not expect to earn a return on the poles because they are not allowed, under their OfReg license, to generate income from other sources other than power generation and distribution.

QUESTION 49 Provide your view as to whether or not DataLink's ability to access CUC's utility poles at no charge has the effect of limiting either the efficient and harmonised utilisation of infrastructure or the promotion of competition in the provision of ICT services or ICT networks.

C3 Response: DL has fixed telephony license and is therefore a potential competitor for all the attachers who also have that license type. It is clear therefore, that the objective of fair competition can not be met unless and until the pole attachment conditions apply to all FIVE attachers; C3, Digicel, Flow, Logic AND DataLink.