

HEAD OFFICE & BUSINESS CENTRE

P.O. Box 293, Grand Cayman
KY1-1104 Cayman Islands



P: 345.949.7800

Tuesday, April 25, 2017

Mr. Sonji Myles
Deputy Director - ICT / FOI Manager
Utility Regulations and Competition Office
PO Box 2502
Alissta Towers, 3rd Floor
Grand Cayman, KY1-1104

Dear Mr. Myles,

RE: INDUSTRY WORKING GROUP – Flow final position paper

Cable and Wireless (Cayman Islands) Limited, dba Flow, acknowledges receipt of the Utility Regulation and Competition Office's ("the Office") 6 April 2017 letter, in which it states that Industry Working Group ("IWG") members "are required to prepare and submit their final position papers" to the Office. We hereby submit the company's final position on the issues identified by the Office for discussion by the IWG.

Before presenting the company's final position on these issues, we wish to first express our concern and confusion with the process the Office has pursued in organizing these voluntary meetings. At the outset of the process, according to the Office's 9 December 2016 letter to IWG members, we understood the purpose for establishing these meetings was only to "facilitate" communication between Datalink and other Licensees, in order to address what the Office characterized as "inefficiencies" in the process.

However, after Datalink and other Licensees informed the Office there was no longer a need for such facilitation—as the issues identified by the Office had already been resolved by IWG members—it was then made apparent by the Office that participation was a requirement, as was a final report expressing each member's final position on the issues raised by the Office.

We remind the Office that the process of procuring and securing pole attachments from Datalink is a commercial process. Licensees clearly indicated to the Office that this process had been completed to the parties' satisfaction, and no further meetings "facilitated" or otherwise by the Office were necessary. We believe that if the Office's objective was as it initially stated, then this should have been sufficient to conclude the IWG meetings. Therefore, we are concerned by the Office's persistence in pursuing these meetings and confused as to what the Office's true objectives are in the process.

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We now turn to responding to the Office's set of issues and identifying our final position on each issue. The issues raised by the Office for consideration by the IWG are fourfold:

1. The need for a standard pole attachment contract between Datalink and other Licensees;
2. The need for pole attachment specification standards;
3. The sufficiency and timeliness of Datalink's pole attachment permit application process; and
4. Updates on Licensees network rollout timelines.

With regard to issues 1-3, as we have informed the Office previously, Datalink and Flow have already commercially negotiated and finalized a pole attachment contract. This contract specifies, to the company's satisfaction, both the specification standards for and timelines for securing pole attachments. At this point in time, Flow's position is that until there is a clear indication of market failure, we do not believe there is a need for regulatory intervention or a regulatory "solution" to these issues.

With regard to issue 4, Flow indicates this issue does not apply to the company. Flow has met its network rollout obligations, and at this time does not seek to express a view on whether or how other Licensees have satisfied their network rollout obligations.

Please do not hesitate to contact me should you have any questions.

Yours Sincerely,
Cable and Wireless (Cayman Islands) Limited

A handwritten signature in blue ink, appearing to read "Victor Salgado", written over a horizontal line.

Victor Salgado
Chief Executive Officer