



CABLE & WIRELESS

Our Ref: GRCR GR 15.4
30 July 2004

Mr. David Burnstein
Senior Economist
Information, Communication Technology Authority
P.O. Box 2502GT
3rd Floor Alissta Towers
Grand Cayman

Dear Mr. Burnstein,

**Re: ICTA FLLRIC Public Consultation – CD (2004) 1
Interrogatories Set 1**

Pursuant to your interrogatories of 25 June 2004, please find attached Cable and Wireless (“C&W”) responses to your interrogatories. We also attach a copy of our responses to the interrogatories from Wireless Ventures (Cayman Islands) Limited and Digicel Cayman Limited.

As a matter of understanding, we find it appropriate to reiterate the purpose of Phase 1 of this proceeding, as a number of our responses are based on the purpose as stated in ICTA’s Consultative Document CD (2004) 1. Without this understanding, a number of our responses could be construed as unresponsive; however, our responses are entirely consistent with the purpose of Phase 1 of this proceeding. In the Consultative Document, the ICTA stated that the purpose of Phase 1 of this proceeding is:

...to identify generally accepted economic and “best practice” regulatory costing principles to be adopted by [Cable & Wireless] in a FLLRIC model.¹

That is, in this phase of the proceeding the Authority will determine principles and guidelines that C&W will use in implementing a FLLRIC model. C&W’s “Follow-Up Proposal” submitted to the ICTA on 7 November 2003 addresses principles; it does not present an implementation of those principles. The *implementation* of a model is specifically contemplated in Phase 2 of this proceeding as stated by the Authority in the Consultative Document:

In Phase 2, the Authority will evaluate a preliminary implementation of the FLLRIC model based on the initial Phase 1 determinations.²

¹ CD (2004) 1 at 1.

² CD (2004) 1 at 1.

A number of the interrogatories in Phase 1 of this proceeding do not relate to the merits of a particular principle or guideline, rather they relate to the implementation of principles, which is more appropriately addressed in Phase 2 of the proceeding. C&W has not begun implementing a FLLRIC model, and we maintain that the application of principles (or “misapplication” as Digicel references in its interrogatory number 9) can only be identified after principles have been determined. Therefore, responses to a number of interrogatories are premature at this time.

The printed and signed documents will be delivered to you 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
Erik Whitlock, VP Regulatory C&W