

PUBLIC NOTICE

NEW PRICE CAP PLAN FOR ECTEL MEMBER STATES

November 26, 2009

1. The National Telecommunications Regulatory Commission is in receipt of this notice from the Eastern Caribbean Telecommunications Authority (ECTEL) announcing the implementation of a new Price Cap Plan (PCP) for the ECTEL Member States.
2. The first Price Cap Plan for regulating the fixed services of Cable & Wireless (LIME) in the ECTEL Member States expires on November 30, 2009.
3. In accordance with regulation 27 of the Telecommunications Retail Tariff Regulations, ECTEL and LIME have agreed to a new Price Cap Plan for the ECTEL Member States and ECTEL has recommended its adoption for the Commonwealth of Dominica.
4. Some of the major elements of the new Plan include, among other things, a complete cut of all Access Deficit Charges (ADCs) payable to LIME by April 1, 2010; reductions to LIME's Fixed to Mobile (FTM) calling rates, as well as additional reporting requirements on LIME for the duration of the price cap period.
5. The reporting period for the new price cap will be April 1 to March 31; therefore there will be a transition period from December 1, 2009 to April 1, 2010 when the first full year of the new price cap begins. The primary purpose of the bridge period is to match the annual PCP period (ending March 31 of each year) with LIME's financial reporting period.
6. During the bridge period
 - All regulated services will be capped at existing prices with no price increases allowed. However, LIME can apply for price reductions. A rate change compliance filing must be submitted with such applications, and LIME can introduce new services.
 - LIME will **not** be required to submit an Annual Compliance Filing.
 - There will be a moratorium on the introduction of new bundles unless LIME complies with the requirements for bundles in the new Price Cap Plan.

7. At the conclusion of the four-month bridge period, LIME will have some reporting obligations, including:
 - A report on all price reductions, new services introduced, and bundles introduced.
 - The first Annual Compliance Filing under the new Price Cap Plan.
 - Undated tariffs for regulated services.
 - Other documentation required under the new Price Cap Plan.

8. Upon approval by the NTRC, the new Price Cap Plan will be published in the ECTEL Member States.

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