



**REPORT ON THE STANDARDS OF SERVICE FOR
CABLE & WIRELESS (BARBADOS) LTD.**

ANNUAL REPORT
April 1, 2012 - March 31, 2013

Date: October 18, 2013

INTRODUCTION

This report is an assessment of the performance of Cable & Wireless (Barbados) Limited (C&W) with respect to both the Guaranteed and Overall Standards of Service for the period April 01, 2012 to March 31, 2013. The Standards of Service was first implemented in June of 2006 and revised in 2010 and will be undergoing a review in 2013. These Standards apply to the residential and business landline services of C&W. The Standards of Service does not apply to the Company's ADSL (Internet), Mobile or to Television services. The performance of the Company was analysed based on the C&W Standards of Service Decision issued by the Fair Trading Commission in February 2010.

The assessment is divided into two sections. Section 1 is the assessment of the Guaranteed Standards of Service. Guaranteed Standards of Service require C&W to make a compensatory payment to each individual customer affected by the Company's failure to meet the defined target for the relevant standard. Included in this section is an assessment of the number of customer claims under the Standards of Service for the period concerned.

Section 2 is an assessment of the Company's Overall Standards of Service. These standards measure the Company's overall efficiency in delivering its regulated services to its customers. The Guaranteed and Overall standards are differentiated by the fact that the Company compensates customers for breaches of the Guaranteed Standards of Service, while for breaches of Overall Standards of Service, customers receive no compensation.

SECTION 1 - GUARANTEED STANDARDS OF SERVICE

The Guaranteed Standards of Service measure the performance of the Company in providing its services to individual customers. Failure by the Company to meet these standards requires compensatory payments to the individual customers in the form of credits to their individual accounts. Credits are normally applied in the month following the confirmation of the breach of the standard.

Table 1: Guaranteed Standards of Service for April 01, 2010 – March 31, 2013

STANDARD	TARGET	AVERAGE % COMPLIANCE APR 2010 – MAR 2011	AVERAGE % COMPLIANCE APR 2010 – MAR 2012	AVERAGE % COMPLIANCE APR 2012 – MAR 2013
<p>GTS1A Approval of Service</p> <p>The time it should take for approval of an application form from submission to approval</p>	<p>Residential Customers - no more than 7 working days</p> <p>Business Customers - no more than 5 working days</p>	<p>Residential - 99.09</p> <p>Business - 96.73</p>	<p>Residential - 93.14</p> <p>Business - 92.63</p>	<p>Residential - 89.27</p> <p>Business - 75.96</p>
<p>GTS1B Installation of Service</p> <p>The time it takes for the actual provision of service where plant is available</p> <p>Installation refers to service up to the demarcation point which is the network interface device (NID)</p>	<p>Residential Customers - no more than 7 working days</p> <p>Business Customers - no more than 5 working days</p>	<p>Residential - 94.72</p> <p>Business - 87.63</p>	<p>Residential - 82.32</p> <p>Business - 90.77</p>	<p>Residential - 81.88</p> <p>Business - 76.91</p>

STANDARD	TARGET	AVERAGE % COMPLIANCE APR 2010 - MAR 2011	AVERAGE % COMPLIANCE APR 2010 - MAR 2012	AVERAGE % COMPLIANCE APR 2012 - MAR 2013
<p>GTS2 Fault Repair</p> <p>The speed at which faults due to failure of C&W's equipment or systems are repaired</p> <p>Faults due to inside wiring or customer owned equipment are not included</p>	<p><u>Dry Season (Dec. 1 - May 31)</u> Residential - 12 working hours Business - 8 working hours</p> <p><u>Wet Season (June 1 - Nov. 30)</u> Residential - 40 working hours Business - 16 working hours</p>	<p>Residential - (Dry) - 39.38 Business - (Dry) - 68.16 Residential - (Wet) - 76.12 Business - (Wet) - 70.73</p>	<p>Residential - (Dry) - 63.35 Business - (Dry) - 92.66 Residential - (Wet) - 59.32 Business - (Wet) - 78.62</p>	<p>Residential - (Dry) - 44.07 Business - (Dry) - 65.30 Residential - (Wet) - 31.82 Business - (Wet) - 53.33</p>
<p>GTS3 Repeated Loss of Service</p> <p>The reoccurrence of a fault of the same nature, within 30 days of occurrence of the original fault, on C&W's network. Loss of service is defined as no dial tone</p>	<p>Faults should not reoccur within 30 days of repair of first failure</p>	<p>Residential - 97.85 Business - 95.27</p>	<p>Residential - 95.84 Business - 97.36</p>	<p>Residential - 96.01 Business - 75.21</p>
<p>GTS4 Response to Customer Complaints</p> <p>This refers to the timeframe in which C&W acknowledges a customer's complaint relating to billing, malfunctioning network, quality of service or similar issues</p>	<p>Acknowledgement within 7 working days after receipt of letters</p> <p>Acknowledgement within 5 working days for telephone, fax or e-mail complaints</p>	<p>Residential - Letters - 88.53 Business Letters - None received Residential - Tel/Fax - 75.56 Business - Tel/Fax - 83.55</p>	<p>Residential - Letters - 86.20 Business Letters - None received Residential - Tel/Fax - 78.54 Business - Tel/Fax - 88.03</p>	<p>Residential - Letters - 69.06 Business Letters - 72.28 Residential - Tel/Fax - 51.10 Business - Tel/Fax - 72.28</p>

STANDARD	TARGET	AVERAGE % COMPLIANCE APR 2010 - MAR 2011	AVERAGE % COMPLIANCE APR 2010 - MAR 2012	AVERAGE % COMPLIANCE APR 2012 - MAR 2013
<p>GTS5 Customer Appointments</p> <p>These scheduled appointments pertain to visits by C&W's representatives to correct faults on the service provider's network up to and including the network interface device, where access to the customer's premises is necessary but restricted</p>	<p>All customer appointments should be honoured</p> <p>Morning (8:00 a.m. to 12:00 noon) or afternoon (1:00 p.m. to 4:00 p.m.) appointments may be scheduled</p>	<p>Residential - 81.46</p> <p>Business - None Received</p>	<p>Residential - 67.27</p> <p>Business - None Received</p>	<p>Residential- 70.14</p> <p>Business - No recorded breaches</p>
<p>GTS6 Reconnection after Disconnection for Non-Payment</p> <p>Notification to C&W, where appropriate and acknowledgement of receipt of payment required</p>	<p>Reconnection of the service should occur within 8 working hours of acknowledgement of payment</p>	<p>Residential - 99.78</p> <p>Business - 99.88</p>	<p>Residential - None received</p> <p>Business - None received</p>	<p>Residential - No recorded breaches</p> <p>Business - No recorded breaches</p>
<p>GTS7 Wrongful Disconnection</p> <p>This refers to situations where customers are deprived of service due to system errors by C&W</p> <p>Not applicable where disconnection arises out of circumstances pertaining to an overdue amount</p>	<p>Reconnection within 1 working hour of notification</p>	<p>Residential - 82.77</p> <p>Business - 100</p>	<p>Residential - 99.99</p> <p>Business - 100</p>	<p>Residential - No recorded breaches</p> <p>Business - No recorded breaches</p>

GTS1A - Approval of Service

Guaranteed Standard of Service 1A refers to the time it should take for approval of an application from submission of the applicant's form to its approval. The compliance rate for this standard in respect of business customers declined to 75.96% compared to 92.63% the previous year. The number of breaches for business customers was recorded at 28 compared to 29 in the previous year. The compliance rate for residential service also declined, to 89.27% compared to 93.14% in the previous year. The number of breaches recorded for residential service was 384 compared to 324 for the previous year, an increase of 18.5%.

GTS1B - Installation of Service

Guaranteed Standard 1B refers to the time it takes between the advice that the service application is approved and the actual provision of service where plant is available. Installation of service should take no more than five (5) business days for business customers, while residential installations should take no more than seven (7) business days. Compliance with the target for installation for business customers showed a marked decline to 76.91% compared to 90.77% for the previous year. The number of breaches recorded for business for the period was 35, which doubled the amount of 17 recorded in the previous year. The installation rate for residential service declined marginally to 81.88% compared to 82.32% for the previous year. The number of breaches for residential service was 497 compared to 128 recorded in the previous year.

GTS2 - Fault Repair

The Standard of Service for Fault Repair requires that reported faults are corrected within 40 working hours for residential service and 16 working hours for business service during the wet season. The dry season requires that repairs be done within 12 working hours for residential service and eight (8) working hours for business service.

The percentage compliance for the residential service for the dry period declined significantly to 44.07% compared to 63.35% for the previous year. The number of breaches recorded for residential service was 17,568, which was more than double the 6,267 recorded in the previous year. The business service compliance for the dry period declined significantly to 65.30%

compared to 92.66% for the previous year. The number of breaches recorded for business service was 5,752 compared to 764 in the previous year. This performance was against a backdrop of heavy unseasonal rainfall and cable damage which had a significant impact on C&W's ability to carry out repairs.

Compliance for residential customers in the wet season averaged 31.72%, representing a marked decline from an already low 59.32% recorded in the previous year. The number of breaches recorded in the period for residential customers was 16,748 compared to 7,231. Business service compliance was recorded at 53.33% compared to 78.62% for the previous year. The number of breaches for business segment for the period was recorded at 2,533 compared to 445 for the previous year.

Cable & Wireless recorded 12 instances of damage to its cables for this period, the same as the previous year. This affected 7,259 customers compared to 7,853 customers. The Company attributed factors such as vehicular accidents, cable theft, road works and fire damage as reasons for the increase in cable damage.

The data provided by C&W for the Fault Repair standard showed that the overall performance declined significantly. The Commission believes that the Company may not be deploying adequate resources to manage the challenges it has in providing adequate service to its customers, in regard to this standard.

GTS3 - Repeated Loss of Service

The Standard of Service for Repeated Loss of Service requires that there be no loss of service within 30 days of a repair being done for either residential or business service. Compliance for business customers for the period was 75.21% compared to 97.36% for the previous year. The number of breaches for business service was recorded at 429 compared to 167 in the previous year. Performance for residential customers was 96.01% compared to 95.84% compliance for the previous year. The number of breaches for residential service was recorded at 796 compared to 417 in the previous year, representing an increase of 90.88%.

GTS4 - Response to Customer Complaints

Cable & Wireless' acknowledgement of complaints delivered by fax for residential phones was 51.10% compared to 78.54% for the previous year. The number of breaches for residential service was recorded at 1,422 compared to 638 in the previous year. Compliance in respect of business service complaints faxed to C&W for the current year averaged 72.28% compared to 88.03% for the previous year. The number of breaches for business service was recorded at 18 compared to 14 in the previous year, representing an increase of 28.57%. In respect of the complaints delivered by letter, no instances were recorded by C&W for business customers; however residential compliance declined to 69.06% compared to 86.20% for the previous year. The number of breaches for residential (letter) complaints was recorded at 26 compared to 16 in the previous year.

GTS5 - Customer Appointments

Compliance for residential service improved, averaging 70.14% compared to 67.27% for the previous year. There were no breaches recorded for this standard for the business customers for the current year or the previous year. The number of breaches for residential appointments was recorded at 18 compared to 91 in the previous year.

GTS6 - Reconnection after Disconnection (for non-payment)

The Standard of Service for Reconnection after Disconnection for non-payment requires that both residential and business customers be reconnected within eight (8) working hours of notification of payment. Cable & Wireless recorded no exceptions during the year in either business or residential service.

GTS7 - Wrongful Disconnection

There were no exceptions recorded for this standard for the year for either business or residential service. Compliance for the residential service was 82.77%; the business segment recorded 100% compliance for the previous year.

Customer Claims Summary

Customers are compensated by direct credit to their accounts for breaches of Guaranteed Standards of Service. Cable & Wireless recorded a total of 46,848 breaches for 2012/2013, compared to 16,805 breaches for the previous year. There were 7,363 customers compensated for breaches of the Guaranteed Standards compared to 2,427 customers in the previous year, a marked increase in the number of persons receiving compensation. However the number of customers receiving compensation represented fewer than 16% of those that were eligible.

Table 2: Customer Claims Summary April 01, 2010 to March 31, 2013

CATEGORY	2010/2011	2011/2012	2012/2013
Persons eligible for compensation	18,674	16,805	46,848
Persons actually receiving compensation	4,673	2,427	7,363
Percentage of eligible customers receiving compensation	25.02%	14.44%	15.72%

SECTION 2 - OVERALL STANDARDS OF SERVICE

Overall Standards of Service measure the overall efficiency of the Company in the provision of its fixed line services. Breaches of these standards do not require compensation to customers as required under the Guaranteed Standards. Cable & Wireless performed favourably in four (4) of the seven (7) Overall Standards during the period under review.

Table 3: Overall Standards of Service for April 01, 2010 to March 31, 2013

OVERALL STANDARD	TARGET	AVERAGE % COMPLIANCE APR 2010 - MAR 2011	AVERAGE % COMPLIANCE APR 2011 - MAR 2012	AVERAGE % COMPLIANCE APR 2012 - MAR 2013
OTS1 Fault Repair	80% of faults should be repaired within a 24-hour period	58.84	71.17	47.94
OTS2 Repeated Loss of Service	No more than 5% of faults should reoccur within 30 days of repair of first failure	97.36	98.96	98.60
OTS3 Working Payphones	At least 95% of the public payphones should be in working order daily	98.89	98.96	93.68
OTS4 Trunk Blocking This is the percentage of calls which originated on a single network which have been successfully completed during designated peak traffic periods	At least 95% of the calls should be completed during peak traffic	99.85	99.74	99.92

OVERALL STANDARD	TARGET	AVERAGE % COMPLIANCE APR 2010 - MAR 2011	AVERAGE % COMPLIANCE APR 2010 - MAR 2011	AVERAGE % COMPLIANCE APR 2012 - MAR 2013
OTS5 Billing Accuracy	Billing errors must be no more than 0.5% of the total bills issued	0.07	0.09	0.08
OTS6 Customer Service Response Time	At least 80% of calls must be answered within 60 seconds of being handed off by the IVR system to the service representative queue	79.61	75.37	60.98
OTS7 Interactive Voice Response (IVR) Time	At least 80% of calls to the customer service number must be answered by the IVR within 30 seconds of making the call	Unavailable	Unavailable	Unavailable

OTS1 - Fault Repair

The target for this standard is that at least 80% of the faults should be repaired within the first 24 working hours of reporting. For the 12 months ending March 31, 2013 the average was 47.94%, a significant decline from 71.17% recorded for the same period in 2012. Fault Repair continues to perform below the 80% acceptable level specified in the standards. Cable & Wireless recorded 40,694 breaches for the review period compared to 14,016 breaches for the previous year. This represents a 190.33% increase compared to the 27.5% decline in the previous year.

OTS2 - Repeated Loss of Service

This standard refers to the repeated or frequent loss of phone service resulting from a fault of the same nature, within 30 days of the occurrence of the original fault, due to problems on the service provider's network.

The target for this overall standard is 95% compliance. The average for the current year was 98.60%, compared to 99.24% for the same period in the previous year. The total number of reports for this fault was 1,248 compared to 502 for the same period in 2012.

OTS3 - Working Payphones

This standard refers to the number of payphones which are fully functional on a daily basis. The compliance target for working payphones is 95.0%. The average for the current period was 93.68% compared to 99.24% for the previous year. Cable & Wireless recorded 385 breaches for the review period compared to 70 breaches for the previous year.

OTS4 - Trunk Blocking

This is the percentage of calls which originated on a single network which have been successfully completed during designated peak traffic periods. The average for the current period was 99.86% compliance, compared to 99.74% in the previous year. Cable & Wireless recorded 123,699 breaches for the review period compared to 17,979 breaches for the previous year.

OTS5 - Billing Accuracy

This reflects the accuracy of the service provider's billing system as given by the information presented. The compliance rate for this requires that no more than 0.5% of the bills be inaccurate. The average for the current period was 0.08%, compared to 0.09% for the previous year. Cable & Wireless recorded 650 breaches for the review period compared to 597 breaches for the previous year.

OTS6 - Customer Service Response

This standard reflects the time taken before the Interactive Voice Response passes a call to a customer service representative. At least 80% of the calls must be answered within 60 seconds of hand-off from the IVR system. The performance for this standard averaged 60.97% compared to 75.37% for the previous year which were both below standard. Cable & Wireless recorded 111,872 breaches for the review period compared to 278,456 breaches for the previous year.

OTS7 - Interactive Voice Response

This Standard reflects the time taken by the Interactive Voice response to answer calls to the customer service number. Calls must be answered within 30 seconds of making the call. The Company has advised that the call centre system is unable to retrieve this information. The Commission will address this matter during the upcoming review of the Standards of Service.

SUMMARY

Cable & Wireless was able to significantly exceed most of the minimum levels stated in the Overall Standards of Service. Information from the Company indicated that performance exceeded 90% for four (4) out of the seven (7) standards. The lowest recorded compliance which C&W achieved was for Fault Repair (OTS), which averaged 47.94%, a significant decline over the previous year's 71.17% and well below the 80% threshold. The underperformance of this standard may be attributed to heavy unseasonal rainfall, road works and vehicular collisions with utility poles. Cable & Wireless is unable to retrieve the relevant information for Interactive Voice Response (OTS7) from its Call Centre operating system.

Cable & Wireless' performance in respect of the Guaranteed Standards of Service for the current year has generally been significantly below that for the 2011/2012 period. There was marked deterioration of performance in regard to the Fault Repair (GTS2), Repeated Loss of Service (GTS3) and Customer Complaints (GTS4). However, there were no exceptions recorded in the Reconnection after Disconnection (GTS6) and Wrongful Disconnection (GTS7).

In reviewing the data from C&W with respect to the standards, there has been a general increase in the number of breaches recorded in all categories of most of the Guaranteed and Overall standards, compared with the previous year. Anecdotal evidence suggests that C&W has been restructuring its operations, which may have affected the Company's ability to meet the Standards of Service performance targets.

The significant increase in the number of faults and fall-off in performance by the Company is cause for concern and the Commission will monitor the performance of these standards closely.