



Fair Trading Commission

Consultation Paper

REVIEW of CABLE & WIRELESS (Barbados) Ltd. STANDARDS OF SERVICE

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PUBLIC CONSULTATION ON THE REVIEW OF THE STANDARDS OF SERVICE FOR CABLE & WIRELES (BARBADOS) LTD

Purpose of Document

1. The Fair Trading Commission “the Commission” is reviewing the Standards of Service decision for Cable & Wireless (Barbados) Ltd. “C&W” which was implemented on June 1, 2006.
2. The Commission is of the opinion that both consumers and service providers have become familiar with the operations of the standards of service. Consequently the views and the opinions of stakeholders are being sought through the process of public consultation on the review of the standards of service. These views will be taken into consideration by the Commission in its determination.
3. The purpose of this consultation is to determine among other things:
 - a) Whether the objectives for the implementation of the Standards of Service were met i.e. was it beneficial to both consumers and the service provider.
 - b) Whether any additional Guaranteed or Overall standards of service should be implemented.
 - c) What time period is most appropriate before review of the standards of service, currently it is a two year period.
 - d) Whether any of the Guaranteed or Overall standards need to be modified or removed.
 - e) Whether the system of compensatory payment is adequate, and whether the number of exemptions should be revised.

4. The consultation process
 - a) brings to public attention important issues relating to utility regulation to promote public understanding and debate;
 - b) puts forward options and/or proposals as to the approach to adopt in dealing with these issues and seeks to resolve them in the best interests of the consumer, the service provider and the society at large; and
 - c) invites comments from interested parties, such as consumers, service providers, businesses, professionals and academics.

5. In general with consultation papers, the issues at hand will influence the nature of the document and its content. On some issues, the Commission may simply set out what it regards as the available options and, although there may be some analysis of the pros and cons of the options, it may be that no one option emerges as the favoured or proposed approach. In other consultation papers, the issues are such that the Commission may set out a clear preference for a particular approach and invite comments on this basis.

6. The Commission encourages the widest possible participation in this consultation process. In addition to making this document available at its offices, it will be posted on the Commission's website.

7. The Consultation period will begin on **October 29, 2008** and end on **November 28, 2008 at 4.00 p.m.**

SECTION 1 - BACKGROUND

Legislative Framework

8. The functions of the Commission encompass the important aspect of the setting of standards. Section 3(1) of the Utilities Regulation Act, CAP 282, states that the Commission shall, in relation to the service provider:-

(a) determine the standards of service applicable;

(b) monitor the standards of service supplied to ensure compliance; and

(c) carry out periodic reviews of the rates and principles for setting rates and standards of service.

9. The Commission therefore has responsibility for determining and monitoring the standards of service offered and carrying out periodic reviews of the standards of service for utilities under its jurisdiction.

10. Section 4 of the Utilities Regulation Act CAP 282 states that in determining standards of service the Commission shall have regard to:-

(a) the rates being charged by the service provider for supplying a utility service;

(b) ensuring that consumers are provided with universal access to the service supplied by the service provider;

(c) the national environmental policy; and

(d) such other matters as the Commission may consider appropriate.

11. Rule 63 of the Utilities Regulation (Procedural) Rules 2003, S.I. 2003 No. 104 indicates that service standards may include issues such as:-

(a) Universality of service;

(b) The provision of new services;

- (c) The extension of services to new customers;*
- (d) The maximum response time permitted for responding to customer complaints;
and*
- (e) Standards related to service qualities which are specific to each sector.*

12. Under Statutory Instrument (S.I.) No. 108 Telecommunications (Regulated Services) Order 2003, the following categories of telecommunications services were determined to be subject to regulation by the Commission:

- (a) International telecommunications services;*
- (b) Domestic voice telecommunications services;*
- (c) Services in respect of interconnection charges;*
- (d) Leased circuits; and*
- (e) International simple resale*

13. The Commission has the responsibility to monitor the standards of service under the Utility Regulation Act CAP. 282 Section 3(1). However, schedules to the Fair Trading Commission Act and Statutory Instrument 108, in addition to the Utilities Regulation Act give the Commission authority over the fixed line business of C&W (Barbados) Ltd.

Update on Current Telecommunications Sector

14. Since the start of liberalisation of the telecommunications sector in 2002, we have seen the entry of new service providers in this market. However, most of these players have concentrated their efforts on the provision of services within the mobile sub-sector and to some extent into fixed wireless and internet services. Despite liberalisation of the telecommunications market, fixed line services remain under the control of C&W.

15. Examination of data from the Central Bank's annual statistical digest is indicative of growth in this sector. Gross domestic product at real prices for transport storage and communication increased from Bds\$80.2 million to Bds\$96.1 million between 2002 (when liberalisation was introduced) and 2006, a rate of growth of 4.95 % in real terms. With convergence it is expected that consumers would have greater choices at more competitive prices.
16. Convergence refers to the crossing of multiple industries. No longer are companies which provide fixed line, mobile and internet services confined to their own markets but there is the combination of all these different media into one operating platform. Service providers may now offer consumers a combination of these services over one type of equipment such as the mobile phone.
17. Additionally late in 2007 the Ministry responsible for Telecommunications issued a VOIP policy (voice over internet policy), an equal access and indirect access policy and a two stage dialing policy. It is hoped that these new policies will lead to a greater expansion in the number and quality of telecommunications services offered to Barbadians.
18. Nevertheless fixed line services in the telecommunications sector remain important for a number of reasons. The percentage of households with fixed line telephone is well above 90%. This figure remains high despite the introduction of mobile telephone services. The fixed line service is considered an essential service consequently the introduction of the standards of service were to ensure that the quality of the product and its delivery to the consumer remain at a consistently high level.

SECTION 2 - C&W STANDARDS OF SERVICE

19. The standards of service for regulated utility services came into effect on June 1, 2006. The standards were in respect of the Barbados Light and Power Company Ltd. the monopoly provider of electricity, and C&W (Barbados) Ltd., the dominant provider of telecommunications services. Both these utilities are identified in the relevant legislation.

20. The Commission gave the following reasons for its Standards of Service Decision for C&W in 2006. These were:
 - a) The Commission believes that the establishment of mandatory standards of service benefits of both the consumer and the service provider; consumer confidence is boosted and the Company is encouraged, through the provision of incentives, to improve the level of service proffered. Section 3 (1) of the Utilities Regulation Act, CAP. 282 make provision for the Commission to determine standards of service and monitor the standards to ensure compliance.

 - b) The Commission considers that with the transition to Price Cap, it is even more critical to have enforceable standards to mitigate against the possibility of the Company neglecting standards when attempting to improve efficiency under this new regulatory structure.

 - c) The Commission is cognisant that as the industry becomes more competitive there may be a need to reconsider the standards of service regime. The Commission is of the opinion that to set too rigid a policy in relation to standards of service in advance of new entrants operating in the market would be an improper exercise of its statutory powers.

21. The Commission was of the opinion that:

- the establishment of Guaranteed and Overall standards for regulated telecommunication services was appropriate;
- the standards of service developed were specific to the service provider and mandatory;
- C&W customer service charter should be expanded to include the guaranteed standards as stipulated in its decision; and
- exemption from the standards of service is appropriate under force majeure and other specified conditions.

Existing Standards of Service

22. The decision outlines seven guaranteed and five overall standards of service. These guaranteed standards require that C&W make compensatory payments to each individual consumer who is affected by the company's failure to meet defined targets. Overall standards reflect the overall performance of the company. There are no compensatory payments to consumers for breaches of the overall standards.

Guaranteed Standards

23. The existing Guaranteed Standards are described as follows:

- *Installation of Service* -This refers to the time between the approval of customer's application for service and the actual provision of service, where plant is available. Service installation refers to installation up to the demarcation point which is the network interface device (NID).

- ***Fault Repair*** - The speed with which faults due to failure of the service provider's equipment or systems are repaired, (faults due to inside wiring or customer owned equipment are not included).
- ***Repeated loss of Service*** - This refers to the recurrence of a fault of the same nature, within 30 days of occurrence of the original fault, on the service provider's network. Loss of service is defined as no dial tone.
- ***Response to Customer Complaints*** - This refers to the time frame in which a service provider acknowledges a customer's complaint relating to billing, malfunctioning network, quality of service or similar issues.
- ***Customer Appointments*** - These scheduled appointments pertain to visits by the service provider'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. This does not include appointments pertaining to customers' premises equipment (CPE) or internal wiring.
- ***Reconnection after disconnection for non-payment*** - This refers to the timely reconnection of a customer's service after payment of overdue amounts following notification to the service provider, where appropriate, and their acknowledgement of receipt of payment.
- ***Wrongful disconnection*** - This refers to situations where customers are deprived of service due to system errors by the service provider. This standard is not applicable where disconnection arises out of circumstances pertaining to an overdue amount, specifically the service provider's non-acknowledgement of payment.

Overall Standards

24. Overall standards are designed to reflect the overall performance of the company and are not defined by the service which an individual customer receives. There is no compensation to customer for failure to meet overall standards.

25. The Commission adopted Overall Standards for the fixed line telephone service in the following areas:
 - Fault Repair
 - Repeated Loss of Service
 - Working Payphones
 - Trunk Blocking
 - Billing Accuracy

SECTION 3 - ANALYSIS OF STANDARDS OF SERVICE PERFORMANCE FOR THE TWO YEAR PERIOD JUNE 1, 2006 TO MAY 31, 2007 & JUNE 1, 2007 TO MAY 31, 2008

26. A comparison of C&W's performance in respect of the standards of service for the years June 1, 2006 to May 31 2007 and June 1, 2007 to May 31 2008 has been prepared based on the annual and quarterly reports submitted by the Company.

Table 1: Comparison of C&W Guaranteed Standards Performance for the Years June 1, 2006 to May 31, 2007 & June 1, 2007 to May 31, 2008

Standard	Service Category	Target	Average % 2006 /2007	Average % 2007/2008
GTS 1 Installation of Service	Business	≤7 working days	75.48	74.31
	Residential	≤ 15 working days.	87.1	90.39
GTS 2 Fault Repair Wet season/Dry season	Business	≤ 16 /8 working hours	82.72	75.84
	Residential	≤40/12 working hours	66.01	59.93
GTS 3 repeated loss of service	Business	No repeats <30 days	93.99	94.87
	Residential		94.87	94.83
GTS 4 Customer complaints	Business (Letters)	Response ≤ 7 working days	99.89	100
	Business(Fax/ Tele)	Response ≤ 5 working days	92.92	89.23
	Residential (letters)	Response ≤ 7 working days	97.74	100

Standard	Service Category	Target	Average % 2006 /2007	Average % 2007/2008
	Residential (Fax/Tele)	Response ≤ 5 working days	88.57	79.58
GTS 5 Customer Appointments	Business	≤ 15 minutes grace period	100	N/A
	Residential		88.16	74.81
GTS 6 Reconnection after disconnection	Business	No more than 8 working hours	100	99.93
	Residential		98.58	99.88
GTS 7 Wrongful Disconnection	Business	No more than 1 working hour	99.87	50
	Residential		84.86	86.53

Please see Appendix 1 for the current standards of service.

27. Comparison of the data for the period shows performance that averages over 75% in most cases the two year period. Fault repair was the standard which C&W reported lowest results. This was due to unseasonal weather conditions, industrial action and road construction activities which resulted in damaged cables over various parts of the island.

Installation of Service

28. There have been some occasions where a customer made as installation request, had their application approved but was then advised that plant was not available. This situation leads to frustration and inconvenience.

Question 1: Should the process for approval be such that Company only gives approval to a customer's installation application after there has been due consideration of the availability of plant?

Fault Repair

29. The company has experienced some difficulty in meeting this standard. For the 2006/2007 period compliance for fault repair for business averaged 82.72% compared to 75.84% for the 2007/2008 year. The average for residential compliance also declined from 66.01% to 59.93% for the same period. C&W attributed this to challenges posed by unseasonal rainfall, lightning damage, unplanned power outages and equipment failures.
30. This is the only guaranteed standard that has two separate targets, one for the dry season, the other for the wet season. Some consumers have expressed frustration with this situation, expressing the view that they should not have to bear the burden of what they consider to be inefficiency by the company. The decision to use wet/dry season targets was based on discussion with C&W who indicated that the wet season led to delays in their crews performing needed repair work on their lines. Consequently the Commission decided to allow for a longer amount of time to effect repairs during the wet season. However, having two targets could possibly lead to abuses in this area where repairs are not done in a timely manner. The data received so far on this standard suggests that it may need to be reviewed, one solution could be to have one target. One could also relax the wet season target and tighten the dry season target and/or raise the compensation to consumers.

Question 2: Should the guaranteed standard for fault repair be adjusted from a two target system to a one target system with increased/decreased target time for repairs to be completed and service restored to the consumer? Should the level of compensation be increased?

Customer Complaints

31. The Company's reporting of business customer complaints delivered by letters was 99.89 % for the 2006/2007, while those received by telephone fax by business for the same period was 92.92%. Residential customer complaints delivered by letter for the same period averaged 97.74 %, while those delivered by telephone fax averaged 88.57%. Compliance for customer complaints for letters delivered by business for the period 2007/2008 indicated there were no breaches in this regard as there was full compliance by C&W to this standard. Full compliance was reported for complaints delivered by letters for residences as well. In the case of business complaints there were very few reports of complaints, with only 4 in June of 2007. Consequently, it may be necessary to revise this standard to focus specifically on complaints made by telephone and email as this appears to be the preferred means of communication.

Customer Appointments

32. These scheduled appointments pertain to visits by the service provider'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. This does not include appointments pertaining to customers' premises equipment (CPE) or internal wiring.
33. The information supplied by C&W for this standard of service indicated that there were no breaches of the standard of service for business customer appointments for the 2006/2007 or 2007/2008 year. Compliance for the residential segment averaged 88.16% for the 2006/2007 and declined for the 2007/2008 year averaging 74.81%.

Question 3: What changes would you make in the standard of service for Customer Appointments?

Overall standards

Table 2: Comparison of C&W Performance Overall Standards for the Years June 1 2006 to May 31 2007 & June 1, 2007 to May 31, 2008.

Standard	Service Category	Target	Average % Achieved in 2006/2007	Averages % Achieved in 2007/2008
OTS 1	Fault repair	80% with 24 working hours	72.57	68.03
OTS 2	Repeated loss of service	95 % or more of faults should reoccur within 30 days repair of first failure	94.66	96.15
OTS 3	Working payphone	At least 95 % of working payphone in working order daily	99.71	99.78
OTS 4	Trunk Blocking	At least 95 % of calls should be completed during traffic	99.76	99.84
OTS 5	Billing accuracy	No more than 0.5 % of the total bills issued	0.1	0.1

34. C&W's performance in regards to the overall standards for the two year period show that four out of the five categories of the specified targets were achieved and reached in excess of 96%.
35. The exception was fault repair, OTS 1. Results for the periods 2006/2007 and 2007/2008 were below target due to unseasonal rainfall damage, damage from road works and stolen cables.

Question 4: Given the comparison in performances between 2006/2007 and 2007/2008 what changes would you suggest to the Overall Standard on Fault repair?

36. OTS 2, 3, 4 and 5 all registered averages for the 2006/2007 and 2007/2008 years at either close to or slightly above target. The good performance for the standard relating to working payphones is noted but in light of increasing penetration of cellular telephone use in Barbados the requirement for a standard relating to working payphones may be questioned.

Question 5: Should a standard of service for working payphones be maintained?

SECTION 4 - COMPARISON OF STANDARDS OF SERVICE IN BARBADOS WITH OTHER JURISDICTIONS

37. A comparison of standards of service regionally and internationally with Barbados is provided in Table 3. It consists of information from five countries including Barbados. It is being used to compare the standards of service in Barbados with similar standards for countries in the region (Jamaica), developing states of the similar size (Singapore), large developing states (India) and a large developed country (Canada).

38. Some jurisdictions have the authority to determine the standard (Quality) of service for other telecommunications services such as mobile and internet service. This authority is a feature of their specific governing legislation.

Question 6: Given the comparison in performances should there be a tightening of targets or should these be relaxed?

Table 3: Comparison of Standards of Service of Jamaica, Canada, India Singapore

Service Type	C&W Standards of Service 2006 ¹	Jamaica Proposed Standards ²	CTRC (Canada) ³	TRAI ⁴ (India)	INFOCOMM (Singapore) ⁵
<i>Service Installation</i> % of orders for services filled within a specified time.	Residential Customers- no more than 15 working days. Business customers - no more than 7 working days.	≥90% of all request to be completed within seven business days	≥90% completed within 5 working days for urban and 10 working days for rural	100 % of request for installation in < 7 working days	≥95 % within 5 working days or within time specified by customer
<i>Dial Tone delay</i> % of calls attempted during peak hour receiving dial tone within 3 seconds		>98% of calls to receive dial tone within 3 seconds	>98.5% of calls during busy hours o receive delay of 3 sec or less		
<i>Post Dialling delay</i> % of calls with post dialling delay within 12 seconds.		Inter-network delay Post dial delay less than 15 seconds for 95 % of call attempted. Intra-network Post dial delay within 10 seconds for 98 % of calls attempted			

¹ Fair Trading Commission Decision on the Standards of Service for Cable & Wireless (B'dos) Ltd February 28, 2006

² Quality of Service Standards for the Telecommunications sector; a consultative document Office of Utility Regulation Jamaica October 2007

³ Quality of Service Standards for the Telecommunications sector; a consultative document Office of Utility Regulation Jamaica October 2007

⁴ Telecom Regulatory Authority of India (TRAI) The Indian Telecom Services Performance Indicators October -December 2007. April 2008

⁵ Infocomm Development Authority Singapore QOS standards for fixed Network Telecommunication Service (Public basic Telephone Service www.ida.gov.sg/doc/Policies)

Service Type	C&W Standards of Service 2006¹	Jamaica Proposed Standards²	CTRC (Canada)³	TRAI ⁴ (India)	INFOCOMM (Singapore)⁵
<i>Call Completion ratio</i> % of call successfully completed during peak traffic hour	At least 95% of the calls should be completed during peak traffic	Local 95% call completion rate during peak traffic International 75 %		Local ->55%	
<i>Trouble reports</i> % of reported faults cleared within specified time.	<u>Dry Season</u> Residential – 12 working hours Business – 8 working hours <u>Wet Season</u> Residential – 40 working hours Business – 16 working hours Dry season – Dec. 1 to May 31 Wet season – Jun. 1 to Nov. 30	Out of service-90 % of such report to be cleared within 24hrs Service Affecting – 85% cleared within 48 hrs [Averaged over a 1 month period]	Out of service- 80% cleared within 24 hrs	90% cleared within by next working day.	No of faults reported per 100 Direct exchange lines<0.05 %.
Complaint handling % of customer complaints [written or verbal] resolved within the time period.	Acknowledgement within 5 working days for telephone, fax or email complaints. 7 working days after receipt for written complaints forwarded by post. Acknowledgement should include a commitment as to the date investigations would be completed	90% solved with 30 business days			
<i>Billing Accuracy</i> # of valid accuracy related billing per 1,000 bills	Billing errors must be no more than 0.5% of the total bills issued.	≤5 valid complaints per 1000 bills.	< 1 % of bills issued.	<0.1 % of bills issued should be disputed.	

Service Type	C&W Standards of Service 2006¹	Jamaica Proposed Standards²	CTRC (Canada)³	TRAI ⁴ (India)	INFOCOMM (Singapore)⁵
<i>Reconnection</i> Restoration of service after payment of overdue amounts	Reconnection of the service should occur within 8 working hours of acknowledgement of payment.	>90% of reconnections to occur within 24 hrs of receipt of overdue amount.		100% in < 7 Days	
<i>Planned outage</i> The notice to the public (Hours) for planned interruption of service		≥90% of planned outages to have a 48 hrs notice.			
<i>Local Service operator</i> % of calls answered in 20 seconds		≥90% within 20 sec		80% within 60 sec (voice) 80% within 20sec (electronic)	
<i>Directory Services</i> % of calls answered within 20 seconds		≥90% within 20 sec		As above	
Repair Service Centre % of calls answered within 20 seconds		≥90% within 60 sec	≥80% within 20 sec	As above	

Proposed Changes to the Standards of Service

Customer Service Response

39. In some jurisdictions the regulator has applied standards that pertain to the customer service response to customer calls such as :
- a) Local Service operator
 % of calls answered in 20 seconds
 - b) Directory Services
 % of calls answered within 20 seconds
 - c) Repair Service
 % of calls answered within 20 seconds
40. The Commission is aware that customers are not only interested in their calls being answers promptly but it is important that they get to speak directly with officers who are able to assist them with their particular problem.
41. The Commission is suggesting that there should be a standard of service for the customer service response time which states that :

Customer service Operator - 90% of calls should reach the service representative in 10 minutes

Question 7: What suggestions do you have in regards to a standard of service for customer service response time for C&W?

SECTION 5 - COMPENSATORY PAYMENTS AND EXEMPTIONS

42. The objective of a compensatory payment is to provide the incentive for the Company to ensure that specified levels of service quality are met. The levels of compensation were determined based on the need to provide an incentive for customers to claim re-imbursement for poor service, the increase in the domestic rates, and the comparison of C&W's proposed levels of compensation with other regional and international jurisdictions, were all factors that influenced the level of compensatory payment. The Commission allowed payments to be commensurate with outage time beyond target time where appropriate.
43. Under the system for guaranteed standards customers are eligible to make claims for monetary compensation for breaches of these standards by the Company.

Comparison of Customer Claims in 2006 and 2007

44. During the first year the annual reports submitted by the company were for the period June 1, 2006 to May 31 2007. However, the Commission adjusted the reporting period for C&W submission of reports to April 1 to March 31 to correspond to the financial year of the Commission. Consequently the reporting period for the 2006/2007 (May 31, 2006 to June 1, 2007) year differs from that for the 2007/2008 (April 1, 2007 to March 31, 2008) year. However, the data suggests some growth in claims by customers in relation to their claims under the guaranteed standards.

Year 2006/2007

45. **Customer Claims Summary** - A total of 14,965 customers were eligible for compensation under the guaranteed standards scheme during the period June 1, 2006 to May 31, 2007. Of those eligible for compensation 3,401 customers actually claimed and received compensation. The percentage of eligible customers receiving compensation therefore stood at 22.7% which translates to a claim rate of 1 in 4.4.

Year 2007/2008

46. **Customer Claims Summary** - Customers must first file a claim to the company to be eligible for monetary compensation. C&W recorded a total of 17,739 customers who were eligible for compensation during the review period. Of those eligible for compensation, 3,959 received compensation in the form of credits to their accounts at C&W. In addition, 7,525 of the 17,739 customers would have been deemed ineligible for compensation due to the exemption clauses in the Commission's Standard of Service Decision.

Total rebates for April 01, 2007 to March 31, 2008

	Number of Customers	Compensation
Eligible for Compensation	17,739	\$882,069.68
Actual Compensation	3,959	\$707,801.73
Percentage of eligible customers receiving compensation.	22.32 %	80.24 %

47. In view of the above statistics the Commission may want to consider the implementation of a system to automatically recognise that there was a breach of a specific guaranteed standard and to automatically compensate the individual customer for the inconvenience. This automated system would remove the need for the customer to complete a claim form, but may require technical changes to the Company's billing, tracking and reporting systems.

Question 8: What changes would you suggest to the level of compensatory payments, should they be increased from their present levels?

Question 9: Do you believe that the level of compensatory payment influenced customers to make claims when standards of service are breached by the company?

Question 10: What change would you suggest for compensation payments that are made on discreet blocks per unit of time, should the compensation remain as is or should it be changed to read (\$ X per hour or any part thereof) ?

Question 11: What is your opinion of an automated payment mechanism for customer compensation?

General Exemptions

48. The Commission instituted exemptions to the standards of service. The Commission is of the view that failure to meet guaranteed standards should not require compensatory payments from the service provider in situations where conditions outside the control of the service provider make it impossible to meet the targets.
49. The conditions for exemptions from standards are currently as follows:
- Acts of God;
 - a) Landslides
 - b) Hurricanes
 - c) Lightning
 - d) Earthquake
 - e) Storms
 - f) Floods

- Riot;
- Civil commotion;
- Strikes, lockouts, and other industrial disturbances;
- Acts of terrorism;
- Wars;
- Blockades;
- Insurrections;
- Epidemics;
- Trade restrictions;
- Inability to obtain any requisite Government permits; and
- Breakdown of machinery or equipment or any other force or cause of similar nature not within the control of the Company and which by the exercise of diligence it is unable to avoid, prevent or mitigate.

Other Exemptions and Conditions

50. The Commission is cognizant that other circumstances may exist from time to time which might impede the Company's ability to meet the prescribed standards of service. In such instances the Company is required to request authorisation from the Commission for exemption. Situations which might fall under this category may include but are not limited to the following:

- The service provider is requested by a public authority to provide emergency communication to assist in emergency action and the provision of such services restricts the connection of a customer to a specified service or the rectification of a fault or service difficulty;
- The service provider is prevented from providing a connection to a specified service, or the rectification of a fault or service difficulty due to the service provider being unable to obtain lawful access to the land or a facility;

- A law of Barbados prevents the service provider from complying with the service standard;
- After following the Company's credit and disconnection guidelines, the customer has not paid applicable charges and remains disconnected;
- The customer is required to pay a charge to the service provider for the connection to the service or for the use of the service; and
- The service provider has reasonable grounds to believe that the customer would be unwilling or unable to pay the charge as it becomes due.

Question 12: Do you believe that the type of general and other exemptions should be revised? Give reasons.

SECTION 6 - MONITORING AND ENFORCEMENT OF STANDARDS

51. The Commission has instituted a monitoring system for the Standards of Service. C&W is required to submit quarterly regulatory reports. These reports include information on:-

- The number of breaches under each guaranteed service category;
- The actual average times taken to respond to and /or rectify issues referred to under each guaranteed service category;
- The level of compliance, as a percentage, of each overall service category; and
- Details of any extenuating circumstances that would have prohibited the Company from achieving the targets of the overall standards.

52. C&W is required to submit annual reports. These reports include information on:

- The number of customers eligible for compensation during the previous financial year;
- The total value of eligible compensation;
- The number of customers actually receiving compensation; and
- The value of compensation remitted;

Question 13: Are you satisfied with the level of reporting?

SECTION 7 - CONSULTATION PROCESS

Background

53. The Fair Trading Commission (“the Commission”) established by the Fair Trading Commission Act, CAP 326B, is the regulator of international and domestic telecommunications services and electricity services.
54. In carrying out its duties as a regulator, the Commission must operate in a transparent, accountable and non-discriminatory manner. Consultative documents and the public consultation process are the main ways in which the Commission discharges its responsibilities relating to transparency and accountability.
55. In addition, the Commission is specifically charged under the Fair Trading Commission Act CAP 326B to consult with interested persons when it is discharging certain functions.
56. Section 4(4) of the *Fair Trading Commission Act, CAP. 326B* states:
- “The Commission shall, in performing its functions under subsection (3)(a), (b), (d) and (f)⁶, consult with the service providers, representatives of consumer interest groups and other parties that have an interest in the matter before it.”*

⁶ Section 4(3) of the Act states:

The Commission shall, in the performance of its functions and in pursuance of the objectives set out in subsections (1) and (2):

- (a) establish the principles for arriving at the rates to be charged by service providers;*
- (b) set the maximum rates to be charged by service providers;. . .*
- (d) determine the standards of service applicable to service providers;. . .*
- (f) carry out periodic review of the rates and principles for setting rates and standards of service of service providers.*

Consultative Documents

57. On important issues that arise in the regulation of the utility industries, the Commission may issue a consultative document, a public discussion paper, in which the Commission:
- (a) brings to public attention important issues relating to utility regulation to promote public understanding and debate;
 - (b) puts forward options and/or proposals as to the approach to adopt in dealing with these issues, to seek to resolve them in the best interests of the consumer, the service provider and the society at large; and
 - (c) invites comments from interested parties, such as consumers, service providers, businesses, professionals and academics.
58. In general with consultation papers, the issues at hand will influence the nature of the document and its content. On some issues, the Commission may simply set out what it regards as the available options and, although there may be some analysis of the pros and cons of the options, it may be that no one option emerges as the favoured or proposed approach. In other consultation papers, the issues are such that the Commission may set out a clear preference for a particular approach and invite comments on this basis.
59. The views and analysis set out by the Commission in a consultative document are intended to invite comments which may cause the Commission to revise its views.
60. The consultative document generally includes a series of specific questions on which the Commission is seeking comments. To ease the task of analysing comments, respondents should reference the relevant question numbers in the document. If they consider it appropriate, respondents may wish to address other aspects of the document for which the Commission has not prepared

specific questions. Failure to provide answers to all questions will in no way reduce the consideration given to the entire response. Commercially sensitive material should be clearly marked as such and included in an annex to the response.

Responding to this Consultation Paper

61. The Commission invites and encourages written responses in the form of views or comments on the matters discussed in the Paper from all interested parties including C&W, other licensed operators, government ministries, non-governmental organisations (NGO'S), consumer representatives, consumers, business and all other interested parties.
62. The Consultation period will begin on **October 29, 2008** and end on **November 28, 2008 at 4.00 p.m.** All written submissions should be submitted by this deadline. The Commission is under no obligation to consider comments received after 4:00 p.m. on November 28, 2008.
63. Copies of this Consultation Paper can be collected between the hours of 9.00 a.m. to 4.00p.m, Mondays to Fridays during the consultation period from the Commission's offices at the following address:

Fair Trading Commission
Good Hope
Green Hill
St. Michael
BARBADOS

64. The Consultation Paper can also be downloaded from the Commission's website at <http://www.ftc.gov.bb>
65. Respondents to the Consultation may submit responses in electronic format. The Commission would prefer that email responses forwarded to

info@ftc.gov.bb be prepared as word documents and attached to email cover letter .

66. Responses can be faxed to the Commission using fax number (246) 424-0300. Mailed or hand delivered responses should be addressed to the Chief Executive Officer at the above mailing address.

Confidentiality

67. The Commission is of the view that this consultation is largely of a general nature. The Commission expects to receive views from a wide cross section of stakeholders and believes that views and comments received should be shared as far as possible with all respondents.
68. **Respondents should therefore ensure that they indicate clearly to the Commission any response or part of a response that they consider to contain confidential or proprietary information.**

Analysis of Responses

69. The Commission expects, in most consultations, to receive a range of conflicting views. In such circumstances, it would be impossible for the Commission to agree with all respondents. Through its documents the Commission will seek to explain the basis for its judgments and where it deems appropriate give the reasons why it agrees with certain opinions and disagrees with others. Sometimes analysis of new evidence presented to the Commission will cause it to modify its view. In the interests of transparency and accountability, the reasons for such modifications will be set out and, where the Commission disagrees with major responses or points that were commonly made, it will in most circumstances, explain why.

List of Questions

1. Should the process for approval be such that Company only gives approval to a customer's installation application after there has been due consideration of the availability of plant?
2. Should the guaranteed standard for fault repair be adjusted from a two target system to a one target system with increased/decreased target time for repairs to be completed and service restored to the consumer? Should the level of compensation be increased?
3. What changes would you make in the standard of service for Customer Appointments?
4. Given the comparison in performances between 2006/2007 and 2007/2008 what changes would you suggest to the Overall Standard on Fault repair?
5. Should a standard of service for working payphones be maintained?
6. Question 6: Given the comparison in performances should there be a tightening of targets or should these be relaxed?
7. What suggestions do you have in regards to a standard of service for response time for customers calling the C&W?
8. What changes would you suggest to the level of compensatory payments, should they be increased from their present levels?
9. Do you believe that the level of compensatory payment influenced customers to make claims when standards of service are breached by the company?

10. What change would you suggest for compensation payments that are made on discreet blocks per unit of time, should the compensation remain as is or should it be changed to read (\$ X per hour or any part thereof) ?

11. What is your opinion of an automated payment mechanism for customer compensation?

12. Do you believe that the type of general and other exemptions should be revised? Give reasons.

13. Are you satisfied with the level of reporting?

APPENDIX 1



Guaranteed Standards for Cable & Wireless (B'dos) Ltd

Effective June 01, 2006

GTS	SERVICE CATEGORY	TARGET	COMPENSATORY PAYMENT
GTS 1	<p>Installation of Service</p> <p>This refers to the time between the approval of customer's application for service and the actual provision of service, where plant is available. Service installation refers to installation up to the demarcation point which is the network interface device (NID).</p>	<p>Residential Customers - no more than 15 working days. Business customers - no more than 7 working days.</p>	<p>Refund to customers of the applicable installation fee.</p>
GTS 2	<p>Fault Repair</p> <p>The speed with which faults due to failure of the service provider's equipment or systems are repaired. Faults due to inside wiring or customer owned equipment are not included.</p>	<p>Dry Season Residential - 12 working hours Business - 8 working hours</p> <p>Wet Season Residential - 40 working hours Business - 16 working hours Dry season - Dec. 1 to May 31 Wet season - Jun. 1 to Nov. 30</p>	<p>Refund of BDS\$15 to residential customers and BDS\$30 to business customers on breach of the target time. An additional BDS\$15 for each additional 12 or 40 working hours for residential customers, an additional BDS\$30 for each additional 8 or 16 working hours for business customers as dictated by the season.</p>
GTS 3	<p>Repeated Loss of Service</p> <p>This refers to the recurrence of a fault of the same nature, within 30 days of occurrence of the original fault, on the service provider'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>Refund of BDS\$15 to residential customers and BDS\$30 to business customers for repeated loss of service, due to the service provider's equipment, within 30 days of original fault.</p>
GTS 4	<p>Response to Customer Complaints</p> <p>This refers to the time frame in which a service provider acknowledges a customer's complaint relating to billing, malfunctioning network, quality of service or similar issues.</p>	<p>Acknowledgement within 5 working days for telephone, fax or email complaints. 7 working days after receipt for written complaints forwarded by post.</p> <p>Acknowledgement should include a commitment as to the date investigations would be completed.</p>	<p>Refund of BDS\$15 to residential customers and BDS\$30 to business customers on breach of the target time.</p>

	SERVICE CATEGORY	TARGET	COMPENSATORY PAYMENT
GTS 5	<p>Customer Appointments</p> <p>These scheduled appointments pertain to visits by the service provider'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>This does not include appointments pertaining to customers' premises equipment (CPE) or internal wiring.</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>Refund of BDS\$15 to residential customers and BDS\$30 to business customers (subject to 15 minutes grace period i.e. 12:15 p.m. for morning appointments and 4:15 p.m. for afternoon appointments) for missing agreed appointment.</p> <p>The service provider may reschedule an appointment; however the customer must be notified at least 8 working hours prior to the scheduled appointment.</p>
GTS 6	<p>Reconnection after Disconnection for Non-payment</p> <p>This refers to the timely reconnection of a customer's service after payment of overdue amounts following notification to the service provider, where appropriate, and their acknowledgement of receipt of payment.</p> <p>Where the overdue amount and reconnection fee is paid at an authorized payment point that is not on-line such as the post office or some banks, the customer is required to notify the Company and provide proof of payment through a receipt number</p>	<p>Reconnection of the service should occur within 8 working hours of acknowledgement of payment.</p>	<p>Compensation in the amount equal to the reconnection fee</p>
GTS 7	<p>Wrongful Disconnection</p> <p>This refers to situations where customers are deprived of service due to system errors by the service provider.</p> <p>This standard is not applicable where disconnection arises out of circumstances pertaining to an overdue amount, specifically the service provider's non-acknowledgement of payment.</p>	<p>Reconnection within 1 working hour of notification.</p>	<p>Automatic minimum payment of BDS\$15 to residential customers and BDS\$30 to business customers. Following this, if the service is not reconnected within 1 working day of the customer's report of wrongful disconnection compensation shall continue to accrue based on pro-rating of the month's line rental fee.</p>