



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

April 10, 2010 - March 10, 2011

Date: November 1, 2010

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, 2010 to March 31, 2011. This marks the first year for a review under the new C&W Standards of Service Decision which took effect on April 01, 2010, and will be in force until March 31, 2013. The assessment is divided into two sections.

Section 1 is the assessment of the Guaranteed Standards. Guaranteed Standards of Service require that C&W make a compensatory payment to each individual customer who is affected by the Company's failure to meet the defined target for the relevant standard. This section also contains an assessment of customer claims under the Guaranteed Standards of Service for the year. It also provides information on the number of claims for breaches of the Guaranteed Standards. Compensation is paid in the form of credit payments to the individual customer accounts, and is shown on the individual customer's bill, usually in the month following the processing of the claim.

Section 2 is the assessment of the Overall Standards of Service. These standards are designed to reflect the overall performance of the Company. There is no compensation to customers for failure to meet overall standards.

SECTION 1 - GUARANTEED STANDARDS OF SERVICE

The Guaranteed Standards of Service measures the performance of the company in providing its services to individual customers. Failure of the company to meet these standards requires compensatory payments to the individual customer in the form of credits to their accounts. Under the previous Standards of Service system, customer had to lodge a complaint with C&W in order to be eligible for such compensation.

The new Standards of Service regime implemented in April 2010 eliminates this procedure and customers' accounts are automatically compensated for breaches of two standards namely GTS 1B (Installation of Service) and GTS 6 (Reconnection after Disconnection). The analysis of the C&W performance is based on quarterly and annual reports submitted by the company to the Commission.

STANDARD	TARGET	AVG % COMPLIANCE APR 2008 – MAR 2009	AVG % COMPLIANCE APR 2009 – MAR 2010	AVG % COMPLIANCE APR 2010 – MAR 2011
<u>GTS 1 - Installation of Service</u> The time between the approval of customer's application for service and the actual provision of service where plant is available GTS 1 has been changed to GTS 1A and 1B	Residential – no more than 15 working days Business – no more than 7 working days	Residential – 90.64 Business – 75.28	Residential – 93.10 Business – 79.55	
<u>GTS 1A - Approval of Application</u>	Residential Customers - no more than 7 working days Business Customers - no more than 5 working days			Residential - 99.09 Business 96.73

STANDARD	TARGET	AVG % COMPLIANCE APR 2008 - MAR 2009	AVG % COMPLIANCE APR 2009 - MAR 2010	AVG % COMPLIANCE APR 2010 - MAR 2011
<u>GTS 1B - Installation of Service</u>	Residential Customers - no more than 7 working days Business Customers - no more than 5 working days			Residential - 94.72 Business 87.63
<u>GTS 2 - Fault Repair</u> The speed at which faults due to failure of C&W's equipment or systems are repaired Faults due to inside wiring or customer owned equipment are not included	<u>Dry Season (Dec. 1 - May 31)</u> <ul style="list-style-type: none"> Residential - 12 working hours Business - 8 working hours <u>Wet Season (June 1 - Nov. 30)</u> <ul style="list-style-type: none"> Residential - 40 working hours Business - 16 working hours 	Residential - 71.48* Business - 79.15*	Residential (Dry) - 90.81 Business (Dry) - 87.90 Residential (Wet) - 64.46 Business (Wet) - 62.7	Residential (Dry) - 39.38 Business (Dry) - 68.16 Residential (Wet) - 76.12 Business (Wet) - 70.73
<u>GTS 3 - Repeated Loss of Service</u> 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	Faults should not reoccur within 30 days of repair of first failure	Residential - 95.03 Business - 97.52	Residential - 95.96 Business - 93.39	Residential - 97.85 Business - 95.27
<u>GTS 4 - Response to Customer Complaints</u> 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	Acknowledgement within 7 working days after receipt of letters. Acknowledgement within 5 working days for telephone, fax or e-mail complaints.	Residential Letters - None Received Business Letters - None Received Residential Tel/Fax - 90.49 Business Tel/Fax - 94.99	Residential Letters - 43.96 Business Letters - None Received Residential Tel/Fax - 80.68 Business Tel/Fax - 78.48	Residential Letters - 88.53 Business Letters - None received Residential Tel/Fax - 75.56 Business Tel/Fax - 83.55

STANDARD	TARGET	AVG % COMPLIANCE APR 2008 - MAR 2009	AVG % COMPLIANCE APR 2009 - MAR 2010	AVG % COMPLIANCE APR 2010 - MAR 2011
<p><u>GTS 5 - Customer Appointments</u></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 - 82.23</p> <p>Business - No Instances</p>	<p>Residential - 83.37</p> <p>Business - None Received</p>	<p>Residential - 81.46</p> <p>Business - N/A</p>
<p><u>GTS 6 - Reconnection after Disconnection for Non-Payment</u></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 - 99.75</p> <p>Business - No Instances</p>	<p>Residential - 99.75</p> <p>Business - 99.78</p>	<p>Residential - 99.78</p> <p>Business - 99.88</p>
<p><u>GTS7 - Wrongful Disconnection</u></p> <p>This refers to situations where customers are deprived of service due to system errors by the service provider</p>	<p>Reconnection within 1 working hour of notification</p>	<p>Residential - 85.71</p> <p>Business - No Instances</p>	<p>Residential - 55.37</p> <p>Business - 12.5</p>	<p>Residential - 82.77</p> <p>Business - 100</p>

Table 1: Guaranteed Standards of Service for April 2008 - March 2011

GTS 1A - Approval of Service

The Standard of Service for Installation has been replaced by two new standards. These are Guaranteed Standard of Service 1A and Guaranteed Standard 1B. Guaranteed Standard of Service 1A refers to the approval of application for service and the time it should take for approval from submission of the applicant form to approval. Business applications for service should take five (5) business days while residential applications should take seven (7) business days. Data submitted to the Commission indicated that compliance for this standard was high. The approval rate for applications for telephone service for business customers was 99.09%. The installation rate for residential service was recorded at 96.73%. Since this was the first year of operation for this standard there were no figures for comparison to 2010/2009.

GTS 1B - Installation of Service

Guaranteed Standard 1B is the new installation standard and related to installation of service after approval. This refers to the time it takes between the advice that the application is approved 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). Installation of service should take five (5) business days for business customers, while residential installations should take seven (7) business days. Data submitted to the Commission indicated that compliance for this standard was quite good. The installation rate for telephone service for business customers was 87.63%. The installation rate for residential service was higher, it was 94.72%. As this was the first year of operation for this standard there were no figures for comparison.

GTS 2 - Fault Repair

The Standard of Service for Fault Repair requires that reported faults are corrected in no less than 40 working hours for residential service and 16 working hours for business service during the wet season. During the dry season the standard states

that repairs are to be done in no less than 12 working hours for residential service and 8 working hours for business service.

The percentage compliance for business service for the dry period was 68.16% compared to 87.90% for the 2010/2009 year, while that of residential service was 39.38% compared 90.81% for the 2010/2009 year. Cable & Wireless submitted that unseasonal rainfall had a significant impact on its ability to carry out repairs, particularly after the passage of Tropical Storm Tomas, the after effects of which lingered into December 2010. Persistent rainfall which occurred during January, February and March (which is supposed to be the dry season) caused performance in this standard to be below 30% for January and February it was also below 50% for March. This was substantially below an acceptable level of performance by C&W and as such accounts for the poor overall performance during this period.

Percentage compliance for the wet season was considerably above that for the dry season and recorded an improved performance, though below an acceptable performance level. Business service compliance was recorded at 70.73% compared to 62.7% for the previous year. Compliance for residential customers averaged 76.12% compared to 64.46%, an improvement over the previous year despite the difficulties due to Tropical Storm Tomas and in a period of generally above average rainfall for the wet season. Cable & Wireless recorded eight instances of damage to its cables compared to 12 instances in the previous year. This affected 3,850 customers compared to 6,350 customers for the 2009/2010 year. The cable damage was caused by vehicular accidents, cable theft, road works and fire damage.

In addition there was considerable damage to C&W's external plant as a result of the impact of Tropical Storm Tomas. The damage from the storm led to the company's application of a *force majeure* provision in the Standard of Service Decision and the consequential suspension of the Standards of Service from October 30 to November 29, 2010. During this period customers were not compensated for the company's breaches of any of the Guaranteed Standards.

GTS 3 - 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 was 95.27% compared to 93.39% for the same period in the previous year. Performance in the residential sector for 2011/2010 was 97.85% compared to 95.96% compliance for 2010-2009.

GTS 4 - Response to Customer Complaints

The Standard of Service for Response to Customer Complaints requires that C&W responds in seven (7) working days or less to complaints delivered by letter for both residential and business service. Complaints which are telephoned or faxed to C&W require a response in five (5) working days for both residential and business customers. Cable & Wireless response to business service complaints faxed to them for the current year averaged 83.55% compared to 78.48% for the previous year. Acknowledgement of faxed complaints for residential service had an average of 75.56% compared to 80.68% for the previous year. Compliance for response to complaint letters for residential service was recorded at 88.53% compared to 43.96% for the previous year.

GTS 5 - Customer Appointments

These are scheduled appointments which pertain to visits by C&W representatives to correct faults on the service provider's network up to and including the network interface device. As in the previous year there were no instances recorded for this standard for business customers. Compliance for residential service averaged 81.46% compared to 83.37% for the previous year.

GTS 6 - 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 in no more

than eight (8) working hours of notification of wrongful disconnection. Compliance for business service for 2011/2010 was 99.88% compared to 99.78% for the previous year. The compliance rate for residential service achieved for 2011/2010 was 99.78% compared to 99.75% for 2009/2010.

GTS 7 - Wrongful Disconnection

The Standard of Service for Wrongful Disconnection requires that both the residential and business customer be reconnected in no more than one (1) working hour where customers were deprived of service due to system errors. Cable & Wireless achieved 100% compliance for its business service for 2010/2011 compared to 12.5% for the previous year. Compliance in the residential service for this year was 82.77% compared to 55.37% for the previous year.

Customer Claims Summary

The Standards of Service Decision 2010 now eliminates the need for customers to fill out claim forms for breaches of Guaranteed Standards GTS 1B and GTS 6. Compensation is automated and customers are compensated by the company through direct credit to their accounts. Manual claims are still required for breaches of the other Guaranteed Standards of Service. For the 2010/2011 year, C&W recorded a total of 18,674 instances under the Guaranteed Standards compared to 10,470 customers for the previous year. This is an increase of 8,204 claims. This increase can be attributed in part to the weather conditions and Tropical Storm Tomas. Of those eligible for compensation 4,673 customers received compensation compared to 620 who received compensation in the 2009/2010 year, an increase of 4,053 over the previous year.

Customer Claims Summary

CATEGORY	2008/2009 NUMBER OF CUSTOMERS	2009/2010 NUMBER OF CUSTOMERS	2010/2011 NUMBER OF CUSTOMERS
Persons eligible for compensation	15,245	10,470	18,674
Persons actually receiving compensation	2,389	620	4,673
Percentage of eligible customers receiving compensation	16%	5.92%	25.02%

Table 2: Customer Claims Summary

SECTION 2 OVERALL STANDARDS OF SERVICE

Overall Standards of Service measure the performance of C&W. This information provides an indication of the reliability and availability of the operations of C&W's fixed line service. There are now seven Overall Standards with the introduction of OTS 6 and OTS 7; OTS 6 refers to Customer Service Response Time which is the time taken for a representative to respond to customer service call from the time the phone rings, while OTS 7 is the Interactive Voice Response Standard. 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.

C&W submitted no information on OTS 7 and has advised that the call centre facility, to which this service has been outsourced, is experiencing challenges in the measurement of this standard. The Commission is pursuing this matter with the Company.

OVERALL STANDARD	TARGET	% ACHIEVED	EXTENUATING CIRCUMSTANCES
Fault Repair (OTS 1)	80% of faults should be repaired within a 24 hour period	2010/2011 58.84 2009/2010 82.89	Rainfall, loss of electricity and damage to cable as a result of road works adversely impacted the utility's operations.
Repeated Loss of Service (OTS 2)	95% or more of faults should not reoccur within 30 days of repair of first failure	2010/2011 97.36 2009/2010 94.81	N/A
Working Payphones (OTS 3)	At least 95% of public payphones should be in working order daily	2010/2011 98.89 2009/2010 99.26	N/A
Trunk Blocking (OTS 4) This is the percentage of originated calls 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.	2010/2011 99.85 2009/2010 99.47	N/A
Billing Accuracy (OTS 5)	Billing errors must be no more than 0.5% of the total bills issued.	2010/2011 0.07 2009/2010 0.10	N/A
Customer Service Response time (OTS 6)	At least 80 % of calls must be answered within 60 sec of being handed off by the IVR system to the service representative queue	2010-2011 79.61	N/A

Table 3: Overall Standards of Service for April 2009 - March 2011

OTS 1 - Fault Repair

The target for this standard is that 80% of the faults should be repaired within the first 24 working hours of reporting. For the 12 months ending March 31, 2011, the average was 58.84% declining from the 82.89% recorded for the same period in 2009/ 2010. Cable & Wireless recorded 19,333 breaches for 2010/2011. This standard was adversely affected as a result of the after effects of Tropical Storm Tomas, which caused considerable damage to C&W external plant.

OTS 2 - Repeated Loss of Service

This standard refers to the repeated loss of phone service, within 30 days of the occurrence of the original fault, due to problems on the service provider's network. Overall performance for the period under review was good/acceptable, despite the severe weather challenges posed. The average for the 12-month period ending March 31, 2011 was 97.36%, compared to 94.81% for the same period for 2010. The target for this overall standard is 95% compliance. The total number of reports for this fault for the period was however quite high at 19,333 compared to 5,735 for the same period last year.

OTS 3 - 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 this standard improved to 99.89% compared to 99.26% for the same period for 2010.

OTS 4 - 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 12-month period ending March 31, 2011 was 99.85% compliance, compared to 99.47% for the same period in 2010.

OTS 5 - Billing Accuracy

This reflects the accuracy of the service provider's billing system. The compliance rate for this requires that no more than 0.5% of the bills be inaccurate. The average for the 12-month period ending March 31, 2011 period was good at 0.15%, which is considerably above the 0.53% for 2009/2010.

OTS 6 - Customer Service Response

This standard reflects the time taken before a customer service representative answers a call passed on from the Interactive Voice Response. At least 80% of the call must be answered within 60 seconds of hand-off.

The performance for this standard averaged 79.61% for the year ending March 31, 2011, which was marginally below standard. The month with the highest compliance was May 2010 which was recorded at 90.0%, while the lowest compliance was recorded for the month of November at 71.03%.

OTS 7 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. Cable & Wireless has been unable to resolve this information.

SUMMARY

Cable & Wireless was able to attain most of the minimum levels stated in the Overall Standards of Service. The lowest recorded compliance which C&W achieved was for Fault Repair OTS 1, which averaged 58.85% compared to 82.89% for the previous 12-month period. This poor performance can be attributed to heavy unseasonal rainfall and the impact of Tropical Storm Tomas during the month of October, which caused considerable damage to C&W external plant. In addition there was also damage to its cables due to various road works, vehicular accidents, cable thefts and fires across the island. There was no information supplied to the Commission for OTS 7. Cable & Wireless advised that the Call centre operator, who now manages this newly outsourced function, does not have their systems set up in the manner which would capture the relevant information. It is anticipated however, that this will be corrected in the coming year.

Cable & Wireless' performance in respect of the Guaranteed Standards of Service has generally improved somewhat in the 2010/2011 year when compared to that of the previous year. Improvements were recorded in GTS 2 Fault Repair Standard (wet season), GTS 4 Customer complaints and GTS 7 Wrongful Disconnection. Decreases in performance were recorded for the residential service for the Fault Repair Standard (Dry season), which is somewhat surprising. It must be added that the performance of the Fault Repair Standard continues to be below an acceptable level.