

National Telecommunications Regulatory Commission (Saint Lucia)

PUBLIC NOTICE

APPROVAL OF NEW PRICE CAP PLAN

July 9, 2010

1. The National Telecommunications Regulatory Commission (The Commission) of Saint Lucia hereby notifies the public that it has approved a new Price Cap Plan (PCP) for regulating certain aspects of the fixed line telecommunications services of Cable and Wireless (Saint Lucia) Ltd trading as LIME, effective **15th April 2010**. The duration of the PCP shall be approximately three (3) years, with a possibility of extension by one (1) additional year.
2. Pursuant to Regulation 28 of the *Telecommunications (Retail Tariff) Regulations* (No. 69 of 2005), the Eastern Caribbean Telecommunications Authority (ECTEL) and LIME have agreed on the provisions of a price cap and submitted the PCP to the Commission. The Commission, after subjecting the proposed PCP through a process of public consultation, and after deliberating on the comments received through the public consultation, has approved and adopted the PCP for LIME.
3. The main elements of the PCP are as follows:
 - (a) A complete removal and termination of all Access Deficit Charges (ADCs) on all services in all agreements.
 - (b) A phased reduction in Fixed Line to Mobile (FTM) rates which will result in movement of FTM rates from \$0.71 in some cases to a low of \$0.40 by October 2011.

The rate reduction is specified in the following schedule

| Effective Date of Price Reduction | FTM Maximum Price |
|---|-------------------|
| April 15, 2010 - 1 st reduction from \$0.71 | \$0.57 |
| October 1, 2010 - 2 nd reduction from \$0.57 | \$0.54 |
| April 1, 2011 - 3 rd reduction from \$0.54 | \$0.49 |
| October 1, 2011 - 4 th reduction from \$0.49 | \$0.40 |

- (c) Extensive and transparent rules on bundling, which it is envisaged will permit LIME to offer combinations of different services.
 - (d) New and extensive financial reporting requirements for LIME, which will enable the Commission and ECTEL to monitor more effectively economic performance and pricing levels.
4. The PCP will be accessible for download at the Commission's website: www.ntrc.org.lc; for inspection at the Commission's office No. 35 Chisel Street, Castries during working hours or may be requested via email through ntrc_sluc@candw.lc.