
Office of Utilities Regulation

Cable & Wireless Jamaica

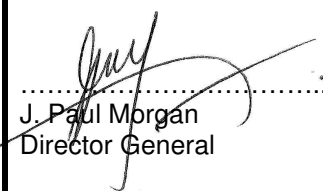
Variation in RIO5A Rate for Incoming International
Call termination on PSTN

Determination Notice



OFFICE OF UTILITIES REGULATION

November 21, 2007

DOCUMENT TITLE AND APPROVAL PAGE																	
DOCUMENT NUMBER: Tel 2007/16																	
DOCUMENT TITLE: Variation in RIO5A rate for Incoming International Call Termination on PSTN																	
<p>1. PURPOSE OF DOCUMENT</p> <p>This document provides the Office's Determination of Incoming Call Termination rate variation pursuant to Determination 4.2 of Document Tel 2004/11.1 <i>Reconsideration of the Office's Decision "Assessment of RIO-5 and Tariff Schedule RIO/5A"</i></p>																	
<p>RECORD OF REVISIONS</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Revision Number</th> <th style="width: 60%;">Description</th> <th style="width: 20%;">Date</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>			Revision Number	Description	Date												
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<p>APPROVAL</p> <p>This document is approved by the Office of Utilities Regulation and becomes effective on November 21, 2007.</p> <p>On behalf of the Office:</p> <div style="margin-left: 40px;">  </div> <p>..... J. Paul Morgan Director General</p> <p>November 21, 2007</p> <p>..... Date</p>																	

Background

The Office had, in its Determination Notice Tel 2004/11, set a rate of J\$1.487 per minute for Incoming International Call Termination Service to Cable & Wireless Jamaica's (C&WJ) PSTN and also issued the following Determination.

Determination 4.2

The Office has determined that Clause 10.2 shall be modified to read:

- 10.1 The Telco or C&WJ may from time to time, and subject to the existing law and regulations governing telecommunications in Jamaica, give notice of changes to the Usage Charges. Any such notice shall specify the proposed new Usage Charges (being an amount which does not exceed the maximum termination rates determined by the existing law and regulations governing telecommunications in Jamaica) and the date on which it is proposed that the variation to the Charges is to become effective, such date being at least 5 weeks from the date the notice is deemed to be received. The Teleco or C&WJ shall, within 5 Business Days of receipt of such notice, acknowledge receipt and within ten working days indicate written acceptance of the proposed variation or of its intention to dispute the charge. Any dispute as to the changes which may be made to the Usage Charges pursuant to this Clause 10.1 will be transferred to the OUR for resolution in accordance with Section 34 of the Act.*
- 10.2 The Teleco or C&WJ may from time to time provide notice of changes to Charges, being*
- i. Charges approved by the OUR; or*
 - ii. Charges determined by a decision of the court or by arbitrators appointed subject to clause 36; or*
 - iii. Charges changed as a result of changes made by Third Party Telecoms Providers to their charges or payments. Such notice shall specify the date on which the variation is to become effective. In the case of changes falling within (i) and (ii) above, the changes will take effect from the effective date approved by the OUR, or the effective date as determined by a court of competent jurisdiction or arbitrators appointed subject to clause 36. In the case of changes falling within (iii) above, the changes will take effect from the date set out in the notice as being the effective date, such date being at least 5 weeks from the date such notice is deemed to be received unless C&WJ or Telco does not receive sufficient notice from the Third Party Telecoms Provider. In the case of changes falling within (iii) above, to the extent that C&WJ or the Teleco does not receive sufficient notice from the Third Party Telecoms Provider to give at least 5 weeks' notice of any changes, either party will give as much notice as is reasonably practicable.*

10.3 For the avoidance of doubt, the Charges for new services will be agreed pursuant to Clause 18.

10.4 By C&WJ or the Teleco in the event that the Jamaican dollar devalues or revalues against the US dollar by five percent or more in any six month period concluding during the Term of this Agreement, in order to reflect such currency devaluation or revaluation.

Cable & Wireless Jamaica submitted its Tariff Schedule for RIOA in May 2004 and the Office made its determination in November 2004.

C&WJ requested a reconsideration of the Office's decision on some matters in the Determination Notice and in its Reconsideration Notice Tel 2004/11.1 dated March 16, 2007, the Office addressing Determination 4.2 stated

Determination 4.2

In the event that the Jamaican dollar devalues or revalues against the US dollar by five percent or more in any six month period concluding during the term of this agreement, either party reserves the right to vary the charges in order to reflect such devaluation or revaluation. Notwithstanding, any such change shall only become effective after approval by the Office.

Cable & Wireless Jamaica's application for rate

Cable & Wireless Jamaica has requested by letter dated October 30, 2007 a change in the rate charged for its Incoming International Call Termination Service to the Fixed Network (PSTN). C&WJ had implemented a rate of J\$1.653 in April 2006 and has submitted that the exchange rate had moved by 7.25% between April 2006 and September 2007. C&WJ is therefore requesting the approval of a rate of J\$1.753 per minute.

Office analysis

The weighted average exchange rate for the month prior to the submission of the RIO5A Rate Schedule, April 2004, was US\$1 = J\$60.73 and the weighted average exchange rate for September 2007 was US\$1 = J\$70.14. The exchange rate has therefore moved by 15.49% from the rate assumed by the Office in its decision in 2004. A rate of J\$1.487 per minute in 2004 if maintained in terms of nominal US dollar is equivalent to J\$1.717 per minute as at September 2007.

The Office therefore approves a rate of J\$ 1.717 per minute for Incoming International Call Termination Service

Determination 1

The Office has determined that the rate for Incoming International Call Termination Service is J\$1.717 per minute and subject to notice requirements this rate is immediately applicable.