



Tuesday August 19<sup>th</sup>, 2014

The Utilities Regulation and Competition Authority, URCA, today released Guidelines which will assist in determining the Net Cost of the Universal Service Obligations (USO) for each of The Bahamas Telecommunications Company Limited (BTC) and Cable Bahamas Limited (CBL). Schedule 5 of the Communications Act 2009 designates both companies as Universal Service Providers (USP) with one or more USOs. Those USOs are defined in section 119 and Schedule 5 of Communications Act as the following:

- a) affordable basic telephony services to all populated areas;
- b) affordable basic dial-up internet services to all populated areas;
- c) basic dial-up internet services free of charge to specified institutions;
- d) affordable public access to pay apparatus; affordable basic television services to all populated areas and specified institutions;
- e) internet services to all populated areas; and
- f) internet services free of charge to specified institutions.

The Guidelines released today are to be followed by both BTC and CBL in determining the approach that each operator ought to adopt in calculating any net cost associated with the provision of their respective designated USOs. The development of the Guidelines follows consultation and feedback with and from the relevant stakeholders on existing USOs and USPs held last year. A Statement of Results and Final Decision *“Framework for the Clarification and implementation of Existing Universal Service Obligations (USO) under Section 119 and Schedule 5 of the communications Act 2009”*, was published in January of 2013.

A key function of this exercise, is to determine whether or not the performance of the legally prescribed USOs, constitutes an “unfair financial burden” and whether compensation is warranted. This determination is to be made by URCA upon consideration of applications by a USP.

While both CBL and BTC have a right to apply for compensation to meet their legal USO, their request will only be given favourable consideration if they follow the proposed steps for quantifying the net cost of the USO as set out in the proposed Guidelines published for consultation today. Following this consultation, and once finalized, the Guidelines would need to be followed when submitting a claim for compensation.

The Universal Service Obligations (USOs) which Cable Bahamas Limited (CBL) is expected to provide include:



- 1) Affordable basic television (six channels inclusive of ZNS and the Parliamentary channel) to all populated areas; and
- 2) Internet to all populated areas and free of charge to Specified Institutions. (The Communications Act provides a listing)

The Universal Service Obligations (USOs) which the Bahamas Telecommunications Company (BTC) is expected to provide include:

- 1) Affordable fixed voice telephony, inclusive of access and toll calling to all populated areas in The Bahamas at a uniform price;
- 2) Affordable dial-up internet services at a uniform price;
- 3) Free dial-up internet services for designated Specified Institutions; and
- 4) Affordable public access to pay apparatus.

URCA now invites the public to review the contents of each of the documents, which are available from URCA's website, and make comments and/or suggestions regarding the proposed Guidelines.

Deadlines for the submission of any comments or suggestions is October 31<sup>st</sup>, 2014, and submission may be made via email to [info@urcabahamas.bs](mailto:info@urcabahamas.bs), or dropped off at URCA's office, UBS Annex, East Bay Street, New Providence.

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