

March 25, 2015

## **PRESS RELEASE**

## For Immediate Release

## **URCA finds BTC in Breach of its Licence**

On March 20, 2015, the Utilities Regulation and Competition Authority (URCA) issued its Final Determination and Order to the Bahamas Telecommunications Company Ltd. (BTC) regarding BTC's March 22, 2014 Network Outage. On March 25, 2014 BTC notified URCA that BTC had experienced an unplanned network outage starting at approximately 1 a.m. on March 22, 2014, which resulted in significant interruption and disruption to the landline and mobile services provided by BTC to the majority of its customers across The Bahamas. The outage resulted in loss of service or severe service disruption to customers for periods of up to 15 hours. The Final Determination and Order sets out the findings and conclusions of URCA's investigation of the circumstances leading up to the outage, as well as the remedies which URCA has imposed on BTC.

The Final Determination and Order follows a Preliminary Determination and Draft Order issued to BTC by URCA on December 8, 2014 and takes into account representations submitted by BTC to URCA on February 3, 2015 and February 20, 2015 in response to the Preliminary Determination and Draft Order.

Due to the confidentiality and commercial sensitivity of the information contained in URCA's Final Determination and Order and germane to URCA's decisions, URCA has issued the document containing its Final Determination and Order to BTC only, and will not publish the same. However, URCA advises the public of the following salient details.

URCA has determined that BTC breached the terms of its Individual Operating Licence (IOL), in particular Conditions 3.3 and 27.1.1(a), by failing or refusing to take all reasonably practicable steps to maintain, to the greatest extent possible, the proper and effective functioning of the Public Telephone Network provided by BTC at all times, and further, failing or refusing to comply with URCA's Final Determination and Order issued to BTC on March 7, 2013 which required BTC to take certain specific remedial and maintenance actions in relation to its networks (consequent to BTC's June 2012 outage).

In its Order, URCA noted and acknowledged certain remedial steps already implemented by BTC to address its network deficiencies, in response to and during the course of URCA's investigation, and requires that BTC do the following:

- undertake various actions to implement adequate various redundancies, resiliencies and contingencies in its network to effectively remove all major weakness and vulnerability in its network;
- introduce and systematically conduct preventative maintenance measures on its network as identified in the Order, and submit to URCA a pre-determined schedule for same;
- introduce and systematically perform testing on certain network elements as identified in the Order and submit to URCA a pre-determined schedule for same;
- submit a report to URCA providing further and better particulars regarding the compensation already given by BTC to consumers impacted by the March 2014 Network Outage; and,
- Pay a fine in the amount of \$1,581,384.61, such fine to be paid within thirty (30) days of URCA's Order and in a manner to be directed by URCA.

## MEDIA CONTACT

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