

# The Bahamas Telecommunications Company Ltd.

P. O. BOX N-3048 NASSAU, BAHAMAS

TEL: (242) 302-7000



May 9, 2013

Mr. Stephen Bereaux  
Director of Policy and Regulation  
Utilities Regulation and Competition Authority  
UBS Annex Building, East Bay Street  
Nassau, The Bahamas

Dear Mr. Bereaux,

**Re: Review of the Retail Pricing Framework – Paragraph 28 of the Retail Pricing Rules**

Reference is made to the Utilities Regulation and Competition Authority's (URCA) letter of March 1, 2013 which invited comments from operators deemed to have Significant Market Power (SMP), i.e. BTC and Cable Bahamas Limited (CBL) regarding proposed changes or amendments to the existing Retail Pricing Rules. BTC submitted a response to URCA's invitation by letter dated 27<sup>th</sup> March 2013.

Without prejudice to BTC's stated views relative to any proposed changes to the Retail Pricing Rules as outlined in its letter, in particular the company's views on the exercise of regulatory forbearance based on the experience in Turks and Caicos, the company wishes to draw URCA's attention to Paragraph 28 of the existing Retail Pricing Rules. Supplementary to the company's earlier response, the company wishes to point out that Paragraph 28 of the Rules has impeded the company's ability to extend promotions in the marketplace which improve consumer welfare by providing much needed savings and other benefits.

Paragraph 28 of the Retail Pricing Rules (ECS 15/2010) states:

*'Notwithstanding the above, no Regulated Special Promotion shall be introduced if it is similar to any other Regulated Special Promotion that was available from the SMP operator at any time within the **previous 120 calendar days**.....'*

The challenge for BTC is that notwithstanding the popularity of a number of special promotions launched within the last year, the company is prevented from repeating these promotions within the 120 calendar day window as outlined in Paragraph 28 of the Rules.

As URCA moves forward with its engagement of SMP operators with respect to the Retail Pricing Rules, it is incumbent on BTC to point out areas where there is a need for greater flexibility to ensure that URCA achieves one of its mandates of improving the welfare of consumers.

BTC looks forward to its engagement with URCA as part of its review of the existing Retail Pricing Framework.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Felicity L. Johnson', is written over a horizontal line.

Felicity L. Johnson  
Senior Vice President, Legal & Regulatory  
& Company Secretary

CABLE ADDRESS – BATELCO NASSAU

TELEX NASSAU (297) 20135

FAX: (242) 326-7474  
(242) 326-0880