

Responses to Consultation Questions

Consultation questions – Focus on wholesale DIA services

Q1. Please provide comments on URCA's focus on wholesale DIA services in this preliminary determination. Please substantiate any responses with supporting evidence

GNX considers that URCA's focus on DIA services is a start. However, GNX would like to see the ex-ante regulation of the wholesale access market to expand to include wholesale local loops and the services contained in BTC's commercial wholesale offer.

Consultation questions – Market Definition

Q2. Please provide comments on URCA's market definitions of WBA services as set out above. Please substantiate any responses with supporting evidence.

GNX considers the market definition to be appropriate.

Consultation questions – SMP designations

Q3. Please provide comments on URCA's reconfirmation of the prevailing SMP designations in the WBA markets in the Bahamas. as set out above. Please substantiate any responses with supporting evidence.

GNX considers URCA's SMP designations in the WBA market in the Bahamas to be accurate.

Consultation questions – The need for ex-ante regulation of wholesale DIA services

Q4. Please provide comments on URCA's preliminary views on the main competition problems or market failures that could arise from a licensee having SMP in respect of the provisioning of wholesale DIA services.

Q5. Please provide comments on URCA's preliminary views on the need for ex-ante regulation of wholesale DIA services.

Please substantiate any responses with supporting evidence.

GNX agrees with URCA's preliminary views on the competition problems or market failures. GNX would also add that the SMP operators are suppliers and retailers i.e. the SMP operator competes with the OLO in the provision of services. This creates the opportunity for SMP operators to give priority to its customer in the availability and access to wholesale inputs. There is also the opportunity for the SMP operator when making investments decisions regarding the network or wholesale services, to only consider its business forecast. This could result in the SMP operator failing to invest in the network and restricting supply of wholesale inputs. In support of these comments GNX uses the example of BTC's MPLS network. It is GNX understanding that this network is end of life and at maximum utilization. This means that any expansion (e.g.

DIA) in Geographic Market 2 cannot happen. It is GNX's further understanding that addressing this situation is 2022 budgetary decision. This is a market failure that needs to be addressed.

Consultation questions – Proposed SMP remedies

Q6. Please provide comments on URCA's preliminary views on the proposed SMP remedies in the WBA service markets.

GNX agrees with URCA's preliminary views on the proposed SMP remedies. GNX notes that a costing exercise will be done and is concerned that this will delay implementation. GNX suggests that interim rates are set for the DIA services while the costing exercise is completed in order to expedite matters. The non-price terms and conditions is likely to only differ slightly from the existing format being used by SMP operators so this should be completely timely. As an additional remedy, GNX suggests that the SMP operators be required to have structural dividing walls ("Chinese walls") internally between its wholesale and commercial units. This is to address one of the competition problems of the SMP operator being a supplier of wholesale inputs and a competitor in that market. We also suggest that for greater transparency SMP operators are required to annually publish information on long-term network evolutions, and quarterly on available capacity.

FURTHER COMMENTS

GNX would urge URCA to consider further ex-ante regulation on wholesale local loops and other services mentioned in BTC's wholesale commercial offer. Although GNX is referencing BTC's wholesale commercial offer, this is only for the purposes of identifying services being provided on a wholesale basis and it should apply to Cable Bahamas. GNX also suggests that SMP operators are required to report publicly on their available capacity/bandwidth. The availability of information on the underlying infrastructure from which OLO's can access wholesale inputs is important. The benefits of wholesale inputs must be real not illusory.