

BARBADOS

No. 3 of 2003

THE FAIR TRADING COMMISSION

IN THE MATTER of the Utilities Regulation Act 2000-30

AND IN THE MATTER of the Application by Cable & Wireless (Barbados) Limited to the Fair Trading Commission for rate adjustments pursuant to section 16 of the Utilities Regulation Act 2000-30.

Cable & Wireless (Barbados) Limited

APPLICANT

Office of Public Counsel

Mr. Olson Robertson

Sunbeach Communications Inc.

Mr. Noel F. Smith

Mr. Alvin Cummins

CARITEL

Mr. Grenville W. Phillips

Mr. Alvin Thorpe

Mr. Barry Thorpe

Mr. Leroy McClean

BANGO (Barbados Association of

Non-Governmental Organisations)

BARCRO (Barbados Consumer Research

Organisation Inc.)

Mr. John D.E. Boyce

All Caribe, Inc.

Ms. Audrey McKenzie

Barbados Council for the Disabled
Cariaccess (Barbados) Limited

INTERVENORS

BEFORE

Mr. Floyd H. Phillips - Presiding Commissioner

PROCEDURAL ORDER No.2

On its own Motion the Commission HEREBY REVIEWS Procedural Order No.1 which established a hearing date for this matter.

IN RECOGNITION THAT:

- (i) the September 22, 2003 affidavits of the Applicant contain substantially new information that has not previously been subject to discovery and which raise new issues.
- (ii) the Applicant has submitted affidavits from three new witnesses not previously proffered in its Application filed on August 5, 2003 namely Susan Marcus, Alastair McPherson and David Shorey.
- (iii) this latest filing includes a "rate base" component for the first time and provides three different rate base values with no reconciliation /explanation of the differences.
- (iv) The Applicant's September 22, 2003 affidavits contain a substantially increased revenue requirement for the same test period, compared to the August 5, 2003 Rate Application filings. The revenue requirement is purported to increase from approximately \$181 million to approximately \$200

million, an increase of more than 10%. No supporting documentation was provided in the affidavits for the new proposed adjustments to revenue requirements.

FURTHER

- (v) While by affidavits dated September 22, 2003, the Applicant filed substantially new information in this proceeding with direct reference to and inclusion of Service Profitability Model results, only an abridged version of this information was filed. Despite Commission requests that the referenced confidential version be provided, the Service Profitability Model was not filed with the Commission until Monday October 13, 2003.

- (vi) Neither the August 5, 2003 nor September 22, 2003 filings could have been considered complete due to the critical omission of the Service Profitability Model information which the Applicant averred supports its request for additional revenues from new local usage charges and line rental charges.

- (vii) Failure to provide the Service Profitability Model data and model until October 13, 2003 has delayed the review of some of the most important information in this proceeding.

Based on the foregoing the Commission FINDS AND CONCLUDES that it is necessary to suspend the previously scheduled hearing date in this matter.

Having heard and considered the Motions and Affidavits of Intervenors filed by BARCRO, CARITEL, Ms. Audrey McKenzie, BANGO, Mr. Alvin Thorpe and other oral submissions and having heard the oral submissions of the Applicant, and having considered its own Motion,

THE COMMISSION HEREBY ORDERS AS FOLLOWS:

1. Procedural Order No.1 is amended as follows to form Procedural Order No. 2.

Affidavit Evidence

2. Intervenors who wish to file an affidavit in reply to the Applicant's affidavits of September 22, 2003 and such other affidavits to support their position will be allowed until November 7, 2003 to do so.
3. The Applicant will be allowed until November 21, 2003 to file an affidavit in response to those filed by the Intervenors. No other affidavits shall be filed without leave of the Commission.

List of Witnesses

4. Parties shall provide the Commission with a list of witnesses at least seven (7) calendar days before the hearing (November 17, 2003).

Expert Witnesses

5. Intervenors who intend to adduce evidence of an expert witness shall file with the Commission and serve on the Applicant and each party to the proceeding by November 7, 2003, an affidavit of the

expert witness. Any party who wishes to rebut with expert evidence, a matter set out in an Affidavit of an expert witness must do so by November 21, 2003.

Interrogatories

6. Intervenors who wish to serve interrogatories on the Applicant must do so by November 7, 2003. The Applicant will be given until November 21, 2003 to respond to the Intervenor's interrogatories. Responses must be served by the Applicant on all parties.
7. The Commission reserves the right to make further interrogatories or information requests as it deems necessary.

Request for production of documents by Applicant

8. Intervenors who require specific documents from the Applicant must submit such request to the Commission by November 7, 2003. All reasonable requests will be forwarded by the Commission to the Applicant. The Applicant shall respond to the request(s) by November 21, 2003.

Intervenor Briefs

9. Intervenors are required to file with the Commission and serve on the Applicant on or before November 7, 2003 their written statements i.e. briefs which should summarise the issues the Intervenor wishes to raise at the hearing.

Confidentiality of Documents

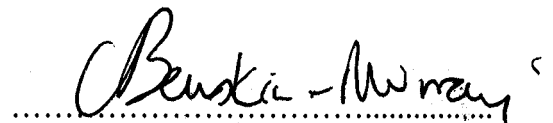
10. To the extent that any claims of confidentiality remain unresolved they will be determined at the hearing on October 23, 2003.

11. This Procedural Order will supercede and replace the requirements of Items 4, 5, 8, 9, 12, 15 and 18 on Procedural Order No. 1.

12. The Hearing of the Application will now commence on November 24, 2003.

Other Procedural Orders may be issued from time to time.

Dated this 15th day of October 2003.

A handwritten signature in cursive script, reading "Benskin-Murray", is written over a horizontal dotted line.

Cyralene Benskin-Murray
Commission Secretary