

PRESS RELEASE

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The Telecommunications Regulatory Commission and Flow agree Ten Commitments on Fixed Broadband Service

15 November 2016 – The Telecommunications Regulatory Commission (**Commission**) and Flow have signed a new Customer Charter on Fixed Broadband Service (**Customer Charter**). The Customer Charter commits Flow to providing a better fixed broadband service in the British Virgin Islands. The Commission has been very concerned about the poor quality of service of fixed line broadband internet experienced by some consumers in the BVI and has worked to take decisive action. The Commission declared Flow the dominant provider of fixed broadband services in the BVI on 17 December 2015. The Commission has been working closely with Flow since that time to design the appropriate regulatory remedy to address the concerns of the public and the Commission.

Flow and the Commission have now agreed to the Customer Charter on Fixed Broadband Service (available at www.trc.vg and on Flow's website) which sets out the minimum levels of service that customers can expect. In the event a consumer is not receiving service at all or at lower speed than promised and contracted for due to a network fault, the Customer Charter advises customers as to how they can claim compensation and an alternative mifi device.

The Customer Charter encourages customers to undertake speed tests (www.speedtest.net). If a customer experiences no service or less than 50% of their sold speed due to a Flow network fault for more than two working days, the customer can and should seek a refund of the bill for the affected period. The customer is also entitled to a replacement mifi device to enable the customer to access the internet whilst Flow addresses the problem. Customers are advised to call customer service at Flow on 1 800 804 2994 to report a problem.

The Commission strongly advises consumers to read the Charter to understand what compensation may be due. The Customer Charter becomes effective on Tuesday, 15 November 2016 and affects only fixed broadband services provided by Flow.

Flow has also devised a set of Consumer Guidelines which explain what customers can do to maximize broadband performance in the customer's home or business. Other devices and network positioning, such as baby monitors and the situation of the customer router can significantly affect broadband speeds received by the customer. These issues are unrelated to any Flow network issue. Flow is providing clear guidance to customers on how to address these customer premises issues. This advice is available at www.trc.vg and on Flow's website.

The Customer Charter and the Guidelines come about as a result of the Commission's Decision with respect to the Declaration of Dominance of Cable & Wireless (BVI) Ltd dated 15 November 2016, in relation to Fixed Retail Broadband Services which is available at www.trc.vg. The Decision sets out the rationale for introducing Broadband Service Commitments instead of retail quality or price regulation. The Commission considered the imposition of fines to ensure improved performance. However, the Commission decided that more severe regulation might negatively affect Flow's investment commitment to rolling out its superfast fixed broadband network during 2016 and 2017.

The Commission will monitor Flow's performance over 2017 with the Customer Charter performance targets in place. If Flow does not meet its Commitments to customers in relation to compensation and replacement mifi devices or its Commitments to achieve agreed quality of service targets, then the Commission will consider it a breach of the Customer Commitments.

In the event that Flow does not rectify a breach within seven days of notification, the Commission will proceed to public notification alerting the public to this news by way of the press, social media and its website.

In the event that the Commission determines that performance has not improved satisfactorily over the course of 2017, the Commission may consider the introduction of more severe enforcement remedies, including fines.

Sarah Hayes, who has worked as Chief Economist of the Commission said, "We are pleased to be able to introduce these measures to help improve fixed broadband service in the BVI. For too long, the service has been unacceptably poor. We have been working for the past six years to arrive at this point. We now have the legal right to impose a regulation upon Flow. The Commission is doing so in a proportionate way that we hope will incentivize better performance as well as encouraging the maximum level of fixed broadband investment possible."

Guy L Malone, Chief Executive Officer of the Commission said, “We understand the problems that people have been having with their fixed internet service and we understand the challenges in rolling out a superfast broadband network. With these Customer Commitments, we anticipate that business and residential customers will obtain the internet service that they pay for. We know that consumers would rather have a fully functioning internet than compensation and that’s why we’ve put these measures in place. The compensation and offer of a replacement mifi device is a backstop in the event Flow can’t rectify the problem within two working days. We think this Customer Charter approach is appropriate at this point in time. We anticipate that customers hanging around waiting for a response will become a thing of the past. We want to get the BVI on track for world class fixed line broadband services.”

The report on the consultation and all relevant documents are available at www.trc.vg.

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Note to Editors:

The Commission is the statutory body responsible for regulating the telecommunications sector of the Virgin Islands, protecting interests of users of telecommunications services, ensuring fair competition among operators of telecommunications networks and providers of telecommunications services, promoting the development of telecommunications throughout the Virgin Islands and advising the Minister of Communications and Works on telecommunications policies.