

Public Utilities Commission (PUC)

Operating Budget and Work Program for 2016

Pursuant to the Public Utilities Commission Act, R.S.A. c. P175
Section 17(1) (b)

- 1. Introduction** – The following is a description of the PUC’s annual work program for 2016. The description of the work program with the estimates of income and expenditure for 2016 is hereby submitted to the Governor-in-Council for consideration pursuant to s.17(1)(b) of the PUC Act
- 2. Proceedings** –Proceedings related the coordination of frequency authorisations for 3/4G and LTE mobile services with the Administrations of St. Martin/St. Maarten planned for 2015 were not accomplished due to scheduling difficulties between the three administrations. This has been deferred until 2016.
- 3. Spectrum** - A number of issues related to the coordination of mobile radio frequencies between service providers in Anguilla and those in St. Martin and St. Maarten as service providers continue to upgrade their respective networks to 3/4G and LTE technologies are expected to arise during 2016.

Funds have been included for the purchase of a spectrum analyser in order to permit more effective monitoring of the Anguilla spectrum and the identification of unauthorised use or interference from St. Martin and/or St. Maarten. It was agreed with the regulator from Sint Maarten that unannounced spectrum audit will be carried out on a six month basis in the three territories to monitor compliance. .

- 4. Interconnection** – There are no interconnection proceedings pending or planned for 2016. However, such proceedings may arise as a result of either pricing complaints filed by licensed operators or by consumers.

A mobile operator has recently expressed an interest in applying a license to operate in Anguilla. If this were to materialised there would be a need to have a public review. If a license were granted, interconnection proceedings would also be required.

- 5. Numbering** –The matter of number portability continues to arise in a number of Caribbean jurisdictions with implementation underway in a number of jurisdictions. The ECTEL countries has recently began consultations on the subject. The Commission will continue to monitor the roll out in other jurisdictions, where the take up of the service has been slow, and decided when to begin consultation on its implementation in Anguilla. This will require input from outside consultants.
- 6. Information System development** – In 2014 the Commission tendered for the development of a new website, unfortunately there were no bids. The Commission will continue to talk to prospective developers with a view to creating a more user friendly site with customer complaint submission forms and linked to a new Facebook page. There will also be a built-in content management system so that the PUC staff could update the website with information on applications, proceedings, decisions and frequency authorisations. This project will continue in 2016.

- 7. Internet Governance** - The internet and cable television sectors remain unregulated. Given the continued significance of the internet as a critical component of the overall information infrastructure, the continued importance of the cable television sector and the increasing convergence of the two, there continues to be a need for a sound policy and governance framework for both of these sectors.

The current international debate on net-neutrality; concerns expressed by operators on the possible effects of the new technologies for voice calling on their sustainability; and the suggestions that some of these services are being block by operators, a new regulatory framework for this sector is becoming more and more relevant.

Our Regulatory Analyst and the Deputy Director, DITES received fellowships from the **Commonwealth Fund for Technical Cooperation**, to attended a training seminar in Malta in September, captioned *'Legal Instruments for the Internet Economy'* As part of the training, all participants were tasked to prepare an action plan of specific actions to undertake in their home country based on the issues addressed during the workshop. The Action Plan attached will be supported by the PUC as the way forward for addressing Internet Governance issues.

- 8. Service Level Commitments** – The Commission will begin consultation with operators in 2016 to promote the establishment and promulgation of their own service standards. This information will also be published on the Commissions website. Equipment is also being sourced to monitor these service levels.
- 9. Human Resources Development** – The Assistant to the Executive Director is schedule to retire from service in 2016. This post will have to be filled but due to our minimal staff complement internal promotion is not possible hence we will have to recruit externally.

In the future the Commission will either have to consider expanding the staff to allow for internal promotions and proper succession planning or to decide continue external recruitment for the filling of posts.

During 2016 the Commission will continue a program of staff development for new and existing staff. This will take the form of selected training courses and online qualifications from accredited institutions.

- 10. Regulation of Other Sectors** – The Ministry has indicated that discussions will begin with the view to bringing other sectors under the regulatory authority of the PUC. No provision has been made for this in our budget, as each sector must bear the costs of its own regulation. The expenses of the Commission are now funded solely by the licensees in the Telecommunications sector; any decision to expand our mandate would necessitate a segregation of expenses to ensure that the incremental costs are borne by the new sectors.

APPENDIX I

Name: Rudy Webster – Deputy Director, DITES
Kishena Webster- Regulatory Analyst, PUC

Country: Anguilla

Action plan:

Action	Estimated Time Frame	Driver(s)
<p>1. Updating legislation to include broadband internet as a utility</p> <ul style="list-style-type: none"> Review legislation of ITU and other models as a foundation and build from there. When this is done ISPs would have standards by which they should operate and can be held to those Complaints against ISPs can be investigated and disciplinary action taken 	6-9 months	Kishena/PUC, AG's Chambers
<p>2. Cybercrime/Cybersecurity Policies/ Strategies - Solicit help of Common Wealth/ ITU/ CTU</p> <ul style="list-style-type: none"> User resources within DITES (Dept of Information Technology & E-Gov Services) and elsewhere in the Ministry to form a CIRT. Work with Attorney General's Chambers to ensure legislation is updated to cover the wealth of cybercrimes that have become common place since last update. Educate public on the definition of these cybercrimes as well as the changes to legislation to accommodate these as a means of both informing the public as well as deterring criminals. Meet with Police to discuss the frequency of Cybercrimes being committed. Determine if they could benefit from a Cybercrimes unit and discuss with them the benefits, needs & good practices to follow in the interim. Find out if sufficient relationships with other countries exist to proactively ensure that Jurisdiction does not become a major issue when an incident occurs. 	<p>6-9 months</p> <p>Begin within 1 month (On-going)</p> <p>3-4 months (on-going)</p>	Rudy/DITES, MICUHAF (Ministry), RAPF (Police), AG's Chambers
<p>3. Work on draft Data Protection legislation. Perhaps roll out an internal policy within the Government initially before rolling out nationally. Educate the public, civil servants, police officers and other legal personnel on importance of various safeguards/ proper use of the personal information and what is considered unacceptable.</p>	6-12 months (On-going) after completion of item #2	Rudy/DITES, Kishena/PUC, AG's Chambers, Inland Revenue, Treasury, Public Administration
<p>4. Investigate the current method of managing .ai domains and determine if enough redundancy is in place to leave its management as is or if there is a need for Government or another entity to take over its management.</p>	1-3 months	Rudy/DITES, MICUH
<p>5. Seek assistance firstly from ITU/CTU/Commonwealth in carrying out/best possible way of implementing the above. Perhaps solicit the assistance of a consultant assigned via the Commonwealth if deemed necessary.</p>	After consultation with authorities	Rudy/DITES, Kishena/PUC

Public Utilities Commissionj (Anguilla)
2016 Operating Budget (\$EC)

Item	Explanation	Units	2016		
			Number	Unit Cost	Budget
Commission Expenses					
1.Commissioners' Honoraria	\$ 2700. per meeting (5 Commissioners); 12 (2015)meetings a year	person meetings	12	\$3,375	\$40,500
2.Other					\$0
3. Total Commission Expenses					\$40,500
Staff Salaries					
4. Chief Executive Officer	Salary, social charges, benefits, health insurance.	persons	1	\$149,800	\$149,800
5.Professional Staff	Salary, social charges, benefits, health insurance, pension	persons	1.5	\$98,000	\$147,000
6.Executive Secretary	Salary, social charges, benefits, health insurance, pension	persons	1	\$130,200	\$130,200
7.Total Staff Salaries					\$427,000
Office Expenses					
8.Office Space	Rental of office space, sq m (600sq.ft.)2009-Oct. to 2014	sq feet	600	\$89	\$53,400
9. Stationery supplies	Paper, pencils, office supplies	per person	3	\$1,500	\$4,500
10.Communications	Telephone (fixed and mobile), calling charges, Internet access	Months	12	\$1,100	\$13,200
11. Postage and mailing		Item	1	\$1,400	\$1,400
12. Maintenance and repairs	Repair of equipment, maintenance, cleaning	Item	1	\$10,000	\$10,000
13. Water and electricity		Item	1	\$16,000	\$16,000
14. Refreshments & Entertainment	Soft drinks, coffee for visits	Item	1	\$3,000	\$3,000
16. Total Office Expenses					\$101,500
Equipment Expenses					
17. Depreciation Expenses					nil
18. Office Equipment Expensed					nil
19. Maintenance and repair			1	\$2,500	\$2,500
20. Total Equipment Expense					\$2,500
Travel & Conferences					
21. Travel within Caribbean	OOCUR, CANTO, and CTU, AGM and ECTEL conferences.	number of trips	5	\$8,000	\$40,000
22. Travel to North America	NARUC and PURC conferences.	number of trips	2	\$8,000	\$16,000
23. Travel to Europe	Visit UK regulator	number of trips	0	\$12,000	\$0
24. Trips related to training	See below	number of trips	1	\$3,000	\$3,000
25. Total travel					\$59,000
Training					
26. Scholarship Fund		Number of Recipients	1	\$36,000	\$36,000
27. Attendance at seminars and conferences	Excludes travel expenses; for Commissioner and professional staff	number of conferences	2	\$8,000	\$16,000
28. Total training					\$52,000

Item	Explanation	Units	2016		
			Number	Unit Cost	Budget
Consultants					
29. Regulatory Accounting	Auditing support; assisting in regulatory functions; includes fees and expenses	days	12	\$2,700	\$32,400
30. Economic	Expert in regulatory economics	days	15	\$2,700	\$40,500
31. Engineering	Spectrum management	days	10	\$2,700	\$27,000
32. Legal	Drafting and legal counsel; includes expenses	hours	10	\$1,010	\$10,100
33. Website development and maintenance		days	30	\$1,200	\$36,000
34. Total Outside Consultants					\$146,000
Other					
35. Bank charges			1	\$1,000	\$1,000
36. Memberships		item	1	\$10,500	\$10,500
37. Other charges			1	\$2,000	\$2,000
38. Total other					\$13,500
GRAND TOTAL					\$842,000

Salary and Benefits

	CEO	Reg An	Ex Sec
Base Salary	\$135,000.00	\$86,000.00	\$111,000.00
Soc Sec	\$350.00	\$350.00	\$350.00
Pension	\$0.00	\$220.00	\$280.00
Health Ins			
Travel	\$500.00	\$0.00	\$500.00
All Benefits	\$1,233.33	\$1,000.00	\$1,600.00
Annual Costs	\$149,800.00	\$98,000.00	\$130,200.00

Membership Fees

Organisation	FEES US\$
CTU	
OOCUR	\$3,000.00
CANTO	\$600.00
NARUC	\$250.00
	\$3,850.00
	\$10,395.00

Anguilla Public Utilities Commission (APUC)

2016 Capital Budget (\$ EC)

Item	Explanation	Units	Year (2015)		
			Number	Unit Cost	Budget
Furnishings and Office Equipment					
Office Furniture	Initial furnishing of office		0		\$0
Office renovation	Prepare office for use as PUC including setting up of LAN		0		\$0
Total Furnishings and Office Equipment					\$0
Motor Vehicles					
Chief Executive Officer's Car			0		\$0
Pick up			0		\$0
Total Motor Vehicles					\$0
Computing and Other Office Equipment					
Computers	Purchase of PCs	number	0	\$0	\$0
Software	For all computers	number of computers	0	\$0	\$0
Printers		number	0	\$0	\$0
Data Switch	LAN connection to WAN.	number	0	\$0	\$0
Projector	For presentations	number	0	\$0	\$0
Other	Maintenance & Repair	number	0	\$0	\$0
Total Computing and Other Office Equipment					\$0
Spectrum Management Equipment					
Spectrum Monitoring Equipment			1	\$48,000	\$48,000
Spectrum Administration Equipment	Computers and software		1	\$0	\$0
Total Spectrum Management Equipment					\$48,000
Other					
Domain names	Drafting and legal counsel		0	\$0	\$0
Other			0	\$0	\$0
Total Other					\$0
GRAND TOTAL					\$48,000

Anguilla Public Utilities Commission (APUC)

Funding Required 2016

	2016		
\$ EC			
Opex	\$842,000	\$0	
Capex	\$48,000		
Total funding requirement for year	\$890,000	\$0	
Relation to annual sector revenues for regulated services (assumed to be EC \$ 43 M)	1.9%	0.0%	

Total Turnover for LIME, Digicel & Caribbean Cable was approximately EC\$43.0M for year-ending 2014. 2016 Annual PUC Budget (Opex) as a ratio to total turnover is approximately 1.9%

Table 2: 2016 Budget Analysis – 2014 Actual, 2015 (Jan-Sept Actual +Nov-Dec Estimates) and 2016 Budget (EC \$) with comments

Item Number	Account	2014 Actual	2015 – Budget	Estimate for Year-end 2015	Budget 2016	Basis for 2015 Budget
1	Income [Levy+ Misc Income]	1,036,571	327,565	904,335 #	491,667 *	*Levy 2016 [Budget 16-Sruplus 14 (890,000 - 398,333)] #Estimate 15 [Budget15 + Int.]
2	Staff Salaries & allowances	333,607	510,000	424,000	427,000	Salary, Social Security charges, Pensions payments, Allowance, Health Insurance.
3	Commission Expenses	22,275	27,000	38,000	40,500	Estimate based on same number of meetings as 2015 but with one additional Commissioner.
4	Office Expenses	96,061	95,000	98,000	101,500	Adjusted Inline with 2015 Estimates.
5	Equpt. Expens + Capital&deprtn	5793	50,000	87,500	50,500	Purchase of spectrum monitoring equipment (Second payment)
6	Travel (and Conference Expense)	1,550	20,000	20,000	59,000	Travel and Conferences Combined for 2016. See Item 9
7	Training (See Conferences)	-	60,000	-	52,000	Reduction from 2016
8	Consultants	169,552	106,000	75,000	146,000	Audit Costs, Consultations on Legal, Spectrum, Commission advisor. Website Development
9	Conferences	-	15,000	30,000	0	Travel and Conferences Combined for 2016 See Item 6
10	Other (Bank, Membership & Other)	5,571	15,000	3,000	13,500	Membership in regional associations and Sponsorship Fees
11	Total Expenses	638,238	898,000	775,500	842,000	
12	Surplus/(Deficit)	398,333	(569,910)	128,835	(398,333)	

Anguilla Public Utilities Commission (APUC)



