Determination of Market Definitions in the Retail Domestic Fixed Voice Sector of T&T

PREFACE

This document is divided into five main chapters, and there are two Annexes.

Part 1 sets out the Authority's Determination of the market definitions in respect of the relevant markets for domestic fixed voice telecommunications services; Part 2 offers a background statement; Part 3 highlights the current regulatory environment; Part 4 focuses on the market definitions originally proposed by the Authority and the responses from the relevant operators and providers in respect of those proposals; and Part 5 concludes with a reiteration of the Authority's position and pronouncements.

Annex A details the chronology of events leading up to this Determination.

Annex B attaches the Frontier Economics Report. **Due to the confidential nature of the data included as part of the analysis in this report, this Annex will only be made available to the parties involved.**

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1 Determination of Market Definitions in the Retail Domestic Fixed Voice Sector

Having proposed certain market definitions in the retail domestic fixed telecommunications sector;

Having consulted with the relevant operators and providers in the sector and after considering their representations;

Having reviewed the Frontier Economics Report;

After careful economic analysis and the application of sector specific rules; and

After due deliberation

1. The Authority considers that the market definitions for fixed line domestic retail telephony services proposed previously are appropriate to the circumstances and situation of Trinidad and Tobago.

2. The Authority accepts and agrees with the views expressed by stakeholders that the market for fixed access should distinguish between narrowband and broadband services, with separate markets defined for narrowband and broadband access.

Accordingly, the Authority has determined the following definitions for the relevant markets:

Market 1: A market for fixed narrowband (voice) access

Narrowband access to a public telephone network at a fixed location (regardless of the technology used to provide access) by an individual for the purpose of accessing voice telephony services, including the following services:

- Residential narrowband (voice) access: narrowband fixed dedicated connection to a public fixed telecommunications network to residential customers; and
- Business narrowband (voice) access: narrowband fixed dedicated connection to a public fixed telecommunications network to business customers.

Market 2: Fixed domestic retail voice services

Publicly available local and / or national retail telephone services provided at a fixed location (regardless of the technology used to provide the service), including the following services:

- Fixed to fixed calls: voice calls originating from a fixed access connection and terminating on another fixed access connection in Trinidad and Tobago and including both on-net calls (i.e., those terminating on the same fixed access network) and off-net calls (i.e., those terminating on another fixed access network in Trinidad and Tobago);

- Public payphone: voice calls originating from a public payphone and terminating on any fixed access network or mobile network in Trinidad and Tobago; and
- Fixed to mobile calls: voice calls originating from a fixed access connection and terminating on any mobile network in Trinidad and Tobago.

For the avoidance of doubt, the Authority does not consider that broadband access connections would fall within the market for narrowband access to a public telephone network. Broadband connections are typically not primarily used for voice and are generally seen as complements for (narrowband) voice connections.

Given the clarification that Market 1 covers narrowband services, the Authority may also later separately define a third market, for broadband access (including both broadband access for business and residential customers).

The Authority will conduct regular reviews of the relevant markets in order to ensure that the definitions remain appropriate as competitive conditions change.

2 Background Statement

The Telecommunications Authority of Trinidad and Tobago (‘the Authority’) is mandated to transform the telecommunications sector from that of a monopoly to a competitive market, and to regulate the sector so transformed.

Since its establishment in 2004 the Authority has been introducing competition in the telecommunications sector on a gradual basis. Section 29 of the Telecommunications Act 2001 (the ‘Act’) empowers the Authority to regulate the prices of telecommunications services under certain market conditions.

In the domestic fixed voice telecommunications market the incumbent Telecommunications Services of Trinidad and Tobago (‘TSTT’) was the only provider until the second quarter of 2008 when Columbus Communications Trinidad Limited (‘CCTL’), the cable television services provider, began offering voice services and broadband Internet services to their digital customers.

At present there are 6 operators authorised to provide domestic voice services under service-neutral domestic fixed network based concessions, but TSTT and CCTL are the only 2 operators authorised to provide services to the national population.

In August 2007 TSTT notified the public of its intention to implement a Single National Rate. While the Authority was not necessarily averse to a rate increase, if justifiable on the basis of cost recovery, the fact that TSTT could seek to do so without the Authority’s sanction and in the face of strong opposition from the market strongly suggested that TSTT enjoys a position of dominance in the market which might be susceptible to abuse.

The concept of dominance is covered and dealt with both in the Act and in TSTT’s Concession for the Operation of a Public Telecommunications Network and or Provision of Public Telecommunications and or Broadcasting Services dated 31 December 2005 (the ‘Concession’); essentially it refers to an undertaking, whether individually or jointly with others, enjoying a position of economic strength that enables it to be largely unaffected by, immune from, or less prone to the forces of supply and demand in the market.

The Authority is mandated, among other things, to establish and maintain a framework that allows operators and providers of telecommunication services to enter the market and compete fairly, in other words the Authority is duty bound to remove any market distortions and to prevent any undertaking found to be dominant from abusing its market power to the detriment of other providers and the public in general.

TSTTs apparent willingness and ability to implement its proposed Single National Rate therefore raised serious issues. The Authority decided to try to discover whether TSTT might in fact be a dominant operator; and if so, whether it might also be necessary to regulate prices in those markets.

On 19 September 2007 the Authority informed TSTT that it was considering whether or not the company should be declared dominant in the market for fixed access and fixed domestic retail voice services; and TSTT was also made aware that in such event the company could be subject to price regulation under Section 29 of the Act.

As an initial step in the consideration of dominance in the relevant markets, the Authority embarked upon a process to determine the appropriate definitions that would be applied to the markets under consideration. As a matter of due process, the Authority consulted with TSTT and CCTL (as the operators in the relevant markets) and asked both to formally put forward their representations for consideration. Further, the Authority engaged the services of an expert consultant, Frontier Economics, to assist it in analysing the data and representations.

The matter ultimately falling for determination is whether TSTT enjoys a position of dominance in the relevant markets. This Determination is a step in the process as the Authority needed to investigate the differences in market composition and development This Determination pronounces on the relevant market definitions for fixed voice access and domestic fixed voice retail services.

3 Current Regulatory Environment

3.1 Under the Telecommunications Act

Generally speaking all similarly situated operators of networks and providers of service are to be treated in like fashion, and no provider is to be singled out for special treatment. The Act adopts a modern approach to price regulation by allowing the providers themselves to price their services based upon the market.

Price regulation is dealt with under Section 29 of the Act; the applicable sub-sections are as follows:

S. 29(1) *Prices for telecommunications services, except those regulated by the Authority in accordance with this section, shall be determined by providers in accordance with the principles of supply and demand in the market.*

S. 29(6) *For any public telecommunications service provided on a non-exclusive basis, the Authority may introduce a method for regulating the prices of a dominant provider of such telecommunications service by establishing caps and floors on such prices, or by such other method as it may deem appropriate.*

S. 29 (8) *For the purposes of this Part and wherever the issue of dominance otherwise arises in the Act, the Authority may determine that an operator or provider is dominant where, individually or jointly with others, it enjoys a position of economic strength affording it the power to behave to an appreciable extent independently of competitors, customers and ultimately consumers and, for such determination, the Authority shall take into account the following factors:*

(a) the relevant market

(b) technology and market trend,

(c) the market share of the provider

(d) the power of the provider to set prices

(e) the degree of differentiation among services in the market

(f) any other matters that the Authority deems relevant.

3.2 Under the Concession

Under the terms of TSTT's Concession (and it will be noted that the same terms apply in concessions granted to other operators and providers) the following provisions are made for the regulation of prices in respect of dominant concessionaires:

A23 *Subject to revisions made from time to time by the Authority, a concessionaire which is declared dominant in a market may be subject to price regulation of the telecommunications services within that market in*

> *accordance with section 29 of the Act, such that its prices for telecommunications services in that market shall be capped so that the concessionaire's rate of return on investment is limited (save that such limit shall not result in a rate of return of less than the concessionaire's weighted average cost of capital as determined by GAAP), or price floors may be set to ensure that provision is not below cost.*

The methodology prescribed under Condition A23 for the determination of dominance is as follows:

> *Without prejudice to any price or competition regulations to be developed by the Authority, and until such regulations are promulgated:*
>
> *a. Any concessionaire which:*
>
> *(i.) serves over one hundred and fifty per cent (150%) of its Average Market Share in any market set out in this condition or defined by the Authority from time to time; or,*
>
> *(ii.) enjoys a position of economic strength affording it the power to behave an appreciable extent independently of competitors, customers and ultimately consumers;*
>
> *shall be considered to have significant market power and may be declared a dominant provider subject to price regulation in accordance with section 29 of the Act. Notwithstanding the foregoing, a concessionaire with an actual market share of less than 15% of any defined market shall not be considered a dominant provider in that market.*
>
> *b. The Authority may also determine, in accordance with section 29 of the Act, that a concessionaire is dominant where individually or jointly with others it operates in a market in such a way that more than one of the following conditions are satisfied:*
>
> *(i.) mature market;*
>
> *(ii.) homogenous product;*
>
> *(iii.) similar cost structures;*
>
> *(iv.) similar market shares;*
>
> *(v.) lack of technical innovation and mature technology;*
>
> *(vi.) absence of excess capacity;*
>
> *(vii.) lack of potential competition;*
>
> *(viii.) reduced scope for price competition; or*
>
> *(ix.) high barriers to entry."*

Accordingly, the Authority can only regulate the prices of a concessionaire which has been declared dominant. It should be noted that the Authority published two consultative documents entitled *"Proposed Price Regulation Framework for the Telecommunications Sector"* and *"Draft Telecommunications (Pricing) Regulations"* on December 4th 2006 for a first consultation round, and on June 27th 2008 for a second consultation round. The framework and draft regulations have since been completed and propose a more detailed mechanism for determining a concessionaire to be dominant; which upon coming into force will supersede the process set out in Condition 23 of the concession document. The draft regulations were submitted to the Minister on March 5th 2009 for laying in Parliament pursuant to Section 78 of the Act.

4 The Authority's Proposed Definitions, Representations made in that regard, and Considerations by the Authority

In treating with the matter, the Authority first identified two economic markets for the fixed domestic voice services under consideration, namely: (1) a market for fixed access; and (2) a market for fixed domestic retail voice services.

4.1 The Authority proposed the following market definitions:

Market 1: A market for fixed access

Access to a public telephone network at a fixed location by an individual, including the following services:

- Residential voice access: fixed dedicated connection to a public fixed telecommunications network to residential customers; and
- Business voice access: fixed dedicated connection to a public fixed telecommunications network to business customers.

Market 2: Fixed domestic retail voice services.

Publicly available local and / or national retail telephone services provided at a fixed location, including the following services:

- Fixed to fixed calls: voice calls originating from a fixed access line and terminating on another fixed access line in Trinidad and Tobago;
- Public payphone: voice calls originating from a public payphone and terminating on any fixed access line or mobile network in Trinidad and Tobago; and
- Fixed line to mobile calls: voice calls originating from a fixed access line and terminating on any mobile network in Trinidad and Tobago.

4.2 The following is a summary of the main representations and arguments put forward by TSTT and CCTL in response to the Authority's proposed market definitions:

- market definitions should take into account both demand-side substitutability and supply-side substitutability;
- narrow and broadband access, on one hand, and business and residential access, on the other hand, should be considered as separate markets;
- public payphone calls, and VOIP calls should be considered to be in a different market from fixed line calls;

- separate consideration should be given to on-net and off-net fixed line calls;
- the extent to which non-voice services might compete with telephony services should be taken into account;
- the prospective evolution of the telecommunications sector in Trinidad and Tobago should be taken into account, namely the role of VOIP and mobile networks as potential constraints to fixed line telephony.

4.3 In light of the above representations and concerns the Authority reviewed the appropriateness of the proposed market definitions by considering best practice approaches to market definition in telecommunications, the specific characteristics of the sector in Trinidad and Tobago, and available evidence to determine whether:

- fixed services and mobile services are in the same market;
- residential and business access are in the same market;
- narrowband access and broadband access are in the same market;
- VOIP, public payphones, and payphone card services belong to the same market as domestic calls;
- there are effective non-voice substitutes for fixed telephony services; and
- Trinidad and Tobago forms the relevant geographical boundary for the product markets defined.

Details of the assessment conducted can be found in the Frontier Report. In the event the Authority considers as follows:

a) The Authority considers that there is not enough evidence available to suggest that fixed and mobile services should be in the same market because:

- while mobile access allows a customer to make or receive calls anywhere, fixed line access requires the customer to be at a fixed location;
- while Internet can be accessed through a mobile handset, full internet service (in terms of speed, range of services accessed) normally requires broadband or narrow band fixed access; and
- SMS & MMS are popular features allowed by mobile access that is not available through fixed telephony, which may limit the degree of substitution between these services.
- there does not appear to be a strong substitution of fixed line access by mobile access because the majority of customers who have fixed line services also have

mobile network connections,[1] and the substantial increase in mobile penetration is likely to be as a result of an increasing proportion of customers having more than one mobile connection.

- the evidence gathered on call volumes is not sufficient to suggest strong switching behaviour between fixed line calls to mobile line calls. The analysis of the data seems to suggest that other factors, besides the increase in the volume of mobile calls might have participated in the drop in the volume of fixed calls.

- Fixed line calls have not, over recent years, changed in price and fixed line call charges typically remain below mobile call charges,[2] such that it is unlikely that a significant number of consumers will switch from making fixed originated calls to making mobile originated calls if faced with a small but significant increase in the price of fixed calls.

- The evidence gathered on call volumes is not sufficient to infer that a 5% - 10% increase in the prices of fixed calls would be unprofitable for a hypothetical monopolist on account of consumer switching to mobile calls.

- The increase in the number of mobile connections since 2003 has not been accompanied by a substantial reduction in the number of fixed line subscriptions. Rather, up until 2007, the number of fixed connections also increased. Although the number of fixed line connections fell in 2007, there was also a slight fall in the number of mobile connections. As such, the 2007 reduction in fixed line connections may not have been linked to increasing up take of mobile services.

The Authority notes that there was general consensus that it would be appropriate to include fixed-fixed calls and fixed-mobile calls in the same market.

b) The Authority considers that residential and business access should NOT form separate markets because:

- The decision by TSTT to separate residential access and business access as separate services with different pricing schemes and terms and conditions is a strategic one, and cannot be considered to be a structural feature of the market;

- There is no evidence to suggest that the differences in the provision of business access and residential access are sufficiently strong to prevent supply side substitution effects. This position is further supported by a recent EU recommendation placing business and residential access in the same narrowband access market:

- [1] This last point is supported by the fact that around 90% of mobile subscriptions are prepaid, giving users the flexibility to use more than one network at no additional cost (i.e., by switching SIM cards).

- [2] Prices for fixed to mobile call prices are relatively higher, at 80 cents per minute.

> "*From a supply perspective, since similar products (in particular public telephone network access lines) are often used by residential and non-residential users, suppliers to non-residential customers could generally divert their supplies to residential customers should prices to residential customers rise, and vice versa. On this basis, the Commission proposes in the draft revised Recommendation to define one single narrowband access market for residential and non-residential customers.*"[3]

- Placing business and residential narrowband access in the same market would not prevent the Authority from imposing different price regulation remedies to each service within the market, in order to address respective concerns within the market.

c) The Authority considers that narrowband access and broadband access should form separate markets because:

- Consumers tend to use broadband connections to access non-voice applications, whilst narrowband connections are used primarily for voice services. As such, the extent of substitution between narrowband and broadband connections may be limited, with rather the two being complements as opposed to substitutes.[4]

- A 'stand-alone' or 'pure' DSL service is not currently available in Trinidad and Tobago. That is, a consumer subscribing to a DSL service must also continue to pay for narrowband access line rental (i.e., the narrowband line). This would suggest keeping narrowband and broadband access in separate markets, in line with international precedent.

d) The Authority considers that Voice over Internet Protocol (VoIP), public payphone calls and payphone card services should be included in the same market as domestic fixed calls because:

The Authority's approach to authorisation and regulation is technology neutral. This philosophy is enshrined in the Act which defines public telecommunications service as:

> *"… a telecommunications service, including a public telephone service, offered to members of the general public, whereby one user can communicate with any other user in real time, regardless of the technology used to provide such service."*

Therefore, the Authority considers that it may be reasonable to include all domestic voice calls originated over fixed access connections to form part of the same market. All call types serve the same function and hence the degree of substitution may continue to increase.

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[3] "Explanatory note, accompanying document to the Commission Recommendation On Relevant Product and Service Markets within the electronic communications sector susceptible to ex ante regulation in accordance with Directive 2002/21/EC of the European Parliament and of the Council on a common regulatory framework for electronic communication networks and services (Second edition)", November 2007

[4] Whilst there may be some substitution between narrowband (dial-up) and broadband internet access, a customer switching from narrowband to broadband may be likely (or in many jurisdictions,

In respect of VoIP calls, the Authority considers that it is not possible to assess the extent to which VoIP calls substitutes PSTN fixed line calls as a result of a 10% increase in the tariffs of PSTN calls leading to a significant volume of switching to Internet voice services, since PSTN voice tariffs have remained unchanged. Therefore the Authority determined that VoIP and PSTN calls should be part of the same market because

- Although VoIP services are generally of lower quality than traditional fixed line services and in practice only possible through broadband connections, VoIP and PSTN can both be used to offer voice services to consumers and hence to provide the same basic functionality to consumers;

- Internet penetration rates are still relatively low 6%) when compared to fixed line penetration rate (24%) and the estimated broadband penetration rate in 2007 was only 2.7%[5];

- Customers tend to use VoIP services when making or receiving international calls as opposed to making and receiving domestic calls, since the potential for cost savings is greater in the international call market;

- Given the likely take up of VoIP for domestic calls, this may be unlikely to affect any conclusions on dominance. Defining the services to be part of the same market does not, however, require the same regulatory remedies (should any be considered to be appropriate) to be applied to all call types;

- It is unlikely for there to be supply side substitution because even if wholesale products were to exist, there would still be significant barriers to an ISP who does not already offer traditional voice services beginning to offer same, due to the substantial sunk costs involved in the deployment of a fixed lien network.

In respect of the public payphone and payphone card services, the Authority disagrees that they should form a separate market from standard fixed line calls because:

- Although payphone call volumes have decreased significantly over the years, this is not by itself evidence that they form a separate market from other fixed calls. Furthermore, including payphone call volumes as part of a wider market for fixed domestic voice telephony services may not, given the relative level of volumes, significantly affect the dynamics of that market and hence any findings of dominance. By placing payphone calls in a separate market, the extent of any dominance in that market would depend only on the structure of payphone services in Trinidad & Tobago. In either case, however, should we find one or more operators to be dominant in the relevant market, it would be possible to define regulatory remedies for payphones services in line with the characteristics of that service;

required), to also keep a narrowband fixed line. Substitution between narrowband and broadband internet services should be assessed when the TATT considers relevant markets for internet services.

[5] TATT's 2007 Annual Market Report

- The main difference between payphone card service and normal fixed line voice services is in the payment method. In fact, payphone cards are not dissimilar to the "pre-paid" price schemes used for mobile calls and it presents broadly the same advantages, i.e. it helps the customer to have a higher control over telephony expenses. It is natural, therefore, that this payment method is sometimes used as an alternative to fixed line international call services, which are typically more expensive than fixed line domestic call services. This said, it cannot be excluded that some demand side substitution as well as supply side substitution would occur as a consequence of an increase in fixed line domestic call services.

Notwithstanding the above, the Authority may continue to review the development of technology and their impacts in this sector as part of their regular update of relevant market definitions.

e) The Authority considers that the relevant geographic market for domestic voice access and domestic fixed voice services should be Trinidad and Tobago and that there should not be narrower geographical market definitions at this stage because:

- Domestic fixed line voice and assess services are by nature geographically constrained to Trinidad & Tobago. Presently, it is very likely that an hypothetical monopolist in that region would find it profitable to increase its prices 10% above the competitive threshold. As such, the jurisdiction of Trinidad & Tobago serves as the maximum extent of the geographic market.

Notwithstanding the above, the Authority considers that this could be assessed further as part of future regular updates of market definition, particularly if it becomes apparent that competition is developing differently across parts of Trinidad and Tobago.

f) The Authority considers that on-net and off-net fixed line calls should be identified as separate services within the single market definition for domestic fixed retail voice call services because:

- they are both likely to form part of the same market, given the likely potential for demand (and supply side) substitution between on-net and off-net calls.

g) The Authority considers that non-voice applications such as email and messaging services do not form part of the same market as domestic fixed retail voice services because:

- Internet penetration rates are still relatively low 6%) when compared to fixed line penetration rate (24%) and the estimated broadband penetration rate in 2007 was only 2.7%[6];

- Unlike voice services, e-mail does not offer users real-time communication. E-mail is most typically used instead of voice communications when it is necessary to send/swap files or when information is requested. Similarly, text messaging, as with email, does not offer real-time communications and a text message "conversation" (where multiple texts are sent between two parties) might cost in excess of a voice call.

[6] TATT's 2007 Annual Market Report

5 Conclusion

Having pronounced on the market definitions for fixed voice access and fixed domestic retail telephony services appropriate to the circumstances and situation of Trinidad and Tobago, the matter next falling for consideration is whether TSTT occupies a dominant position in the relevant markets; that is to say, whether the company has sufficient market power to enable it to behave independently of competitive pressures such as competitors and consumers.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

10 APRIL 2009

ANNEX A: THE AUTHORITY'S PROPOSED MARKET DEFINITIONS AND THE SEQUENCE OF EVENTS LEADING TO THIS DETERMINATION

From as far back as 2005, TSTT approached the Authority claiming that there was an access deficit. The company indicated that revenues generated from monthly line rentals was insufficient to cover its access network costs and that as a result of falling retail international rates it has been forced to reduce the subsidy. It also claimed that the company would be in breach of the Act and its new concession if it continues to subsidise the cost of the access network with revenues from more profitable services. The company then proposed the implementation of a rate re-balancing scheme and a revised national rate plan which involved an increase in the monthly line rental for fixed domestic voice services as a remedy.

The Authority was of the view that a detailed analysis was required to determine whether the access deficit was being appropriately measured and if not, to determine the extent to which there was actually a deficit before the proposed rate change could be considered as being justified.

While the process of conducting that analysis was underway, TSTT sought to introduce its Single National Rate in August 2007 without first notifying the Authority. The Single National Rate Scheme was entirely different from the original proposal presented to the Authority less than a year before. The Authority took TSTT to court on the issue and, by mutual consent; the matter was decided by the Court in favour of the Authority.

The sequence of events leading up to this determination is as follows:

19 September 2007	The Authority informed TSTT of its intention to consider declaring it a dominant provider in the market for fixed access and fixed domestic retail voice services.
20 November 2007	The Authority writes to all other International, Mobile and Fixed Telecom providers in the Trinidad and Tobago market inviting their representations on the matter. The deadline given for submissions is 4 December 2007.
16 November 2007	TSTT responds by raising several issues. In the company's view there was insufficient and inadequate evidence to substantiate any consideration of dominance, in particular ➢ the proposed relevant market definition needed to be supported by further evidence; and

- potential barriers to entry and buyer power, and not only current market shares, should be looked at before drawing any conclusion on dominance.

4 March 2008	The Authority gives TSTT notice of its intention to revisit its prior consideration of relevant markets. Further, the Authority invites TSTT to submit its position on the appropriateness of defining two economic markets for the fixed domestic voice services under consideration.
11 April 2008	TSTT responded to the Authority's letter, requesting clarification in a number of areas, in particular: ➢ the extent to which, in reaching its views, the Authority considered demand and supply side substitution; ➢ the definition of 'fixed access' used by the Authority; ➢ whether the Authority was proposing a single market for business and residential access; and ➢ whether the Authority was proposing a single market for all (domestic) calls originating on fixed lines and payphones.
7 May 2008	The Authority writes to TSTT reiterating that, at that stage, it has made no decision on the relevant markets, but is consulting with the company on the likely appropriateness of the markets proposed. TSTT is given until 29 May 2008 to make its representations on the potential definitions, following which the Authority would consider all the relevant evidence in order to inform its decision.
29 May 2008	TSTT provides its views on the proposed market definitions.
18 July 2008	The Authority invites representations from CCTL (operating under the brand name "Flow") on the proposed market definitions, since it had by that time begun offering fixed voice services (Flow began offering voice services on 12 May 2008).
4 August 2008	Flow submits its response to the Authority.

The Authority, with the assistance of Frontier Economics, reviewed the submissions of TSTT and CCTL, together with other data on the state and characteristics of the domestic voice telecommunications sector in Trinidad and Tobago. Frontier Economics produced and submitted a report *('Market Definition in the Retail Domestic Fixed Telecommunications Sector of Trinidad and Tobago'*) to the Authority that recommended definitions for the relevant markets based on an analysis of all the data made available to it (See Annex B).

27 October 2008	Copies of the Frontier Economic Report are given to both TSTT and CCTL, with an invitation to give their views and comment on it by 12 November 2008.
14 November 2008	TSTT responded to the Authority's invitation for representations.
	To date however no representation has been made by CCTL on the Frontier Economics Report.

ANNEX B: FRONTIER ECONOMICS REPORT

Due to the confidential nature of the data included as part of the analysis in this report, this Annex will only be made available to the parties involved.