



**2006** ICTV converted to a digital platform for high-quality picture and sound and renamed PNCC Digital TV.

GSM mobile system upgraded for better call connections and more calling features; system capacity expanded in Koror and cell sites added in Babeldaob, Kayangel, and Angaur.

**2007** PNCC Digital TV launched on-screen TV guide (EPG).

PNCC's website redesigned for online access to billing details (WebCare), improved online directory, and online TV guide (www.palaunet.com).

Further capacity upgrades to GSM wireless system in Koror; additional cell sites in Babeldaob and Rock Islands.

GSM International texting (ISMS) and SMS/Texting to e-mail introduced.

Chung Hwa Telecom (CHT) Memorandum of Understanding signed, for cooperation in upgrading cellular services, satellite capacity and international roaming.

**2008** GSM Voice Mail service introduced.

Memorandum of Understanding signed with the Philippines Long Distance & Telephone Company (PLDT) for cooperation in wireless systems and becoming a roaming partner.

**2009** Local Fixed line telephone monthly rate up 10%, the first increase in 14 years; Inside Wiring Maintenance Plan introduced.

CHT Mobile Network Improvement Project and Satellite Transmission Enhancement Project completed, providing expanded and improved national cellular coverage including the Rock Islands, and the introduction of international roaming services with Taiwan.

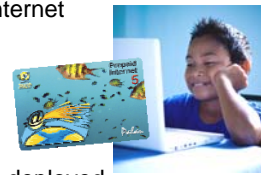
International roaming with IT&E in Guam and CNMI established. PNCC Wireless name changed to PalauCel in celebration of the system improvements.



**2009** PNCC Wi-Fi Hotspots introduced in public areas to provide high-speed Internet access.



DSL and Prepaid Internet rates reduced 50%.



Internet infrastructure deployed to Southwest Island States for 100% universal service throughout Palau.



**2010** Palau's first-ever live Digital TV Pay-per-View events in partnership with HBO Boxing and Top Rank, Inc.



Rock Islands served by 4 cell sites.



PNCC introduced live video streaming of events in Palau to the world via the Internet with the 2010 Micro Games.

**2011** "HomeNet" package combines residential phone line and prepaid xDSL Internet access using Debusch prepaid cards. New cell sites in Aimeliik and Airai (Oikull). International roaming partnerships include Japan, Taiwan, Guam, CNMI, Hong Kong and United States. Digital TV offers over 65 channels.

**2012-2014** Over 150 Wi-Fi Hotspots. PalauCel switch upgrade; international roaming added with the Philippines, Australia, and Korea.



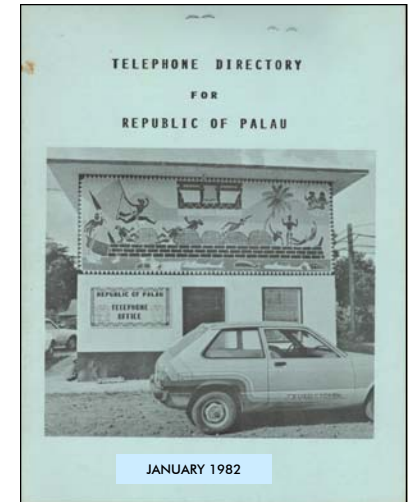
Palau's first-ever rural telecenter established through Asia-Pacific Telecommunity (APT J3) grant in partnership with Palau Community College and Ngeremlengui State.

Malakal cell site relocated and upgraded for better service coverage.

HomeNet DSL service expanded to all Babeldaob states.



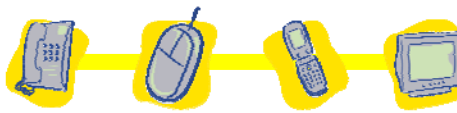
## Telecommunications Milestones in Palau



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Connecting Palau to the World  
Omak er a Belau el mora Beluulechad

# 32 Years of Telecommunications Milestones in Palau



**1982** Incorporation of PNCC with about 200 customers in Koror only (transferred from the U.N. Trust Territory Administration). For overseas calls, telexes and telegrams, customers traveled to PNCC in Meyuns. Calls to states outside of Koror via public radio only.



**1988** PNCC extended telephone service to Airai using microwave technology.

**1990** Island Cable Television Co. (ICTV) founded as a 50% joint venture between PNCC and United Micronesia Development Association (UMDA).



Palau's 3-digit telephone numbers changed to a 7-digit numbering plan.

**1993** IDDD (International Direct Distance Dialing)

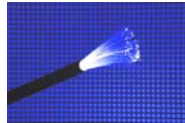
**1994** Meyuns earth station upgraded to digital Standard-B. \$39.1 million loan from U.S. Rural Utilities Service to modernize the national telecommunications infrastructure ("Ukedel a Llomes 2000"/LightNet 2000).



**1995** Prepaid long distance telephone cards "Debusch" (conch shell) enabled customers to place overseas calls from any phone.



**1996** National fiber optic transmission system constructed to expand telephone services throughout Palau; 135 miles of OC3 SONET fiber optic submarine cable connects local networks in a ring configuration around Babeldaob and a fiber optic link to Peleliu. The ring design provides redundancy, so if the cable is cut, services can still be provided through the other side of the fiber ring.



**1996-97** Central office digital switching equipment installed in new headquarters building in Airai, including two Lucent 5ESS digital switches (a domestic and an international gateway). New operator system and 411 Directory Assistance service introduced.



**1997** Internet and e-mail services launched.

**1998** Upgrade/expansion of local telephone distribution systems completed; buried system protects phone lines and helps prevent weather-related service outages.

**1999** New microwave transmission system extends telephone service to Kayangel and Angaur. HF radiotelephone transmission system selected for remote Southwest Islands.

PNCC introduced domestic broadband applications via ISDN and HDSL to provide remote schools and medical clinics with distance learning and telemedicine capabilities.



**2000** Rate reduction for Internet dial-up plans; additional hour of Internet use cut from \$14.40 to \$5.00.

Direct-dial long distance rates to major destinations reduced to \$1.50 per minute flat rate (formerly up to \$3.00 per minute peak/daytime rate).

PNCC purchased 100% ownership of ICTV and expanded service from Koror and Airai to Peleliu via PNCC's fiber optic undersea cable.

Cellular service (analog) introduced with coverage from Kayangel to Angaur through Palau National Cellular, Inc. (PNCI), a PNCC joint venture with Japanese company FTC.

**2001** ICTV distribution network expanded to all states in Babeldaob via fiber optic cable.

PNCC introduced LocalNet, a low-cost Internet access service to websites within Palau with unlimited PalauNet email. Audio-streaming added with local radio station WWFM streamed to the World Wide Web. Resale of Internet service via Internet cafes.



**2002** PNCC acquired 100% ownership of Palau National Cellular, Inc. (PNCI). Nationwide prepaid cellular service introduced.



**2003** First-ever live local cablecast solution via IP technology (DSL) for President's State of the Republic address.

Direct-dial long distance rate reduced to \$0.99 per minute. Effective hourly rates for dial-up Internet customers reduced by 50%.

ICTV expanded to Angaur and Kayangel via microwave links into the national fiber optic network. Palau Visitors Channel introduced.

First international videoconference using IP technology.

**2004** International direct-dial long distance rates reduced to 35¢ per minute to over 200 destinations (28¢ to Philippines).

National wireless network converted from analog to a digital GSM-900 platform with nationwide SMS/texting.

Broadband Wide Area Network (WAN) service using DSL and ISDN introduced to link the Ministry of Education and public schools in Palau.

**2005** ICTV Basic Service monthly rate up 10% from \$23.00 to \$25.30, first rate increase in over ten years; channels increased over 50% since 1994.

Meyuns earth station upgraded to digital Standard-A rating. VSAT earth station installed at Airai HQ to provide redundancy for international satellite connections.

New cell sites in Melekeok and Ngarard to improve wireless coverage in Babeldaob.

New Unlimited dial-up Internet access plan introduced; broadband DSL rates reduced up to 50%.



**OUR MISSION** is to meet Palau's telecommunications needs including universal service.