



JCRA Media Release – 24 November 2011

Cost of changing Broadband Provider to drop

It will cost significantly less to switch broadband providers from 1 December following an investigation by the Jersey Competition Regulatory Authority (JCRA).

In July, following a complaint from Cable & Wireless Jersey (Sure), the JCRA commenced an investigation into the charges that Jersey Telecom (JT) levied when it processed the movement of broadband customers between providers. It was alleged that the charge that JT's wholesale business imposed was damaging competition. Following the investigation, JT has now agreed to reduce the charge from £44 to £15.72.

At the start of the investigation, JT had defended the higher charge but following a proposal from the JCRA to cut the charge to £12.75, JT accepted that, due to changes in its business, a lower charge was justified.

The JCRA has accepted JT's reduced charge in order to expedite the change as soon as possible. However, the regulator has advised that it may look again at these charges as part of a broader review of JT's one-off broadband charges in 2012.

“Making it easier and cheaper to switch between broadband providers is critical to a healthy competitive market. The charges that JT currently makes operators pay to enable customers to switch were clearly too high and not cost-justified.”

“We are pleased that the charge has been reduced significantly following our investigation. However, we want to ensure that the charge, even at this lower cost, reflects the cost of the work involved and is efficient. So while we accept JT's proposals as a pragmatic solution at

this time, we will be examining it more closely next year,” said John Curran, Executive Director of the JCRA.

The JCRA final notice on JT’s takeover charge for ADSL broadband services is published on the JCRA website, www.cicra.je and is available from the JCRA’s office by calling (01534) 514990.

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All enquiries should be directed to the JCRA’s Executive Director, John Curran, on +44 (0)1534 514990.

Full report is on the JCRA website, www.cicra.je.

About the JCRA

The JCRA is an independent authority established by the States of Jersey to enforce Jersey’s competition law and regulate its telecommunication and postal sectors. In each of these areas, the JCRA’s primary mission is to promote consumer welfare through efforts that encourage lower prices and greater choice and innovation in the goods and services available in Jersey. The JCRA is recognized internationally as a leading voice in the application of competition law and policy in small economies.