

06 October 2009

Graeme Marett
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Dear Graeme

2e2's Comments on Fixed Line Access Review - JCRA Consultation 2009-T2

In brief the executive summary clearly identifies the key issues that are preventing open and transparent competition in Jersey's telecommunication sector.

The recommendations laid down for change should be implemented.

Of specific interest was the recommendation 4.4 on page 4. As stated in the report when JT first entered this market other operators immediately raised concerns over cross subsidisation so comments noted in 4.4.3 on page 28 are of no surprise. It is clearly disappointing that the JCRA was unable to prevent this situation arising. The regulator needs to act decisively to prevent future occurrences.

Looking forward as JT looks to move into other markets, such as the provisioning of IT managed services, the process should be such that such services can only be offered following a comprehensive regulatory review that concludes the pricing models used are not anticompetitive.

For the regulator to be effective in this way it needs to have some sanctions available to it that fall short of removing an operator's licence which, in reality, it would be unable to do to JT without compromising the infrastructure of the entire Island. These sanctions need to be capable of being brought to bear to limit the impact of any potentially anti-competitive behaviour, pending investigation of concerns raised by OLO's and other parties competing with JT

Yours sincerely

Jonathan Crichard
Managing Director