

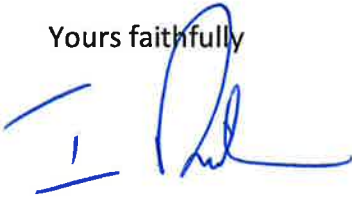
Question 4- Do you agree that the principle that should inform appropriate benchmarks for purposes of this consultation is where there is separation of the retail and wholesale functions? If not what other approach should be adopted and why?

Yes, we agree.

Question 5- Do you agree with the reasoning set out above as to what might inform the retail minus X approach and the margin itself? If not what alternative estimate/s of X do you propose and why?

We firmly believe that the proposal to set X at 54% for "Up to 20Mb" & "50Mb" services should be implemented in July 2014, irrespective on any further debate or consultation on X for the "100Mb" and "1GB" Services to ensure consumer benefits are brought to Jersey as soon as possible. Our view is that X should be set at 54% for the "100Mb" and "1GB" Services.

Yours faithfully



Ian Ridgway
2 May 2014

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and

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Dear Michael

Wholesale Broadband Prices JT (Jersey)Limited

Thank you for inviting Newtel Limited and Business Telecom Limited to respond to the question raised in the above consultation document. For ease we have responded to each question in turn.

Question 1- Do you agree that retail minus, cost plus and wholesale price cap are the three options that should be considered in the setting of wholesale charges? If not, what alternative approach do you propose and why?

Yes, we agree.

Question 2- Do you agree that the application of a retail minus mechanism is the appropriate approach in the absence of a suitable FTTH cost model? If not, what other approach should be adopted and why?

Yes, we agree.

Question 3- Do you agree that in the absence of a reliable cost model with which to set wholesale prices, the benchmarking of the relationship between wholesale and retail charges in other developed markets is appropriate? If not what alternative approach do you propose and why?

Yes, we agree.

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