



Daniel Vincent JCRA 2nd Floor, Salisbury House 1-9 Union Street St Helier JERSEY JE2 3RF

22nd October 2012

Dear Daniel

Initial Notice Direction of Decision and direction to JT (Jersey) Limited: Private Circuit Upgrade Charges and Maintenance Charges – Breach of Licence

Cable & Wireless Jersey Limited ("CWJ") welcomes the opportunity to respond to the JCRA's Initial Notice of Decision and Direction to JT (Jersey) Limited: Private Circuit Upgrade Charges and Maintenance Charges – Breach of Licence. This was issued as CICRA Document Number 12/42 on 12 September 2012.

CWJ is pleased that the JCRA has investigated this issue fully, but is concerned that it has taken over a year to reach a conclusion on this case when it should have been relatively straightforward given the evidence available to the JCRA. In this case, JT did not win the contract in question but we wonder what remedy would have been available to the JCRA had JT won the contract and had subsequently been found to have done so through the use of anti-competitive practices. We note that the recent Frontier Report has also highlighted as a concern the length of time that the JCRA takes to complete investigations and in this context we would remind the JCRA that we have several other complaints against JT – some over a year old - that are still awaiting action by the JCRA.

Returning to the current case, we are not convinced by the explanations given by JT for their discriminatory behaviour. We are particularly concerned about some of JT's statements about pricing some services "on a commercial basis" to its retail customers, whilst charging OLOs a higher wholesale price for services that they would need to have in order to compete with JT Retail. We can only question if such discriminatory practices are employed by JT as a matter of course for other services in which it has SMP and which are required by OLOs to compete.

In relation to the remedy that the JCRA is proposing to impose on JT, we believe that this needs to be revised slightly. Currently, the proposed direction only seems to apply in instances involving a new retail customer. But what happens in

the case of any existing JT customer whose contract is about to expire and who wants to upgrade? Would JT Retail be able to waive the upgrade charge? If so, then OLOs would still not be able to compete for that business.

CWJ therefore believes that the wording of the Direction needs to be amended to read:

JT must charge all new and existing retail customers for UCPS and any other maintenance/support services relating to private circuits, at a cost no lower than the wholesale tariffs charged by JT to OLOs.

Finally, CWJ would like to confirm that it has no objections to the whole of this response being made public, including on the CICRA website.

Yours sincerely

Chris Durnell

Head of Legal & Regulatory, CWC Channel Islands and Isle of Man