

18th July 2014

Michael Byrne Chief Executive CICRA Suites B1 & B2 Hirzel Court St Peter Port Guernsey GY1 2NH

Dear Michael

JT's Response to CICRA Wholesale Access to Fixed Telecoms Networks - Wholesale Line Rental Initial Notice

JT (Jersey) Limited and JT (Guernsey) Limited (collectively known as "JT") welcome the opportunity to respond to the Channel Islands Competition and Regulatory Authorities (CICRA) Initial Notice on Wholesale Access to Fixed Telecoms Networks – Wholesale Line Rental (WLR).

As stated in our response to the consultation, JT has never been a supporter of WLR and instead has been a supporter of creating wholesale access products that are future proof and that allow CPs to differentiate the services they offer to consumers. However, it is evident that JT's view is not supported by the other operators or CICRA. JT therefore agrees to the implementation of WLR at a date no later than 1st June 2015

JT also agrees with the Initial Notice that the definition of WLR should be limited to standard PSTN telephone line rental, connection and wholesale calls.

Pricing

JT notes Annex B of the Initial Notice which details the new licence condition 17.10. Whilst we agree the wording used in the licence condition regarding the Licensees entitled to share the efficient cost of the provision of the WLR service, it is JT's view, based on previous working group discussions, that WLR pricing will be a contentious issue. JT is keen to start pricing discussions early to ensure a conclusion can be reached in a timely manner well in advance of 1st June 2015 and would urge the CICRA to arrange the first inter-operator meeting to start this process as soon as possible. JT would also like to enter into discussions with CICRA and other stakeholders regarding the withdrawal of the Primetalk tariff as part of or in advance of the introduction of WLR.

We are currently working through the cost inputs of WLR from our latest set of costing data and intend to have recommended pricing available in August. As soon as that information is finalised we will advise CICRA as this will be crucial for pricing discussions.

Scope and Project Planning

It is important that discussions start between the operators at an early stage to agree on the scope of WLR and the work streams and responsibilities. From the preliminary work we have undertaken on WLR we suggest that there are five main work streams:-

- Scope and Service Preparation confirm scope of WLR, confirm functionality required, prepare legal agreements, define credit check process.
- Service Delivery process development for ordering (including transfers, adds, moves and changes), provisioning, number selection, change of address and in life changes and SLAs.
- Service Management processes for faults, engineering visit, fraud process, nuisance call process, legal intercept process, directory database management and SLAs.
- Billing- billing process, CDR format, process and frequency, bill query process and SLAs.
- Commercial agree pricing: WLR rental price; WLR connection price; pricing for any network features and agree the pricing principles and banding of destinations in the wholesale calls rate card.

We look forward to working proactively with CICRA and the other operators in developing a WLR product available in the market to meet the deadline of 1st June 2015.

Yours sincerely

CAROL GUNASEKARA

REGULATORY OFFICER - CORPORATE AFFAIRS

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