

**JCRA Guideline on Condition 33.1 of the Telecommunications Licence for
Jersey Telecom Limited ('JT') issued under the Telecommunications (Jersey)
Law 2002 (the 'Law')**

Introduction

The purpose of this Guideline is to provide guidance, both to JT and third parties, of the types of programmes, offers, and discounts that are subject to the Condition 33.1 requirements. It is not intended to be a final statement of the precise scope of Condition 33.1, and is not intended to cover every conceivable situation in which the Condition 33.1 requirements may arise. However, for the situations discussed below, the JCRA would intend to interpret Condition 33.1 in a manner consistent with this Guideline. This Guideline remains subject to modification or revocation by the JCRA.

Licence Condition 33.1

Condition 33.1 concerns JT's price regulated services and states:

33.1 Where the Licensee intends to introduce:

- (a) new prices for any Telecommunication Services, or prices for new Telecommunication Services to be introduced by the Licensee;*
- (b) any discounts to published prices for Telecommunication Services within a relevant market in which the Licensee has been found to be dominant, or for any Subscribers to whom additional services or goods are provided by the Licensee or any of its Subsidiaries or Joint Venture; or*
- (c) special offers to all or any of its customers for particular categories of Telecommunication Services where those Telecommunication Services have been found to be within a relevant market in which the Licensee has been found to be dominant,*

it shall publish the same at least twenty one (21) days prior to their coming into effect or otherwise as required by Telecommunications (Jersey) Law, and provide full details of the same to the JCRA.

Guidelines

1. Condition 33.1 is a purely procedural requirement. The potential effect that a price, discount, or special offer may have on competition or markets has no bearing on its application.
2. Condition 33.1 makes no distinction between prices, discounts, or special offers JT may provide to new customers or to its existing customers (or to both new and existing customers). Thus, prices, discounts, or special offers provided by JT solely to its existing customer base still are subject to these requirements.

3. Condition 33.1 in general makes no distinction between prices, discounts, or special offers offered directly by JT or on JT's behalf by third parties. Thus, for example, if JT provides a subsidy to third-party retailers who then pass it on to customers in the form of discounts or special offers as an inducement to purchase JT goods or services, JT's provision of the subsidy is subject to Condition 33.1.
4. Conditions 33.1(a) and 33.1(b) apply expressly to prices for, and discounts to, telecommunication services. Thus, these conditions cover any telecommunications service JT provides within, to, or from the Bailiwick of Jersey. This would include, for example, services JT charges its customers for in Jersey that JT may provide in cooperation with third parties.
5. Discounts under Condition 33.1(b) can include discounts in the traditional sense (e.g., a reduction in price) or the provision by JT of additional services for a single price. It also could include, for example, increasing the capacity of existing services (e.g., like offering additional bandwidth at the same price).
6. Conditions 33.1(b) and 33.1(c) both refer to relevant markets in Jersey in which JT has been found to be dominant. Currently, these markets are the following: fixed-line telecommunications services, fixed-line telecommunications networks, leased circuits, mobile telecommunications services, mobile telecommunications networks, and fixed-line broadband services.
7. Condition 33.1(c) applies to special offers to all or any of JT's customers for particular categories of telecommunication services in which JT has been found to be dominant. The applicability of this Condition depends not on what JT provides as a special offer but to whom the offer is made. Stated simply, if JT makes a special offer to customers in a market in which it has been found to hold a dominant position, then Condition 33.1(c) applies. The offer does not have to apply to the telecommunication service itself, so long as it is offered to customers of a telecommunication service in which JT has been found to be dominant. Thus, for example, if JT were to offer concert tickets, gift vouchers, free or discounted phones, or anything else of value to customers as an inducement to purchase a telecommunication service, then Condition 33.1(c) applies.
8. With regard to particular prices, discounts, or special offers, if JT is uncertain about the potential applicability of Condition 33.1, it should contact the JCRA for further guidance. The JCRA remains willing to discuss with JT the potential applicability of Condition 33.1 to its prices, discounts, or special offers and provide guidance in the most expedient time-frame available.

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