



JCRA CONSULTATION

Telecommunications Licence Conditions

**Consultation Document
2001/4
December 2001**

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1. INTRODUCTION

The JCRA is developing new licence terms and conditions in preparation for a fully liberalised telecommunications sector in accordance with legislation that has been approved by the States and is likely to come into force in April 2002.

The telecommunications market in Jersey is to be opened up to competition and the JCRA may draw up and issue licences to providers of telecommunications networks and services in Jersey. A key element of the regulatory framework is therefore the licensing regime that will apply to both Jersey Telecoms (“JT”) and new entrants to the market.

This consultation is concerned with the licence terms and conditions that will apply in the telecoms sector. Please note, however, that the JCRA will be conducting further consultation on particular services – for example, mobile services - which are likely to require specific licence conditions. Further details on these matters will be available from the JCRA in 2002.

This document does not constitute legal, technical or commercial advice; the JCRA is not bound by this document and may amend it from time to time. This document is without prejudice to the legal position or the rights and duties of the JCRA to regulate the market generally.

2. STRUCTURE OF THE PAPER

This paper is structured as follows:

- section 3 details the consultation procedure and timetable;
- section 4 provides an overview of the proposed licences conditions;
- section 5 provides more detail on certain specific conditions on which comments are invited;
- Appendix 1 sets out the draft telecommunications licence conditions;
- Appendix II provides a table explaining the purpose of each of the conditions.

Respondents are requested to comment on the proposed terms and conditions as set out in appendix 1. Respondents are also requested to respond to the questions set out in sections 4 and 5, in relation to the completeness of the conditions, their appropriateness and whether they achieve the stated objectives.

3. CONSULTATION PROCEDURE AND TIMETABLE

The consultation period will run from December 2001 until Friday 31st January 2002. Written comments should be submitted before 5.00pm on Friday 31st January 2002 to:

Jersey Competition Regulatory Authority
6th Floor
Union House
Union Street
St. Helier
Jersey
JE2 3RF

E-mail: enquiries@jcra.je

All comments should be clearly marked “Comments on Telecommunications Licence Conditions Consultation Document”.

All comments are welcome, but it would make the task of analysing responses easier if comments reference the relevant question numbers from this document. The JCRA intends to make responses to the consultation available for inspection. Any material that is confidential should be put in a separate Annex and clearly marked so that it can be kept confidential.

4. PROPOSED LICENCES - STRUCTURE

This licence regime is intended to replace any licences issued by the Telecoms Board. The first thing an Applicant will have to do is to decide whether a Class I or Class II Licence¹ is required (or indeed whether a licence is required at all). The appropriate application form will then have to be completed. After this consultation period ends on 31 January, the JCRA will be in a position to distribute an Application Form. A fundamental concern for JCRA will be whether the services and networks are appropriate to the licence requested.

Licences will be required from all legal entities. A licence issued to an individual may not be used for the benefit of any company of which the individual is a director. Such a company must have its own licence.

¹ The JCRA has proposed a licensing structure with two classes of licence: a Class I and a Class II licence to distinguish between those operators with and those without ‘Significant Market Power’. The additional licence conditions for operators of a Class II licence (those *with* significant market power) are set out in Appendix I, Part IV.

Licences relating to broadcasting, cable television, MMDs or mobile services and networks may also be required. Details will be available from JCRA in 2002.

In preparing the draft licence terms and conditions, the JCRA has taken account of the market structure where there is one incumbent operator (JT), with a very strong position for historic reasons, and the potential for new entrants to come into the market. In this structure it is important to balance the regulatory obligations that JT will need to comply with in order to ensure a competitive market develops, with the need for JT itself to be able to operate in a commercial manner. At the same time, there is a need to recognise the rapidly changing nature of the telecoms sector generally and ensure that the licences contain sufficient flexibility to cope with those changes.

In many cases, more specific detail will be developed by the JCRA in consultation and co-operation with JT, other market players and interested parties as appropriate.

It is the JCRA's view that this approach will provide the flexibility to ensure that the needs of the Jersey market can be met by tailoring the regulatory regime to meet the demands of a small island economy, while at the same time providing sufficient certainty and clarity as to the regulatory rules so as to encourage entry into the market by other operators.

The table below summarises the conditions contained in the draft licence. Section 5 contains more detail on key conditions.

Condition	Comment
1	Sets out the definitions which in turn define the scope of the licence.
2 – 10	Set out the scope and the characteristics of the licence, the provisions relating to enforcement and the terms and conditions relating to suspension, revocation, renewal or modification of the licence.
11 – 16	Set out the public service conditions and those conditions related to public pay phones, consumer protection and service levels.
17 – 21	General conditions relating to the use of numbers, and compliance with other legal obligations in respect of access to land and access to essential facilities.
22 – 32	Conditions relating to retail price control including adhering to published prices and discounts and special offers, cross subsidies, separate accounts, selling practices, relations with customer bodies, undue preference and unfair discrimination and linked sales. These conditions are designed to apply to any operator designated by the JCRA as having significant market power and/or an established position in a relevant market.

Q 4.1: Do Respondents consider that this range of conditions covers all relevant matters? If not, what additional conditions should be included and why?

Q 4.2: Do respondents consider that there are any conditions in this draft licence that are unnecessary? If so, which ones and why?

5. SIGNIFICANT TERMS AND CONDITIONS

This section describes in detail some of the more complex terms and conditions that are included in the draft licence.

In particular, it describes certain conditions that it is proposed are included in relation to control of a dominant position (Section 5.3), regulation of prices of dominant operators (Section 5.3) and quality of service (Section 5.2).

5.1 Universal Service/Public Service Conditions

Universal Service (Condition 11)

The purpose of the condition is threefold:

- to impose on the Licensee the requirement to provide the level of universal service, i.e. a minimum level of service at an affordable price to all users, irrespective of their location. This is known as the Universal Service Obligation ('USO');
- to provide for the sharing of the cost of the USO should it be shown to be an unfair burden; and
- to provide for the Licensee to contribute to the cost of USO, whether or not it has a USO itself.

Public Emergency Call Services (Condition 12)

This condition requires the licence to ensure all users of telecommunications equipment can access the emergency services at all times. This will apply to mobile handsets, including pre-paid mobile handsets. The conditions will apply to all licensees.

Directory Information (Condition 13)

This condition imposes an obligation on the Licensee to ensure that all users of the fixed network have access to a Directory Information service and that the information held by the Licensee is kept up-to-date and not used for any purpose other than in the provision of the Directory Information Service.

The Licensee is also required to co-operate with other licensed operators in providing this service.

Public Pay Telephones (Condition 14)

Another important element is the need to ensure that a basic level of service is available from all public pay telephones operated by the Licensee. This condition prescribes the level of service required and the information that must be displayed to ensure users are informed of the means and charges associated with the use of the payphone.

Q 5.1.1: Do Respondents consider that these conditions meet the objective of universal service? If not why, and what changes would you suggest to meet the objectives?

5.2 Service Levels and Quality of Service Conditions

This section provides details of the conditions for quality of service.

Service Levels (Condition 15)

Many of the people of Jersey rely entirely on the incumbent operator for the provision of their telecommunications services and, notwithstanding the proposed liberalisation and the introduction of competition into the market, this is likely to continue to be the case for some time. Therefore the regulatory regime must seek to ensure that the operation and maintenance of the network and services of the major player in the market continues at a sufficiently high level to meet the reasonable needs of the users of the service. This condition seeks to ensure that the JCRA receives sufficient information to meet this requirement and monitor the company's network and service development. Further, given that it can be expected that the Licensee will be providing wholesale services to new entrants who in turn will seek to provide services to end-users, reassurance that sufficient network is being provided to meet such needs will be important in a newly liberalised market.

Q 5.2.1: Do Respondents consider this condition is appropriate and helps to safeguard the interests of the telecommunications users in Jersey within a commercial, but not fully competitive, market? If not, please give your reasons and suggest alternatives.

Consumer Protection (Condition 16)

Ensuring that consumers benefit from the opening of the telecoms market will be of critical importance to the JCRA. Therefore it is essential that all licensees, including JT, are aware of their requirements to provide high quality service to their customers. In addition, rectifying service in the event of disruption and dealing with complaints from users in a speedy and efficient manner will also be of importance. The JCRA considers that a system should be in place to enable users to address such issues directly to their chosen service provider or operator. Therefore the requirement in this condition for the publication of a consumer code setting out the manner and means in which such issues can be brought to the attention of an operator, addressed and reported on, is seen as being a key ingredient in achieving this aim.

Q 5.2.2: Do Respondents consider this approach balances the needs of consumers and the duties of Licensees appropriately? If not please suggest alternative ways of achieving consumer confidence and high quality services?

5.3 Conditions to be Included in Licences to be Granted to Operators

This document provides greater detail on the relevant licence conditions for those telecoms operators that are in an established position in certain relevant markets; notice of the JCRA's decision to include conditions in its licence to control that position, and conditions to regulate its prices, premiums and discounts.

Operator with Significant Market Power and/or Established Position (Conditions 23 – 32)

Where an operator has a position of significant market power, it has advantages over other operators. This group of conditions are designed to ensure that any advantage is not abused or used unfairly to the detriment of competition or of customers.

These conditions are an important element of a liberalised telecommunications regime as they provide transparency and clarity to new entrants as to how dominant players are required to behave in the market. This includes the entitlements and rights of new entrants to use a dominant player's network, how much they must pay for that use, and the fact that any dominant player must treat them equally to the way it treats itself in providing services and network.

These conditions also relate to the control of retail tariffs charged, the publication of discounts and tariffs, and the requirement not to engage in anti-competitive behaviour.

Q 5.3.1: Do Respondents consider these conditions provide adequate protection against the possibility of abuse of a dominant position by JT or other dominant licensee? Do you have any suggested additions, deletions or amendments and if so why?

6. CONCLUSION

In conclusion, Respondents are requested to comment on the matters set out in sections 4 and 5 of this paper. It would assist in the consideration of responses if the question numbers in the above sections were quoted in any replies.

Respondents are also requested to comment appropriateness of the conditions in Appendix I and on the intent and objective of those conditions, as set out in Appendix II. Comments on any additional conditions, which respondents believe should be included, are also welcome.

Draft



Appendix I

Draft Telecommunications Licence Conditions

Draft

JERSEY COMPETITION REGULATORY AUTHORITY

Licence issued to

[]

under

THE TELECOMMUNICATIONS (JERSEY) LAW, 2001

The JCRA, in exercise of the powers conferred on it by the Telecommunications (Jersey) Law, 2001, grants to the Licensee a Licence to establish, operate and maintain the Licensed Telecommunications System and provide Telecommunications Services (as these terms are defined in the Conditions of this Licence), within, to and from Jersey and subject to the Conditions, all lawful directions of the JCRA and all applicable laws, rules, regulations and Ordinances of the States of Jersey.

DATED

CONDITIONS

1. DEFINITIONS AND INTERPRETATION

- 1.1 A word or expression that is used in the Licence and the Conditions and is also used in the Telecommunications (Jersey) Law, 2001, has, except where the context otherwise requires, the same meaning in the Licence and the Conditions that it has in the relevant Law. In addition, the expressions set out below have the meanings given to them below:

“Class II Licensee”: means any Licensee who holds a Class II licence;

“Conditions”: means Conditions 1 through 33 of this Licence, as may be amended, revoked or added to by the JCRA from time to time;

“Directory Information Services”: means services offering information concerning the name, number, address, customer type and directory type in respect of customers who have been provided with telecommunications directories and/or services relating to directory information;

“ETSI”: means the European Telecommunications Standards Institute;

“ITU”: means the International Telecommunications Union;

“Licence”: means this licence to run a Telecommunications System, subject to the Conditions;

“Licence Commencement Date”: means the date on which this Licence is signed by the JCRA;

“Licence Fee”: means the fee prescribed by the JCRA under Article 17 of the Telecommunications (Jersey) Law and payable by the Licensee;

“Licensed Telecommunication System”: means the system for the conveyance of messages through the agency of energy which the Licensee is authorised to establish, operate and maintain in Jersey;

“Telecommunications Services”: means the provision of any Telecommunications services to the public;

“Licensee”: means [];

“Numbers”: means the formats of codes and subscriber numbers for routing telecommunications services to a network termination point, user, telecommunications equipment or customer premises equipment in Jersey, which formats are allocated by the JCRA or by the UK’s Director General of Telecommunications appointed under the Telecommunications Act.

“Number Portability”: means a service enabling a Subscriber to transfer his contract with the Licensee to another Licensed Operator within Jersey and retain the same number allocated to that Subscriber by the Licensee;

“Other Licensed Operator”: means any person who, for the time being, has the benefit of a Licence granted under the Telecommunications (Jersey) Law;

“Public Pay Telephone”: means a telephone which is available to the general public for the use of Telecommunications Services, the means of payment for which is coins, cards or other tokens;

“Subscriber”: means a legal or natural person who has a contract with the Licensee to receive Licensed Services. For the avoidance of doubt a subscriber does not include users of pre-paid services;

“Telecommunications (Jersey) Law”: means the Telecommunications (Jersey) Law, 2001

“Term”: means, subject to Condition 11, a period of 10 years from the Licence Commencement Date;

“Universal Service”: means [*Under Article 7 (3) (a) of the Telecommunications (Jersey) Law the JCRA must have regard to the accessibility of services when ensuring (as far as in its view is reasonably practicable) that telecommunications services are provided so as to satisfy all current and prospective demands*];

“User”: means a consumer of Telecommunications Services.

- 1.2 In the Licence and these Conditions, unless the context indicates a contrary intention:
- (a) references to Conditions, paragraphs and subparagraphs are to Conditions, paragraphs and subparagraphs of the Conditions, as varied from time to time in accordance with the Conditions;
 - (b) a document will be incorporated into and form part of the Conditions if it is referred to in the Conditions, and reference to such a document is to that document as varied from time to time;
 - (c) headings used for conditions, paragraphs and subparagraphs are for ease of reference only and will not affect the interpretation of the Conditions;
 - (d) references to any law, rule, regulation, Ordinance or other legal instrument includes any modification, re-enactment or legislative provisions substituted for the same;
 - (e) use of the word "includes" or "including" should be construed as being without limitation; and
 - (f) the masculine gender shall include the feminine and neuter, and the singular shall include the plural, and vice versa, and words importing persons shall include firms or companies.

PART I: ESTABLISHMENT AND ENFORCEMENT

2. SCOPE OF THE LICENCE

- 2.1 This Licence authorises the Licensee to run a Telecommunications system in Jersey for the Term.
- 2.2 For the avoidance of doubt, this licence shall be non-exclusive.
- 2.3 The Licence is personal to the Licensee and the Licensee shall not:
- (a) sub-license, assign or grant any right, interest or entitlement in the Licence nor transfer the Licence to any other person; or
 - (b) sell or pledge any of its assets which are necessary to provide the Licensed Telecommunications system which the Licensee is obliged to provide under this Licence, unless such assets are immediately replaced with equivalent assets, without the prior written consent of the JCRA, such consent not to be unreasonably withheld.

Condition 2.3 does not apply to:

- (i) *a mortgage or other transaction entered into for the purpose of securing borrowings of the Licensee or an Associated Company, being borrowings for the purpose of the Licensed Telecommunications System or the provision thereof or anything incidental thereto; or*
 - (ii) *a transfer, assignment or other disposal of an interest in assets under an arrangement whereby the Licensee retains the use and benefit of such assets for the remainder of the useful life of such assets and for the duration of the License, or*
 - (iii) *a transfer, assignment or other disposal of assets made in the ordinary course of business.*
- 2.4 Subject to Condition 8 the Licensee shall notify the JCRA of the occurrence of any of the following:
- (a) any fact or event likely to materially affect the Licensee's ability to comply with any Condition including any change to the Licensed Telecommunications System which may detrimentally affect the permanence, availability or quality of the Licensed system or services;
 - (b) an insolvency-related event in respect of the Licensee or an Associated Company of the Licensee, or any preparatory steps being taken that might

lead to an insolvency-related event, immediately upon the Licensee becoming aware of the event.

- 2.5 The Licensee shall notify the JCRA:
- (a) of any proposed Change of Control of the Licensee forthwith upon the Licensee, or its Chairman, Chief Executive Officer, Chief Operating Officer or any Director becoming aware of the proposed change; and
 - (b) in any event, on the occurrence of any Change of Control of the Licensee, within thirty days of that event.
- 2.6 On receipt of notification the JCRA may:
- (a) approve the proposed change or the change in writing;
 - (b) disapprove the proposed change or the change in writing, giving reasons; or
 - (c) approve the proposed change or the change subject to the Licensee accepting a modification of the Licence under Article 18 of the Telecommunications (Jersey) Law,

and, or in addition to any of the above measures, the JCRA may issue such directions to the Licensee or invoke any of the sanctions, penalties or remedies in the Law or the Licence as the JCRA considers necessary or appropriate.

In taking action under this section, the JCRA may have regard to whether or not the JCRA would have awarded the Licence to the Licensee had the Change of Control taken effect prior to the award.

- 2.7 In this Condition 2, “Control” shall mean any direct or indirect possession of any power or right that enables a person or group of persons to direct, or cause the general direction of, the management or policies of the Licensee by any means and in any event. A person or group of persons shall be deemed to Control the Licensee if:
- (a) he or they exercises or controls the exercise of fifty per cent or more of the votes able to be cast at general meetings of the Licensee on all, or substantially all, matters; or
 - (b) he is or they are able to appoint or remove directors holding a majority of voting rights at board meetings on all, or substantially all matters or is able to appoint or remove a majority of the governing body of the Licensee; or
 - (c) he or they exercises or controls the exercise of fifty per cent or more of the partnership or other ownership interests of the Licensee,

- and, in each case, reference to the Licensee shall include any person or group of persons who Controls the Licensee in any of such ways, and “Change of Control” shall mean any change as a result of which any other person or group of persons acquires Control.
- 2.8 The Licensee shall supply to the JCRA, in relation to itself and any Associated Company which Controls the Licensee:
- (a) a copy of its annual return on the same date on which it is required to be filed in accordance Jersey Law,
 - (b) a copy of its annual report and accounts on the same date on which it is circulated to the shareholders of the relevant body corporate; and
 - (c) where the relevant body corporate is not incorporated in Jersey, any returns, reports, accounts or other information under the laws of any applicable jurisdiction which are, in the opinion of the JCRA, analogous or equivalent to the above, at such times and in such forms as the JCRA directs from time to time.
- 2.9 The Licensee shall comply with any other requirement in law or practice to obtain any additional consents, permissions, authorisations or licences as may be necessary for the provision of the Licensed Telecommunications System and for the exercise of its rights or discharge of its obligations under this Licence.
- 2.10 The Licensee shall ensure that:
- (a) the administration and management of the business associated with the establishment, maintenance and operation of the Licensed Telecommunications System shall be conducted from Jersey; and
 - (b) its business is conducted in a manner which the JCRA is satisfied is on a normal commercial basis and at arm’s length from the business of any of its shareholders or Associated Companies.

3. LICENCE FEE

- 3.1 The Licensee shall pay the Licence Fee in the manner directed by the JCRA. *[The level and meaning of calculation of licence fees shall be the subject of separate consultation by the JCRA.]*
- 3.2 Without prejudice to any other remedies of the JCRA under this Licence or the Laws, if the Licensee fails to pay any amount due to the JCRA under this Condition 3 by the due date, the unpaid amount will accrue interest daily from the due date to the date of payment at four percentage points above the published base rate of the Bank of England.

4. PROVISION OF INFORMATION

- 4.1 For the purpose of monitoring the Licensee's compliance with the Conditions and the Laws, the Licensee shall provide to the JCRA in the manner and at the times required by the JCRA, any documents, accounts, returns, estimates, reports or other information including but not limited to the documents, accounts, returns, estimates, reports and other information specified in this Licence.
- 4.2 The Licensee shall, within ninety days of the Licence Commencement Date, provide the JCRA with a comprehensive report on its use of the radio frequency spectrum, and the anticipated future use, and provide updates on the report as requested by the JCRA from time to time.
- 4.3 The JCRA may require an examination, investigation or audit of any aspect of the Licensee's business relating to the Licensed Telecommunications System or its compliance with the Conditions and the Laws, and the Licensee shall provide any assistance requested by the JCRA in relation to any such examination, investigation or audit. The JCRA may issue directions with regard to the manner in which such an examination, investigation or audit is carried out.
- 4.4 In particular, the JCRA may authorise a person to carry out an examination, investigation or audit or may require the Licensee to arrange for an examination, investigation or audit of any aspect of the Licensed Telecommunications System to ensure compliance with the Conditions. The Licensee shall allow the JCRA's authorised representative to attend at, enter and inspect any premises under the Licensee's or any of its Associated Companies' control, and to take copies of any documents and to acquire any information in the control of the Licensee or any of its Associated Companies, as may be required in order to carry out the examination investigation or audit.
- 4.5 The Licensee shall bear all reasonable costs associated with any examination, investigation or audit conducted under this Condition 4.

5. COMPLIANCE

- 5.1 In addition to the Conditions, the Licensee shall comply with:
 - (a) any obligation imposed on it by the Laws or by any law, regulation, rule or Ordinance; and
 - (b) any direction duly issued by the JCRA under the Laws or by any law, regulation, rule, Ordinance or this Licence.

6. MODIFICATION

- 6.1 The JCRA may from time to time modify, delete or add to any condition in this Licence. Any modification, deletion or addition to the Conditions shall be made in accordance with Article 18 of the Telecommunications (Jersey) Law and any other requirements under any applicable law.

7. ENFORCEMENT AND REVOCATION

- 7.1 The JCRA may at any time revoke this Licence in accordance with the provisions and procedures set out in Articles 19 and 20 of the Telecommunications (Jersey) Law. The JCRA may also take any action to enforce any condition of this Licence in accordance with Article 19 of the Telecommunications (Jersey) Law or any direction issued relating to this Licence.

8. EXCEPTIONS AND LIMITATIONS ON THE LICENSEE'S OBLIGATIONS

- 8.1 If the Licensee is prevented from performing any of its obligations under this Licence because of force majeure:
- (a) the Licensee shall notify the JCRA of those obligations it is prevented from performing and the reason why as soon as reasonably practicable; and
 - (b) the JCRA may suspend those obligations and the Licensee will not be liable to perform those obligations, for so long as the force majeure continues, only if and to the extent that the inability to perform could not have been prevented by taking steps specifically required under this Licence or other reasonable precautions and the inability cannot reasonably be circumvented by the Licensee at its expense through the use of alternate sources, work-around plans or other means.

9. INTEGRITY OF THE NETWORK

- 9.1 The Licensee shall take all reasonable steps to ensure the integrity of the network and may refuse to provide the Telecommunications Services which it is obliged to provide in accordance with Condition 12 of this Licence to a particular User if providing those Services would or would be likely to cause damage or interference to the Licensed Telecommunications System.
- 9.2 The Licensee shall provide details with regard to any proposed refusal of the JCRA. The JCRA shall issue a determination on the matter.

10. MATTERS OF INTEREST TO JERSEY

- 10.1 The Licensee shall, in connection with its establishment, operation and maintenance of the Licensed Telecommunications Systems take reasonable steps to prevent any Telecommunications Services from being used in, or in relation to, the commission of offences against the laws of Jersey.
- 10.2 The Licensee shall establish and maintain the capability to intercept Messages transmitted over the Licensed Telecommunications System and to provide information regarding the use of Telecommunications Services, in order to be able to meet the requirements of Jersey Law.

11. TERM AND RENEWAL

- 11.1 The Licence commences on the Licence Commencement Date and continues, subject to the Licensee's compliance with the Conditions and the Laws and subject to any revocation or suspension by the JCRA, for the Term.
- 11.2 At any time after the seventh anniversary but prior to the ninth anniversary of the Licence Commencement Date, the Licensee may serve notice on the JCRA requesting a renewal of this Licence.
- 11.3 Within one hundred and eighty days of receipt of the notice under Condition 11.2 or such further period as may be agreed with the Licensee, the JCRA shall notify the Licensee whether or not it agrees to a renewal of the Licence subject to the same Conditions or any modified, amended or additional Conditions, subject to the Licensee providing all necessary information to the JCRA to enable it to make the notification within the required time.

PART II: PUBLIC SERVICE CONDITIONS

12 UNIVERSAL SERVICE

- 12.1 Where so directed by the JCRA, the Licensee shall provide in Jersey a Universal Service. *(The JCRA welcomes views on what the concept of Universal Service might mean in the specific context of the island economy of Jersey.)* The Licensee shall comply with any direction given from time to time by the JCRA in respect to the Universal Service Obligation.
- 12.2 Until otherwise instructed, the Licensee shall defray the full cost of the Universal Service Obligation set out in this Condition. In the event that the provision of Universal Service represents an unfair burden on the Licensee the JCRA may introduce a mechanism to share the determined net cost of the Universal Service obligation between licensed operators. Such determination shall be made following consultation by the JCRA on the appropriate mechanism to be used.
- 12.3 The JCRA may direct the Licensee to contribute to a fund, to be established under Condition 12.2, to cover the net cost of the provision of the Universal Service Obligation and the Licensee shall comply with such directions.
- 12.4 If required by any Subscriber to whom it provides Telecommunications Services, the Licensee shall also provide maintenance services in respect of any Customer Premises Equipment in that Subscriber's control which is to be lawfully connected to the Telecommunications Network at a Network Termination Point, except where:
- (a) the Licensee has notified that Subscriber that the Customer Premises Equipment is beyond economic repair or the components or tools necessary to effect the repairs are no longer available and provided that the JCRA has agreed in writing accordingly;
 - (b) the Customer Premises Equipment was supplied by a person other than the Licensee or its Associated Company.

13. PUBLIC EMERGENCY CALLS

- 13.1 The Licensee shall provide a public emergency call service, being a Telecommunications Service that enables a User at any time and without incurring any charge or using any coin or token, to communicate with the police, the ambulance or fire services or the maritime search and rescue services and to notify them of an emergency by using Customer Premises Equipment lawfully connected to the Licensed Network at any place in Jersey.

- 13.2 The Licensee shall ensure that codes 112 and 999 and other codes which may be designated as emergency access codes, are exclusively reserved for calls to emergency services.

14. DIRECTORY INFORMATION

- 14.1 The Licensee shall ensure that Users have access to Directory Information Services and Operator Assisted Services offered by the Licensee any Other Licensed Operator who is obliged to provide such services.

- 14.2 The Licensee shall, at its own expense:

- (a) maintain a complete and accurate database of its Subscribers' Numbers and make the data available to Other Licensed Operators who become obliged to provide Directory Information Services (but only to facilitate the provision of Directory Information Services);
 - (b) co-operate with all such Other Licensed Operators in the supply or compilation of comprehensive and accurate directory information; and
 - (c) not use any directory information provided to it by any Other Licensed Operator for any purpose other than for providing Directory Information Services unless specifically authorised to do so by the Other Licensed Operator concerned.
- 14.3 The Licensee shall comply with the any relevant legislation covering the protection of data in place and as may be amended from time to time.

15. PUBLIC PAY TELEPHONES

- 15.1 The Licensee shall ensure that the following Telecommunications Services are accessible at all Public Pay Telephones forming part of the Licensed Telecommunications System:

- (a) Voice Telephony Services;
- (b) Directory Information Services;
- (c) public emergency call services without the need for any charge or the use of any card or other token;
- (d) free-phone services; and
- (e) operator-assisted services.

In this Condition “Voice Telephony Services”: means the conveyance of voice messages between the Licensed Telecommunications System and any other public telecommunications network.

- 15.2 All Public Pay Telephones provided by the Licensee shall display a notice specifying:
- (a) the minimum charge for connection, call charge information and permissible methods of payment;
 - (b) the location of the Public Pay Telephone;
 - (c) a statement that emergency calls can be made without charge, card or token;
 - (d) a statement as to whether or not incoming calls can be received; and
 - (e) contact information in the event of service complaints.
- 15.3 The Licensee shall be responsible for the installation, maintenance and prompt repair of its Public Pay Telephones and shall ensure that at least one of any such Public Pay Telephones in each location where Public Pay Telephones are located, is equipped for use by people with hearing, sight or other disabilities, unless the JCRA directs otherwise in writing.
- 15.4 If the Licensee wishes to withdraw any Public Pay Telephone from service it shall display a notice to that effect at the Public Pay Telephone concerned not less than sixty days before service is withdrawn, unless the JCRA agrees otherwise in writing.

16. DEVELOPMENT OF NETWORK AND SERVICES

- 16.1 The Licensee shall develop and operate the Licensed Telecommunications System so as progressively to achieve standards in line with international best practice and in particular, the Licensee shall achieve and comply with relevant standards established by ETSI, the ITU and such other international benchmarks as the JCRA may direct from time to time.
- 16.2 In order to meet the objectives set out in this Condition 16, the Licensee shall, within three months of the Licence Commencement Date submit to the JCRA a plan setting out the target levels it will achieve for the Telecommunications System (to be known as the “**Telecommunications Development Plan**”) and a monitoring plan (to be known as the “**Telecommunications Monitoring Plan**”) which provides for accurate measurement of each of the target levels set out in the Telecommunications Development Plan, together, “the Plans”. These plans should be based on the Plans and Deliverables provided in the Applicant’s Competitive Impact Statement.

- 16.3 The Plans will describe:
- (a) how actual performance will be monitored;
 - (b) the process for the collection and analysis of suitable data; and
 - (c) the procedures for internal review and performance improvement planning by the Licensee.
- 16.4 The JCRA may direct the Licensee to update and resubmit the Plans from time to time.
- 16.5 The JCRA may direct the Licensee as to matters to be included in the Plans and may amend or replace such direction from time to time.
- 16.6 The JCRA may include as a condition in this Licence the targets specified by the Licensee in the Plan and the Licensee shall be deemed to be in breach of its Licence if the target levels are not achieved.
- 16.7 Within thirty days of the end of each six month period during the Term, the Licensee shall provide the JCRA with a written report in a form required by the JCRA on its achievements under the Development Plans during the preceding six month period, as set out in Condition 16.2.
- 16.8 The Licensee shall comply with any directions issued by the JCRA from time to time, regarding any other quality of service indicators and measurement methods for Telecommunications Services and shall, as and when required, supply to the JCRA in a form specified by the Authority, the results of its measurements of actual performance against any quality of service indicators and measurements so specified, and the JCRA may publish or require publication of such information as it considers appropriate.

17. CONSUMER PROTECTION

(The JCRA is consulting concurrently on the role of consumers, and consultees are referred to the JCRA Consultation Documents 2001/3, 'Promoting Consumer Interests through Competition'.)

- 17.1 The Licensee shall, in the manner and at the times specified by the JCRA, publish the standard terms and conditions, including tariffs under which it provides each category of Telecommunications Services to Subscribers and Users. In the absence of any other direction from the JCRA, the Licensee shall ensure that a current statement of all applicable terms and conditions is:
- (a) filed with the JCRA; and

- (b) promptly made available for inspection at the request of any member of the public or promptly sent to them by post on request.
- 17.2 The JCRA may direct the Licensee to change the Licensee's standard terms and conditions from time to time.
- 17.3 The Licensee shall safeguard the privacy and confidentiality of all Messages transmitted over the Licensed Telecommunications System and the Telecommunications Services provided shall comply with all applicable laws from time to time regarding the protection of personal data and shall comply with any directions issued by the JCRA for the purposes of protecting the interests of its Subscribers or Users.
- 17.4 The Licensee shall provide each of its Subscribers with an acceptable level of itemised billing for international calls, at no additional charge. On request by a Subscriber, the Licensee shall also provide itemised billing for local calls at a reasonable charge. The itemised bill produced by the Licensee shall in all cases provide sufficient detail to facilitate verification of charges incurred by the Subscriber in using the Telecommunications Services. Calls which are free of charge to the user, including calls to helplines, shall not be identified in the Subscriber's itemised bill.
- 17.5 The Licensee shall within three months of the Licence Commencement Date publish an appropriate code of practice ("**Consumer Code**") for the resolution of Subscriber or User disputes, including, but not limited to, the non-payment of bills and disconnection. The JCRA may from time to time issue directions to the Licensee specifying any modifications or additions that it considers should be made to the consumer code.
- 17.6 The Consumer Code shall identify a transparent, simple, inexpensive procedure in order to address, inter alia, the following:
- (a) the appointment of a representative of the Licensee to be the first point of contact for members of the public;
 - (b) a means of recording complaints against and disagreements with the Licensee;
 - (c) the procedure and time frame in which the Licensee will respond to complaints and disagreements;
 - (d) the method and duration of retention of records of complaints and disagreements; and
 - (e) the level of any compensation that the Licensee may offer where complaints have been upheld or not satisfactorily resolved.

If a complaint or disagreement remains unresolved for 3 months, either party may refer it to the JCRA for determination.

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- 17.7 The Consumer Code may be amended by the Licensee from time to time, provided that the Licensee shall notify the JCRA and publish the proposed changes 28 days in advance of their coming into effect. The JCRA may issue directions to the Licensee as to the changes, including but not limited to directions not to make the changes, directions to amend the changes further or directions as to the timing of the changes.
- 17.8 The Licensee shall participate in good faith in any dispute resolution procedure established by the JCRA for the resolution of disputes.
- 17.9 The Licensee shall publish a statement setting out the minimum service levels for Users and Subscribers in respect of each category of Telecommunications Services it offers, any exceptions to these, and the compensation or refunds it will offer to Subscribers or prospective Subscribers where service levels are not met. The Licensee shall also submit the statement to the JCRA.
- 17.10 The JCRA may consult publicly on the statement provided in accordance with Condition 17.9 and issue directions to the Licensee specifying any modifications or additions that it considers should be made to the statement. The Licensee shall then re-publish the statement in the agreed form, in accordance with any directions as to publication made by the JCRA, and shall forthwith implement the same. The JCRA may from time to time issue further directions requiring modifications or additions to the statement and as to its re-publication and implementation.
- 17.11 The Licensee shall submit at the end of every six months, or at such other intervals as the JCRA directs, a written report to the JCRA setting out:
- (a) the extent to which the Licensee has succeeded in meeting the targets described in Condition 17.9;
 - (b) the compensation that has been paid in relation to complaints or disagreements where the Subscribers complaints were upheld and why complaints were dismissed; and
 - (c) such other matters that the JCRA directs should be included in the report.
- 17.12 The Licensee shall ensure the accuracy and reliability of any systems, equipment, data or procedures which the Licensee uses to measure or to track the provision of Licensed Telecommunications Services or for the calculation of related charges.
- 17.13 The JCRA may require the Licensee to set up, at its expense, a User Council or Councils for the specific purpose of obtaining and representing the views of customers.

**PART III: GENERAL CONDITIONS RELATING TO THE PROVISION
OF TELECOMMUNICATIONS**

18. NUMBERING

- 18.1 The Licensee shall use only those Numbers that are allocated to it for the purpose of terminating Messages on the Licensed Telecommunications System and shall comply with any directions concerning use and allocation which are issued by the JCRA from time to time.
- 18.2 The Licensee shall manage any Numbers allocated to it with a view to conserving Numbers as a public resource and shall maintain a record of the status of all Numbers allocated to it and on request, shall provide that information to the JCRA.
- 18.3 The Licensee shall not charge its customers for allocations of Numbers except where authorised and in accordance with any direction from the JCRA.
- 18.4 The Licensee shall comply with any directions issued by the JCRA in respect of Number Portability.

19. RADIO FREQUENCY

- 19.1 The Licensee shall provide the Telecommunications Services in accordance with the requirements of the Wireless Telegraphy Act and the Telecommunications (Jersey) Law.
- 19.2 The Licensee shall at all times facilitate the proper management of the radio frequency spectrum and shall ensure that the equipment and systems of the Licensee are adequate to prevent or, if necessary, eliminate interference with other authorised radio systems. Where the JCRA believes that an emergency exists the Licensee shall if so directed by the JCRA in writing:
 - (a) modify, in such manner as may be specified in the direction, the operating characteristics of any radio transmitting station used for the purposes of the Telecommunications Services; or
 - (b) cease operating any radio channel or radio transmitting station used for the purposes of the Telecommunications Services.
- 19.3 The Licensee shall ensure that non-ionising radiation emissions from its Licensed Telecommunications System are within the limits specified by the guidelines published by the International Commission for Non-Ionising Radiation Protection (ICNIRP) and that it complies with any radiation emission standards adopted and

published from time to time by ETSI, the European Committee for Electrotechnical Standardisation and any other standards specified by the JCRA.

20. ACCESS TO LAND

- 20.1 The Licensee shall be entitled to all powers and rights and subject to all such obligations as are set out in the Telecommunications (Jersey) Law. Nothing in this Licence shall absolve the Licensee from any requirement in law to obtain such additional consents, permissions, authorisations or licences as may be necessary for the provision of the Licensed Telecommunications System and for the exercise of its rights or discharge of its obligations under this Licence.

21. ACCESS TO FACILITIES

- 21.1 If the Licensee or the Licensee's Associated Company and any Other Licensed Operator fail to reach agreement within sixty days in respect of a request by the Other Licensed Operator for Access, and the JCRA considers that such Access is essential as being the only economically feasible means by which a Telecommunications System can be installed or provided or connected to the premises of a User or Subscriber, over, under, in or across any public right of way or as being the only feasible means of avoiding material damage to the environment, the JCRA may instruct the Licensee to allow, or to procure that the Licensee's Associated Company allows the Other Licensed Operator Access on reasonable terms unless the JCRA determines that it would be unreasonable to require the Licensee or the Licensee's Associated Company concerned, alone or with any other person willing or required to do so, to grant the necessary Access.
- 21.2 In the absence of agreement between the parties, the terms of Access including time limits for completion of any agreement shall be determined by the JCRA.

22. CESSATION OF THE PROVISION OF THE LICENSED TELECOMMUNICATIONS SERVICES

- 22.1 If the Licensee proposes to cease to provide all or a material part of the Licensed Telecommunications System it shall give not less than three years notice in writing to the JCRA of the proposal and its plans in relation to the cessation. Such cessation shall be effected only with the consent of the JCRA and in accordance with any directions given by the JCRA in relation thereto and the Licensee shall comply with any such directions under Condition 22.1.
- 22.2 At any time within three years before the expiry of the Licence or if the JCRA receives a notice under Condition 22.1 or if the JCRA has made a decision pursuant to Article 20 of the Telecommunications (Jersey) Law to suspend or

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revoke the Licence, the JCRA may, after consultation with the Licensee, direct it in writing to take such steps as are specified in the direction, being steps that the Authority considers necessary or expedient to ensure the safety of the Licensed Telecommunications System or the continuity and continuation of the provision of Telecommunications Services or any constituent parts thereof, and the Licensee shall comply with any such directions.

**PART IV: ADDITIONAL CONDITIONS APPLICABLE TO CLASS II
LICENSEES**

23. APPLICATION OF CONDITIONS

- 23.1 Where the JCRA has decided, that a Licensee possesses significant market power in a relevant market, it may determine that provisions of this Part IV apply.

24. EQUAL ACCESS

- 24.1 The Licensee shall at the request of an Other Licensed Operator or if directed by the JCRA, make Equal Access available to that Other Licensed Operator. The JCRA may direct the terms upon which such Equal Access shall be provided and the JCRA may make subsequent directions modifying or supplementing the regulation of Equal Access. In this Condition, “**Equal Access**” means a facility provided whereby a User can access the Telecommunications System or Telecommunications Services offered by an Other Licensed Operator. The User’s choice may be made in either of the following ways, subject to the requirements of the direction:

- (a) by pre-selection, that is to say the User registers with the Licensee the name of the Other Licensed Operator which will convey all his calls (but the Licensee may offer a facility to overwrite the preference in the case of any particular call); or
- (b) on a call-by-call basis using any numbers or codes allocated for this purpose by the appropriate licensing authority.

- 24.2 The Licensee may not charge any fee or require the Subscriber to acquire any special equipment as a pre-requisite to obtaining Equal Access or changing its designation of preferred Operator.

25. INTERCONNECTION

- 25.1 The Licensee shall:

- (a) have the right to Interconnect the Licensed Telecommunications System with the Telecommunications Network or Mobile Telecommunications Network of any Other Licensed Operator, provided the technical standards and specifications for interconnection have been complied with; and
- (b) on request, Interconnect the Licensed Telecommunications System with the Telecommunications Network or the Mobile Telecommunications

Network of any Other Licensed Operator whose licence authorises such Interconnection, at any technically feasible point.

- 25.2 The Licensee shall make available to interested parties such Technical Standards and Specifications as may be required to enable connection to the Licensed Telecommunications System. The JCRA may issue a direction as to the information that must be provided.
- 25.3 The Licensee shall not be required to enter into an Interconnection agreement or provide Interconnection services if that agreement or the provision of those services would:
- (a) be technically infeasible or if it could reasonably be expected materially to impair the quality of any Telecommunications Service; or
 - (b) threaten the integrity, security, or interoperability of the Licensed Telecommunications System in a material way, provided that the Licensee informs the Other Licensed Operator, in writing, with a copy to the JCRA forthwith justifying its decision to refuse Interconnection or its intention to terminate Interconnection services under an Interconnection agreement. The JCRA may determine whether the action by the Licensee is reasonable and issue directions accordingly.
- 25.4 The Licensee shall provide copies of any interconnection agreements to the JCRA and such agreements shall be made available to interested parties upon a request being made in writing to the JCRA. The JCRA may determine, following consultation with the Licensee, those aspects which deal with the commercial strategy of the parties and those aspects shall not be made available.
- 25.5 The JCRA may direct that changes be made to any interconnection agreement to ensure that it is in compliance with the Telecommunications Law.

26. LEASED CIRCUITS

- 26.1 The Licensee shall offer to lease out circuits for any lawful purpose:
- (a) on publicly advertised conditions and on non-discriminatory terms. This is without prejudice to discounts that are in accordance with Condition 31;
 - (b) within a reasonable and published period of time from any request;
 - (c) so as to meet the quality standards required under the Conditions; and
 - (d) at prices that do not exceed levels determined from time to time by the JCRA.

- 26.2 The Licensee shall offer to lease out circuits to Other Licensed Operators on terms that are no less favourable than those on which the Licensee makes equivalent leased circuits available to its Associated Companies or its own business divisions.
- 26.3 The Licensee shall not be obliged to provide, and may cease to provide, leased circuits to Users in cases in which:
- (a) use of the leased circuits in the manner proposed would harm the integrity, security or interoperability of the Licensed Telecommunications System in a material way; or
 - (b) the leased circuits will be connected to Customer Premises Equipment that is not approved for connection to the Licensed Telecommunications System.
- 26.4 If the Licensee refuses to provide leased circuits or intends to terminate the provision of a leased circuit service on grounds that the User of the leased circuits is acting in a manner set out in Condition 26.3, the Licensee shall immediately give its reasons in writing to the User, and submit a copy to the JCRA. The JCRA may consider whether the reasons given for the refusal or the intention to terminate the leased circuit are justified and issue directions accordingly.
- 26.5 The Licensee may include in its agreements with Users of leased circuits, reasonable restrictions consistent with Condition 26.3.

27. SEPARATE ACCOUNTS

- 27.1 Within one month of the Licence Commencement Date, the Licensee shall prepare and maintain accounting records in a form that enables the activities specified in any direction given by the JCRA to be separately identifiable, and which the JCRA considers to be sufficient to show and explain the transactions of each of those activities. The JCRA may direct the Licensee as to the basis and timing of such reports as the JCRA may require.

28. CROSS SUBSIDISATION

- 28.1 The Licensee shall not unfairly cross subsidise or unfairly subsidise the establishment, operation or maintenance of any Telecommunications Network or Telecommunications Services.
- 28.2 To enable the JCRA to evaluate where any unfair cross-subsidisation or unfair subsidisation is taking place, the Licensee shall record at full cost in its

accounting records any material transfer of assets, funds, rights or liabilities between a part and any other part of its business, and between it and any Associated Company, and shall comply with any directions issued by the JCRA for this purpose.

29. UNDUE PREFERENCE AND UNFAIR DISCRIMINATION

29.1 The Licensee shall not show undue preference to, or exercise unfair discrimination against, any User or Other Licensed Operator regarding the provision of any Telecommunications Services or Access. The Licensee will be deemed to be in breach of this Condition if it favours any business carried on by the Licensee or an Associated Company or Other Licensed Operator so as to place Other Licensed Operators competing with that business at an unfair disadvantage in relation to any licensed activity.

30. LINKED SALES

[The JCRA intends to consult on price and price regulation in the first half of 2002.]

30.1 The Licensee shall not make it a condition of providing any Telecommunications Services, or providing Access that a Subscriber, User or Other Licensed Operator should acquire from the Licensee, or any person specified by the Licensee, any Telecommunications Service or Telecommunications Apparatus including Customer Premises Equipment, other than the one that is specifically required by the person concerned, unless the Licensee has notified the JCRA of its intention to do so and has satisfied her that there are technical reasons why such a bundling of Telecommunications Services and/or Telecommunications Apparatus should occur, or that there is a sufficient economic benefit to Users to justify the bundling.

30.2 The provisions of Condition 30.1 shall not prevent the Licensee from offering discounts in accordance with any discount scheme which complies with Condition 31.

31. PRICE REGULATED SERVICES

31.1 Where the Licensee intends to introduce:

(a) new prices for any Telecommunications Services, or prices for new Telecommunications Services to be introduced by the Licensee;

- (b) any discounts to published prices for Telecommunications 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 Associated Companies; or
- (c) special offers to all or any of its customers for particular categories of Telecommunications Services where those Telecommunications 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 law, and provide full details of the same to the JCRA.

31.2 The JCRA may determine the maximum level of charges the Licensee may apply for Telecommunications Services within a Relevant Market in which the Licensee has been found to be dominant. A determination may:

- (a) provide for the overall limit to apply to such Telecommunications Services or categories of Telecommunications Services or any combination of Telecommunications Services;
- (b) restrict increases in any such charges or to require reductions in them whether by reference to any formula or otherwise; or
- (c) provide for different limits to apply in relation to different periods of time falling within the periods to which any determination applies.

31.3 All published prices, discount schemes and special offers of or introduced by the Licensee for Telecommunications Services shall be transparent and non-discriminatory; all discount schemes shall be cost-justified and all special offers shall be objectively justifiable.

31.4 If the JCRA, after consulting the Licensee and such other persons as it may determine, is satisfied that any published price, discount scheme or special offer is in breach the Telecommunications (Jersey) Law or this Licence, the JCRA may, by issuing a direction, require the Licensee to bring the relevant prices, discount schemes or special offers into conformity with the Laws and/or the requirements of this Licence.

32. FAIR COMPETITION

32.1 The Licensee shall:

- (a) not abuse any position of significant market power and/or established position in any telecommunications market;
- (b) not engage in any practice or enter into any arrangement that has the object or the likely effect of preventing, restricting or distorting competition in the establishment, operation and maintenance of Telecommunications Systems or the provision of Telecommunications Services; and
- (c) comply with any direction issued by the JCRA for the purpose of preventing any market abuse or any practice or arrangement that has the object or effect of preventing, restricting or distorting competition in the establishment, operation and maintenance of Telecommunications Systems or the provision of Telecommunications Services.

33. MISUSE OF DATA

33.1 The Licensee shall not make use of network or traffic data, traffic profiles or any other data of any nature which become available to it directly or indirectly as a result of entering into Interconnection arrangements or otherwise as a result of carrying Messages, in any way which, in the reasonable opinion of the JCRA, would unduly prefer the interests of any business carried on by the Licensee or an Associated Company of the Licensee, or place Other Licensed Operators at an unfair disadvantage.

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Appendix II

Draft Telecommunications Licence – Explanatory Notes on Licence Conditions

Appendix II
Draft Telecommunications Licence – Explanatory Notes on Licence Conditions

Condition No.	Heading	Purpose
Part I	Establishment and Enforcement	
1	Definitions	Sets out the meanings attributed to certain terms used throughout the licence document.
2	Scope of the Licence	Establishes to whom the licence is issued, the nature of the licence, the requirements with regard to the control of the Licensee and obligations with respect to any changes in control of the Licensee that may take place.
3	Licence fee	Requires the Licensee to pay a fee for the licence.
4	Provision of Information	This condition sets out some detail on how information required by the JCRA may be obtained and obliges the Licensee to comply with requests and provide all relevant information and assistance to obtain information. This is a crucial condition as the information requested will enable the JCRA to make determinations in the best interest of users and the market as a whole.
5	Compliance	States that the Licensee must comply with any and all directions issued by the JCRA or as set down in law.
6	Modification	The licence should be viewed as a living document and changes may be required to be made to it over the term of the licence to take account of developments in the market. This condition provides for such modifications and the Telecommunications Law sets out in more specific detail the process to be followed in making modifications.
7	Enforcement and Revocation	This clause provides for the JCRA to revoke the licence in accordance with the process and procedures set out in the Telecommunications (Jersey) Law, and for the Licensee’s obligations with respect to the provision of service to its customers at the time that any such revocation takes place.
8	Exceptions and Limitations	While it is assumed that the Licensee will at all times make every endeavour to comply with its licence and any directions given to it by the JCRA, if such compliance is prevented by force majeure, the Licensee must inform the JCRA, set out the impact

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		on its duty to comply with the Licence and set out how it intends to rectify the situation. The JCRA will consider such matters on a case by case basis.
9	Integrity of the Network	This condition provides for the Licensee to take steps necessary to ensure the integrity of the network. This is important so as to make sure that services to the public are not interrupted.
10	Interests of Jersey	Requires the Licensee to take all reasonable steps to prevent its network and services from being used to harm the interests of Jersey.
11	Term and Renewal	Provides for the length of validity of the licence and for the Licensee to seek renewal of the licence. The term of the licence is 10 years.
Part II	Public Service Conditions	
12	USO	Requires the licensee to provide and to comply with any direction from the JCRA with regard to this condition as may be issued from time to time. It also deals with the establishment of a fund to meet the cost of providing the universal service should that be considered necessary.
13	Emergency Calls	Requires the licensee to provide emergency calls free of charge and to ensure the codes '112' and '999' are used exclusively for such calls.
14	Directory Information	Requires the licensee to provide its customers with access to any Directory Information Service offered by any licensed operator and co-operate in making information available to enable a Directory Information Service be provided. It also requires the licensee to ensure that it does not use information for any purpose other than the Directory Information Service, and to comply with data protection legislation.
15	Public Payphones	Requires the licensee to maintain and operate payphones, sets out the services to be available from them and information to be made available to users. It also requires the licensee to give notice of its intention to withdraw a payphone from a specific location.
16	Service Levels	The licensee is required to provide a development plan setting out its targets for the on-going development of the network and services, and a monitoring plan which measures achievement of those targets. This is designed to ensure the on-going

		development of the network and to ensure that Jersey is provided with the highest level of infrastructure and service.
17	Consumer Protection	Requires the licensee to publish certain information with regard to its services and conditions, the manner in which it will deal with customer complaints, the provision of itemised billing and the publication of a Consumers Code for the resolution of disputes and in relation to the non-payment of bills and disconnections. It also requires licensees to prepare a draft statement on its minimum service levels for customers.
Part III	General Conditions Relating to the Provision of Telecommunications	
18	Numbering	Requires the licensee to maintain its numbering allocation in an appropriate manner. It is further prohibited from charging customers for any number allocated unless authorised by the JCRA.
19	Radio Frequency Spectrum	This condition is designed to ensure that the licensee operates any radio-based infrastructure including any mobile network and services in such a way as to avoid interference to other users and that its systems comply with the international standards with regard to non-ionising radiation emissions
20	Access to Land	Entitles the licensee to the powers and rights set out in the Telecommunications Law, subject to compliance with other relevant laws and codes within Jersey, e.g. planning laws.
21	Access	Access to the network and services of the incumbent operator may be important to aid the introduction of competition into the telecoms sector. Due to constraints on land and to protect the environment, there may be circumstances where the only feasible means of accessing a customer for an operator may be by sharing or gaining access via another operator's property or network. This condition provides that the incumbent must, if so directed, provide such access on equal terms and conditions to the access it provides itself.
22	Cessation of Services	Provides for the manner in which a licensee may cease service and the steps required of it in doing so. This is designed to ensure continuity of supply for the licensee's customers.

Part IV	Additional Conditions Applicable to Class II Licensees	
23	Determination of Significant Market Power	Under this condition the JCRA may apply the conditions in Part IV of the Licence to any Class II licensee.
24	Equal Access	The licensee, where requested by another operator, must grant ‘equal access’ – allowing the other operator access to its customers over the licensee’s network using a selection of access methods as set out in the licence. This is designed to facilitate the introduction of competitive service providers whose services can be used by customers by dialling a short code or prefix.
25	Interconnection	This condition is critical. It provides for new entrants being able to piggy-back on the licensee’s network to provide service to its customers. It enables faster roll-out of competition in advance of new entrants building such own network as they may require. In addition it is the means by which service competition will develop. The licensee’s charges for interconnection services must be non-discriminatory and cost-oriented.
26	Leased Circuits	A key building block in enabling new entrants to compete will be the ability to offer a full suite of services. The ability to buy wholesale leased lines at terms that are no less favourable than those offered by the licensee to its own associated companies or business divisions will be an important element in meeting this aim. In addition, larger customers are significant users of leased circuits and this condition requires transparency and non-discrimination in relation to charges to such customers.
27	Separate Accounts	To aid the JCRA in ensuring compliance with other conditions, the ability of the licensee to show that there is no below cost and/or cross subsidisation of any element of the business will be paramount. Keeping separate accounts for different activities is essential to calculate this.
28	Cross Subsidisation	This condition prohibits unfair cross-subsidisation and is intended to aid new entrants in assuring them that they are competing on a fair and equitable basis.

29	Undue Preference & Unfair Discrimination	This condition requires the licensee to treat all classes of customers in a similar manner and provide them with similar terms and conditions.
30	Linked Sales	This condition prevents the licensee from ‘bundling’ services or products so that a user or new entrant must purchase products or services which it does not require.
31	Price Regulated Services	This condition requires the licensee to publish details of new services or prices, discounts on services or special offers and submit information relating to the proposal to the JCRA. The purpose of this is to ensure that any such changes/introductions are compliant with the requirement to be transparent, non-discriminatory and cost-justified.
32	Fair Competition	Requires the licensee to behave in a fair way and not to engage in anti-competitive practices.
33	Misuse of data	Requires the licensee to handle information received in a manner that does not benefit it or any associated companies or in a manner that is anti-competitive towards other operators.