JERSEY COMPETITION REGULATORY AUTHORITY

6th Floor, Union House, Union Street, St Helier, Jersey, Channel Islands, JE2 3RF Telephone: +44 1534 514990 Facsimile: +44 1534 514991 www.jcra.je

Consultation Document 2004/1

23 February 2004

THE JERSEY TELECOM LIMITED RIO

The following documents are associated with this consultation paper:

- The Jersey Telecom Limited <u>RIO document</u> presented to the JCRA for consultation April 2003
- The Jersey Telecom Limited <u>RIO document</u> as published on their web site April 2003
- The <u>Letter from the Chairman</u> of the JCRA sent to Jersey Telecom Limited on 30 January 2004
- The <u>Appendix to the letter</u> received from Jersey Telecom Limited on 13 February 2004 in response to the above letter

All of these documents may be inspected at the offices of the JCRA between the hours of 9:00AM and 5:00PM daily.

Background

The JCRA first published a consultation document (JCRA Consultation 2003/2) on Jersey Telecom Limited's draft Reference Interconnect Offer ("RIO") Legal Framework on 17 April 2003. This consultation paper allows industry a further opportunity to comment on the draft RIO legal framework and the Jersey Telecom Limited published version, before the JCRA Board decides on the matter.

Respondents Comments

A number of replies were received from the industry and the overall comments are summarized as follows. Respondents noted that Jersey Telecom Limited had published on its own web site a copy of its RIO together with a number of schedules. They also noted that the Legal Framework document on the Jersey Telecom Limited web site differed in a number of ways from that supplied to the JCRA

As a result of the publication of the schedules by Jersey Telecom Limited respondents commented on those schedules as well as on the Legal Framework document which was the intended subject of the JCRA consultation.

Respondents backed the provision of a RIO as a robust way of achieving competitive entry into the Jersey Market. However, they wished for assurance that the JCRA would be willing to enforce the operation of a RIO.

Respondents commented at length on the Legal Framework. These were to the effect that in general, the document lacked clarity and balance.

Respondents were of the opinion that the schedules proposed were insufficient for early competitive access to Jersey Telecom Limited's network. They particularly commented that there were no references to private circuits, provisions for non-geographic number access (origination and termination) and that number portability was not addressed.

There was also concern from consultees that Jersey Telecom Limited offered only one interconnect solution requiring substantial investment by any interconnecting operator, something which they felt would present a significant barrier to entry, and they suggested that a customer-sited product should also be offered.

Process to Date

As a result of these comments and after its own internal review, the JCRA Board determined that there was a case to further investigate the content of the document supplied by Jersey Telecom Limited. Consequently, the JCRA engaged specialist consultants to review the RIO documents in their entirety.

The JCRA presented this work to Jersey Telecom Limited on 19 December 2003 and invited them to comment. No response to the document was provided by Jersey Telecom Limited but they did agree to take part in a workshop to discuss the RIO. However, the

workshop centred on matters of procedure. The JCRA therefore subsequently wrote to Jersey Telecom Limited on 30 January 2004 providing a reasoned opinion as to the sorts of change to the RIO that might be required. A copy of that letter is attached herewith. Jersey Telecom Limited responded in confidence to the JCRA letter but including a public appendix which is also attached herewith.

The JCRA is now inviting further commentary from industry and other interested parties on the content of the Jersey Telecom Limited RIO Legal Framework and published Schedules which can also be obtained from the Jersey Telecom Limited website at www.jerseytelecom.com. A hard copy of all documents is also available for inspection at the JCRA's offices.

The JCRA now invites further comments in relation to Jersey Telecom Limited's RIO. In particular:

Are consultees satisfied that the JT RIO forms a suitable basis for competitive interconnection in the Jersey telecommunications marketplace?

Do consultees consider that the Schedules provided by JT are sufficiently clear and robust to form the basis of interconnection and related network access contracts?

Do consultees consider that the products currently offered by JT are sufficient to permit commercially viable and competitive market entry? Be specific in your reply.

The JCRA look forward to receiving replies.

The deadline for comments is 15 March 2004.

Patrick McNutt Chairman

Charles Latham Executive Director