



JT's Response to JCRA Draft Decision  
Wholesale Access: Bitstream  
T1452J

18<sup>th</sup> October 2019

## 1. Introduction

This a non-confidential response made by JT (Jersey) Limited in response to CICRA Document “Wholesale Access: Bitstream T1452J – Draft Decision (document number 19/48)” which can be published in full on CICRA’s website.

## 2. JCRA Draft Decision

### DRAFT DECISION

- i. Should commercial negotiations between JT and Other Licensed Operators in Jersey be unsuccessful, the Authority will issue a Direction to JT under Licence Condition 36 to provide such network access.
- ii. The JCRA will direct the terms, conditions and charges on which the service shall be provided.
- iii. JT will be required to comply with such Direction as soon as reasonably practicable after its issue.

2.1 As the JCRA is aware from JT’s response to the Call for Information – Wholesale Broadband Services – Bitstream (19/07) and subsequent correspondence between JT and the JCRA on the subject, JT is satisfied to commit, in principle, to creating a bitstream product. Subject to final confirmation from the JCRA on the technical description of the product and engagement with OLOs on any proposed changes that the JCRA may wish to make, we believe that the product could be launched within 6 months thereafter. That commitment, however, is subject to priority and engineering work schedules planned for 2020 and the outcome of the JCRA’s final decision and initial notice on plans to re-introduce very slow broadband speeds into the market.

2.2 JT has clearly stated in its responses that it needs to prioritise its legal, pricing and engineering workstreams and until a decision is made on whether lower speed products are to be re-introduced, we do not see any benefit in working on a bitstream product. In our opinion, it would be wasteful to focus time and resource on developing a bitstream product if OLOs had no intention of purchasing such a product. However, once a final decision has been made on lower speed products, JT will then work with the JCRA to assess resources and prioritise bitstream accordingly.

2.3 JT has provided the JCRA with its updated FTTH cost model and is working in good faith on discussions around the inputs and metrics of the model. JT believes that the final price point for bitstream should be based on actual costs and as stated in our response to the Call For Information the price set for a bitstream service should:-

- (a) Allow the wholesale network provider to recover the cost of its investment;
- (b) Provide sufficient margin to the retail provider to make a reasonable return; and
- (c) Allow consumers access to an affordable broadband service.

2.4 JT is committed to working with the JCRA to get to an agreed position on pricing that meets the criteria set out in 2.3 a – c.