



NEWS RELEASE

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Regulator directs JT to strengthen network and processes following system failure in July 2020

The Jersey Competition Regulatory Authority (the Authority) has issued its Final Decision and Directions to JT in respect of the failure of its network on 12th July 2020.

Shortly before 7pm on the 12 July 2020 JT's entire network failed and services were not fully restored until the early hours of 13th July. The fault was traced to a network time clock which failed to update and crashed the system. During the outage JT customers were not able to use any of its services and, crucially, the failure of the fixed line network meant that some Islanders would not have been able to make emergency 999 calls.

Following an extensive investigation involving officers from the Authority and independent expert consultants, JT has been found in breach of two conditions of its operating licence, that it:

- (a) failed to take all reasonable steps to ensure the integrity of its network, and so contravened Condition 9.

- (b) did not maintain a 999 service 'at all times', and so contravened Condition 14.

The Authority is critical of JT for relying on advice from a third-party provider that the system 'should be ok' through the update, without having in place sufficient internal checks and balances to ensure the integrity of its network.

While the findings of the investigation are highly indicative of a failure of Licence Condition 17, to adhere to '*best practice*', the Authority has found that the evidence, as it stands, is not sufficient to establish such a failure to a standard that would enable the Authority to make a definitive finding in that regard.

The Authority has issued four Directions to JT:

- (a) DIRECTION 1: Provide to the Authority with 28 days from the date of the Final Decision a proposed set of specific measures which JT intends to take in order to rectify those design issues within its network which led to the outage which occurred on 12 July 2020. In particular, these measures must address:
 - (1) JT's provision of emergency call services; and
 - (2) How JT will ensure the implementation of each of the recommendations set out in the Niji Report dated 23 September 2020 and remedy the issues and observations set out in the Touchstone Report dated June 2021.
- (b) DIRECTION 2: Provide to the Authority within 28 days of the Final Decision a proposed self-reporting framework through which JT will provide periodic reports to the Authority to enable it to effectively monitor JT's progress as regards implementing the specific measures referred to in Direction 1.
- (c) DIRECTION 3: Make any amendments to the specific measures referred to in Direction 1 or the self-reporting framework referred to in Direction 2 that are required by the Authority.

- (d) DIRECTION 4: Upon the Authority's review and written consent being given, execute and deliver the specific measures referred to in Direction 1 and provide the Authority with the periodic reports referred to in Direction 2.

Tim Ringsdore, CEO of the Authority said, "While we appreciate that JT has co-operated throughout this investigation, the Island-wide outage on the 12th July 2020 highlighted weaknesses in its systems and management. All Islanders to some extent rely on the JT network and it is imperative that it is maintained to the highest possible standards, and especially the integrity of the emergency 999 call service.

"The Authority has taken this outage very seriously and we have forensically examined the events that led up to the failure, what JT did to rectify the problem and what processes they have put in place to prevent a recurrence. As can be seen from the Directions we have issued, we will be monitoring progress very closely."

The Authority will now consider what further remedies may be required because of the licence condition breaches, which may include financial penalties.

Ends

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NOTES TO EDITORS:

The full text of the Final Decision and Directions can be viewed on the Authority's website <https://www.jcra.je/publications/>

About The Jersey Competition Regulatory Authority:

The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey.

The JCRA strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens and consumers facilitating best value, choice and access to high quality services.