



JT's Non-Confidential Response to  
JCRA Consultation –  
Business Connectivity Market Review:  
Remedies

1<sup>st</sup> April 2022

## 1. Introduction

- 1.1 JT (Jersey) Limited (“JT”) welcomes the opportunity to respond to the Business Connectivity Market Review (“BCMR”)– Remedies non-statutory draft decision (the “Consultation”). This is a non-confidential response and can be published in full.
- 1.2 In the Consultation, the JCRA seeks comments on its proposed remedies to regulate JT’s wholesale on-island lease line products. JT has no strong objection to any aspect of the JCRA’s proposal.

## 2. Specific Comments

### 2.1 Dark Fibre Remedy

2.1.1 We recognise that a dark fibre remedy would represent a significant policy development for the JCRA. We agree with the JCRA’s analysis that both the costs and practical aspects of implementing dark fibre have not been considered and demand is uncertain. The leased lines market is declining with connectivity requirements being met by business broadband services and managed services, we therefore expect further development and change in the period up to the next BCMR review. We also note that OLOs had differing views on the technical description of a dark fibre remedy.

2.1.2 We understand that any new remedies, including dark fibre would be consulted on as part of a future BCMR review.

### 2.2 Reference Offer

2.2.1 We note on page 16 of the Consultation, that stakeholders have suggested to the JCRA that they require JT to offer more fractional leased lines services. JT has recently held network product roadmap sessions during March 2022 with all OLOs to advise of JT’s planned development and to provide an opportunity for OLOs to make requests for new product. During those sessions we actively encouraged requests for additional fraction leased line services. No requests were made during the sessions for any additional products however, JT is happy to receive requests for additional speeds or different configurations of wholesale leased lines and would encourage OLOs to make these request directly to JT’s wholesale account manager.

2.2.2 JT is supportive of refining the wholesale leased line reference offer to include a formal process to request new leased line products and other wholesale services in accordance with the framework proposed in the Consultation.

## 2.3 Migration Product

2.3.1 JT accepts the requirement to provide a wholesale leased line migration service on fair and reasonable terms. Where the migration is effectively administrative, e.g., same or similar product and/or service but revised pricing (or other terms), we agree to charge an incremental administrative fee. Where the migration requires engineering resource, JT will create a cost justified charge. In both scenarios we agree that the migration service should be consistent with the timescales of processing a new order.

## 2.4 Re-calibration of the Retail Minus

2.4.1 JT agrees with the approach taken by the JCRA and Winchester Economics in order to ascertain the range of avoidable retail cost percentage. Given the varying methodologies applied and different aging of financial data utilised to arrive at the range of suggested retail minus recalibration, JT hopes that the point within the range adopted by the authority would be justifiable and representative of the uncertainty that these factors can have on the final result.

### 3. Consultation Questions

**Question 1: Do you agree with the Authority's proposals for the approach to remedies? If you do not agree you should provide all of your analysis and assessment.**

JT agrees with the JCRA's approach to remedies.

**Question 2: Do you agree with the Authority's proposals for the set of regulations to be imposed on JT to address refusal to supply? If you do not agree you should provide all of your analysis and assessment.**

JT agrees with the JCRA's proposals to address refusal to supply.

**Question 3: Do you agree with the Authority's proposals for the introduction of a refined approach to reference offers for leased lines? If you do not agree you should provide all of your analysis and assessment.**

JT agrees with the JCRA's proposals to introduce a refined approach to the reference offer for leased lines.

**Question 4: Do you agree with the Authority's proposals for the set of regulations to be imposed on JT to address price and non-price discrimination? If you do not agree you should provide all of your analysis and assessment.**

JT accepts the requirement to provide a refined reference offer to specifically include a new section relating to the procedures and timescales that apply to new wholesale leased lines access requests.

**Question 5: Do you agree with the Authority's proposals for the introduction of a migration service? If you do not agree you should provide all of your analysis and assessment.**

JT accepts the inclusion of a migration product service on fair and reasonable terms. Where the migration is effectively administrative, e.g., same or similar product and/or service but revised pricing (or other terms), JT agree to charge an incremental administrative fee. Where the migration requires engineering resource to carry out work at the end user site, JT will create a cost justified charge. In both scenarios JT agree that the migration service should be consistent with the timescales of processing a new order.

**Question 6: Do you agree with the Authority's proposals for the set of regulations to be imposed on JT to address excessive pricing? If you do not agree you should provide all of your analysis and assessment.**

JT accepts that it is currently obliged to maintain current cost accounting to demonstrating its compliance with its licence obligations and agree that this obligation should remain in its current form.

**Question 7: Do you agree with the Authority's proposals for the recalibration of the retail minus control? If you do not agree you should provide all of your analysis and assessment.**

JT accepts that the approach proposed by the JCRA to recalibrate the retail minus control is an appropriate and proportionate approach.