



Telecommunications (Jersey) Law 2002

Case T-093 - Initial Notice: Proposed Licence for Jersey Electricity plc

Document No: JCRA 23/20

Date issued: 23 May 2023

Deadlines for representations: 17:00 on 21 June 2023

Jersey Competition Regulatory Authority
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Contents

1. Executive Summary.....	1
2. Background and structure of this Document.....	1
3. Next Steps.....	1

1. Executive Summary

- 1.1 The Jersey Competition Regulatory Authority (the **Authority**), is issuing this Initial Notice of its intention to exercise a specified regulatory function to grant a Class I Licence pursuant to Article 14(1) of the Telecommunications (Jersey) Law 2002 (**Telecoms Law**) to Jersey Electricity plc (**JEC**) a company incorporated in Jersey under registration number 57 the registered office of which is at The Powerhouse, PO Box 45, Queens Road, St Helier, Jersey JE4 8NY.
- 1.2 The form of the proposed licence (**Licence**) is annexed to this Initial Notice.
- 1.3 This Initial Notice sets out the intention of the Authority to exercise such specified regulatory function. In due course, the Authority may issue a Final Notice or a fresh Initial Notice if responses are received, following the process outlined in Article 11 of the Telecoms Law.

2. Legislative Background and propose Licence

- 2.1 Article 2(1) of the Telecoms Law provides that:

‘A person shall not run part or all of a telecommunications system except under a licence in force in respect of the person’s running of the system’

- 2.2 Article 14(1) states that:

‘The Authority may grant a licence for the running of any telecommunications system specified in the licence.’

and Articles 15 and 16 set out, respectively, that such a licence may contain conditions and what those conditions can relate to.

- 2.3 In practice, the Authority has granted [four classes](#) of licence. The Licence is a Class I licence, which is appropriate for:

‘those telecoms operators that have no discernible impact on the competitive market’

- 2.4 The Class I licence granted to JEC under the Telecoms Law on 8 March 2023 (**Old Licence**) expires on 1 September 2023. Accordingly JEC has applied for the Licence and has paid the specified application fee. The Authority has determined that JEC has complied with the application process set out on its [website](#).
- 2.5 The Licence is in the same terms as the Old Licence, save for necessary updates and corrections, and is consistent with the other Class I licences currently in issue.
- 2.6 It is intended that the Licence will be issued on or around 28 June 2023 with a Commencement Date of 2 September 2023.

3. Next Steps

- 3.1 This is Initial Notice of an intended exercise by the Authority of a specified regulatory function, that is to issue the Licence to JEC. If representations are received before 17:00 on 21 June 2023 regarding the proposed exercise of such function, the Authority will consider them and will decide:
 - (a) not to exercise such function;
 - (b) to issue a new Initial Notice; or
 - (c) to issue a Final Notice confirming the issuing of the Licence to JEC.

- 3.2 If no responses are received before such time, the Final Notice issuing the Licence to JEC will be made on or about 23 June 2023.
- 3.3 Written representation or objections to the exercise of this specified regulatory function may be made by e-mail to info@jcra.je on or before 17:00 on 21 June 2023.

By Order of the Authority

18 May 2023

Annex: proposed Licence



Telecommunications (Jersey) Law 2002

Telecommunications Licence

for

Jersey Electricity plc

Jersey Competition Regulatory Authority

2nd Floor Salisbury House, 1-9 Union Street, St Helier, Jersey, JE2 3RF

Tel 01534 514990 Web: www.cicra.je

JERSEY COMPETITION REGULATORY AUTHORITY

Class I Licence

issued to

Jersey Electricity plc

under

THE TELECOMMUNICATIONS (JERSEY) LAW 2002

The JCRA, in exercise of the powers conferred on it by the Telecommunications (Jersey) Law 2002, grants to Jersey Electricity plc, a public limited company incorporated in Jersey under registered number 67 and with its registered office at The Powerhouse, PO Box 45, Queens Road, St Helier, Jersey JE4 8NY a Licence to run the Licensed Telecommunication System and provide Telecommunication Services (as these terms are defined in the Conditions of this Licence), within, to and from the Bailiwick of Jersey and subject to the Conditions, all lawful Directions of the JCRA and all applicable laws, rules, regulations, ordinances and orders of the States of Jersey.

DATED: [] JUNE 2023

SIGNED ON BEHALF OF THE JERSEY COMPETITION REGULATORY AUTHORITY BY:

**Sarah Price
Chief Operating Officer**

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, 2002, 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:

Access	means the ability to obtain a required service, facility or function;
BSI	means the British Standards Institute;
Conditions	means Conditions 1 to 15 of this Licence, as may be amended, revoked or added to by the JCRA from time to time;
Direction	means a written statement issued by the JCRA with which a licensee must comply;
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;
ISP	means Internet Service Provider;
ISVR	means International Simple Voice Reseller;
ITU	means the International Telecommunications Union;
Licence	means this licence to run a Telecommunications System, subject to the Conditions;
Licence Commencement Date	means 2 September 2023;
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 The Bailiwick of Jersey;
Mobile Telecommunications Service	means the system for conveyance of messages or data through a wireless network which may also be interconnected with the Public Switched Telephone Network;
Licensee	means Jersey Electricity plc, a public limited company incorporated in Jersey under registered number 67 and

with its registered office at The Powerhouse, PO Box 45, Queens Road, St Helier, Jersey JE4 8NY;

Network	means a set of interconnected devices across which a telecommunicated message can be passed;
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 The Bailiwick of Jersey, which formats are allocated by the JCRA or by Ofcom;
Number Portability	means a service enabling a Subscriber to transfer his contract with the Licensee to another Licensed Operator within The Bailiwick of 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;
PSTN	means Public Switched Telephone Network;
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;
SMP	means Significant Market Power;
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;
System	means a device for the origin and completion of telecommunicated messages;
Telecommunications (Jersey) Law	means the Telecommunications (Jersey) Law, 2002;
Telecommunications Services	means the provision of any Telecommunications services to the public;
Term	means, subject to Condition 11, a period of fifteen years from the Licence Commencement Date;
Universal Service (USO)	means; the provision of basic Voice Telephony services to any user in the Bailiwick of Jersey;
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 Public Telecommunications System in The Bailiwick of 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.
- 2.4 Condition 2.3 does not apply to:
- (a) 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
 - (b) 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
 - (c) a transfer, assignment or other disposal of assets made in the ordinary course of business.
- 2.5 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.
- 2.6 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.

2.7 On receipt of notification of Change of Control the JCRA may:

- (a) approve, in writing, the change or the proposed change;
- (b) disapprove, in writing, the change or the proposed change, 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.

2.8 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.

2.9 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 The Bailiwick of 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 The Bailiwick of 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.

- 2.10 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.
- 2.11 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 The Bailiwick of 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.
- 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 provided in accordance with Condition 15 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 to 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 The Bailiwick 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 The Bailiwick 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 Law and subject to any revocation or suspension by the JCRA, for the Term.

- 11.2 At any time after the ninth anniversary and at least six (6) months prior to the eleventh anniversary of the Licence Commencement Date, the Licensee may serve notice on the JCRA requesting a renewal of this Licence.

- 11.3 Within fifty-six (56) days of the receipt of this 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: GENERAL CONDITIONS RELATING TO THE PROVISION OF TELECOMMUNICATIONS

12. CESSATION OF THE PROVISION OF THE LICENSED TELECOMMUNICATIONS SERVICES

- 12.1 If the Licensee proposes to cease to provide all or a material part of the Licensed Telecommunications System it shall give not less than four months 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.
- 12.2 At any time within four months before the expiry of the Licence or if the JCRA receives a notice or if the JCRA has made a decision pursuant to Article 20 of the Telecommunications (Jersey) Law to suspend or 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 III: CONDITIONS APPLICABLE TO ALL LICENSEES

13.1 MISUSE OF DATA

- 13.1 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.

PART IV: CONDITIONS SPECIFIC TO THIS LICENCE

14. PERIODIC REVIEW

14.1 Without prejudice to the provisions of the Telecommunications (Jersey) Law and in particular Article 18 thereof and without prejudice to the conditions of this Licence and in particular clauses 6.1 and 7.1, this Licence shall be reviewed by the JCRA after 6 months and 5 years respectively from the date of issuing of this Licence. The JCRA has requested more information to be furnished before the 6 month periodic review in order to assess the Class of Licence granted.

15. INTERCONNECTION

15.1 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 whose licence obliges them to provide such Interconnection or whose licence conditions oblige them to provide such Interconnection as an SMP operator, provided the technical standards and specifications for Interconnection have been complied with;

(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.

15.2 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. Technical standards shall be those recognized universally for the specified interface. The JCRA may issue a direction as to the information that must be provided.

15.3 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.

15.4 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.

- 15.5 The JCRA may direct that changes be made to any interconnection agreement to ensure that it is in compliance with the Telecommunications Law.
- 15.6 The Licensee shall provide to the JCRA, on request, any technical documentation or specification that the JCRA deems necessary to ensure that the terms and methods of interconnection are to agreed international standards.