



**Sure's NON-CONFIDENTIAL response to the JCRA's
Wholesale Broadband Price Control Non-statutory
Draft Decision (T-138) – Document 26/10**

2nd April 2026

- 1 This is Sure Jersey's Limited ("Sure's") response to the Jersey Competition and Regulatory Authority's (JCRA's) Wholesale Broadband Price Control Non-statutory Draft Decision, published on 25th February 2026. **This version of our submission is non-confidential and the JCRA is welcome to publish it on its website.** We have separately submitted a confidential version of this document, containing commercially sensitive information, which must only be viewed by the JCRA.
- 2 We welcome the open and constructive conversations that have taken place with the JCRA as part of this consultation process. We look forward to continuing that dialogue as this workstream progresses.
- 3 We recognise the importance of allowing for appropriate cost recovery at the wholesale level and are broadly supportive of the approach taken by Frontier with regards to setting the wholesale charges for the upcoming regulatory period (2026 to 2031).
- 4 The lack of detail regarding how a broadband line only product would work in practice limits our ability to comment meaningfully at this stage. How the product will be delivered across the network has significant implications for retailers and consumers. We discuss these in more detail below, but summarise them as follows:
 - 5 A switch to broadband line only would be a significant change to the network in Jersey, which would result in a major impact for Sure and other licensed operators (OLOs). As a result, we would have expected JT to have raised such an impactful proposal with OLOs at an early stage. Given this, we consider a thorough regulatory impact assessment is key to identifying the risks of unintended consequences.
 - 6 The JCRA acknowledges that voice services remain in demand and "can be expected to be a continuing feature of telecoms markets for the foreseeable future"¹. It is imperative, therefore, that OLOs can continue to access voice services in a fair way and at an efficient cost, from JT's network. We are concerned that the introduction of a broadband line only product could result in a gap whereby the customers who wish to subscribe to a voice-only service are no longer effectively served.
- 7 Please find below our responses to the specific questions posed in the consultation, alongside our responses.

¹ Paragraph 4.9 of the consultation

Question 1: Do you agree with the methodology used to develop the price control proposals? If you do not agree, please provide your analysis and assessment.

- 8 We are broadly supportive of the methodology used by Frontier and the JCRA, though there are two areas which would benefit from additional clarification.

Telecoms Security Requirements

- 9 One of the three key drivers for the proposed wholesale price increase is costs of compliance with the upcoming Telecoms Security Requirements (TSRs). TSR compliance will be applicable to OLOs with an annual turnover greater than £1m, as well as to JT. We confirmed to the Government of Jersey as part of a recent consultation that we estimated that compliance with the Order and Code of Practice could cost Sure between £[X] and £[X] in capital expenditure over [X] years, and between £[X] and £[X] in additional annualised operational expenditure. Given we utilise JT's network for all but some of our private circuit offerings in Jersey, the vast majority of our TSR compliance costs are being incurred as a retailer.
- 10 We agree with the logic set out in the Frontier report that "the recommended prices above include a share of the cost to JT of meeting its TSR requirements, to the extent that these costs are relevant to its provision of Wholesale Broadband."² In this respect, it is important that wholesale activities have been adequately separated from those at a retail level. Not only does this involve identifying the hardware that purely relates to wholesale activities, but it also requires careful examination of the common hardware. Only a fair proportion of the TSR related costs that are applicable to the common shared hardware used at a wholesale level should be included.
- 11 In addition to the above, the allocation of TSR costs recoverable within this price control must specifically relate to wholesale broadband (including WLR and associated voice services). This is an important check in the cost allocation process since compliance costs are likely to be applicable across multiple product ranges. It would be inappropriate to allow for recovery of non-wholesale broadband related activities within the wholesale broadband price control. To do so would place Sure and Homenet at a relative disadvantage. As an example, there are likely to be additional TSR costs applicable at Layer 3 (and above). These include IP feed related security costs, which should be treated as a retail cost, given the different security requirements at that level.

Implications for Wholesale Line Rental pricing

- 12 We note the JCRA's intention to assess the pricing of wholesale line rental (WLR) combined with the internet service provision (Bitstream), which results in a 12% increase on average over the

² Paragraph 62 of the Frontier report

upcoming regulatory period. However, it is unclear how this is apportioned between the WLR and Bitstream elements.

- 13 We consider this to be an important consideration given the allocation has the potential for implications for pricing for voice-only customers. For example, if the cost increase is entirely factored into the broadband element, and the broadband-only service development results in customers being required to purchase a broadband service solely to access a voice service, this has the potential to significantly increase prices for this cohort of customers. We discuss our concerns with this type of approach in our response to question four below.

Question 2: What are your views on the proposed pricing profiles? What impact do you consider these will have on the retail market, and do you have a preference between a starting charge adjustment and a glidepath adjustment? Please provide your analysis and assessment.

- 14 We agree with the JCRA's assessment that Scenario Four represents the one which, out of the five options presented, is likely to result in the least detrimental impact for us. The proposed wholesale price increase will, however, have implications on the pricing of our retail offerings, even under this scenario.
- 15 We accept the principle that JT must be able to recover its legitimate costs for providing wholesale broadband services to customers. This will, however, inevitably lead to increases in prices at the retail level, with most pressure on our entry level product, currently priced at £30.00 per month. The existing wholesale price controls have seen a gradually declining wholesale price and we have set our retail pricing strategy in that context. We are now faced with an increase in wholesale pricing of 19% from the *end of the current control period* compared with the proposed average price in the new period³. It is vital, therefore, that the JCRA does not apply any increases in the wholesale charge any higher than is fair and legitimate. This would be consistent with its statutory duty to determine whether telecommunications services "are accessible to and affordable by the maximum number of business and domestic users"⁴.
- 16 Absent any retail price adjustments, margins on our entry level broadband product in Jersey will, therefore, be significantly squeezed. The JCRA notes that it "would not expect wholesale price increases to be simply passed onto consumers through increased retail charges. Indeed, the JCRA expects competition in the retail market to be a mitigating factor for any price

³ The current wholesale price sits at £24.51, which is £4.79 less than the proposed new average price. This is significant given our retail prices have been set based on the glidepath introduced in 2021, which reduced the maximum price from £27.94 in 2021/22

⁴ Telecommunications (Jersey) Law 2002, Part 3, paragraph 7.3 (a)

increases.”⁵ We are always mindful of only passing cost increases onto our customers where necessary. However, in this case it is not viable for us to absorb this entire wholesale price increase, particularly for the entry level broadband product. We will be facing a 6% increase in Year One (under Scenario Four), whereas we have customers contracted to this £30.00 price for up to 36 months. Subject to Condition 18.18 of our licence⁶, we cannot, without express derogation from the JCRA, increase the price mid-contract by greater than the Retail Price Index (RPI)⁷.

- 17 Even in a situation where we passed on the entire inflationary price increase, we would still be required to absorb the remaining wholesale cost increase for mid-contract customers, or allow such customers to ‘walk away’ from their contract(s), which would result in inappropriate financial risk to our business.
- 18 It is difficult to model the actual impact of the current proposals as there are several key but unknown variables. However, a crude assessment, assuming static customer subscriber numbers as of March 2026, indicates additional wholesale costs of around £[<] to £[<] annually as a result of the increase in wholesale charges⁸. For the entry level broadband product, under Scenario Four assuming a forecast 2.7% retail price increase to compensate for RPI (as per the JCRA assumption in the consultation)⁹ and only WLR and Bitstream wholesale input charges, we expect our gross margin to reduce from around [<]% to {<}% by 2028/29. This does not take into account any other retail related required expenditure (such as Communications Provider (CP) Interconnect charges or IP content (‘Internet’) charges – the latter of which is an exponentially increasing charge, based on the continual uplift in broadband usage),

Question 3: Do you agree that the JCRA should continue to determine maximum allowable prices for each year of the price control (using forecast RPI to establish a nominal price profile)? If not, what alternative approach would you prefer? Please provide your analysis and assessment.

- 19 We agree with the principle that as a wholesale provider, JT is entitled to recover its efficient and reasonable wholesale costs. As its costs are subject to price inflation over time, it is right that the price control should take this into account. However, given that RPI is compiled based on the quarterly change in prices of retail goods and services purchased by an average Jersey household, this will not be entirely aligned with the wholesale cost pressures faced by

⁵ Box 1, page 13

⁶ [2023-07-07-modified-sure-class-ii-licence-non-confidential.pdf](#)

⁷ Which, at the time of submission, is 2.8%.

⁸ Based on an average monthly price increase of £3.16 as indicated by JCRA, for around 12,800 customers

⁹ As outlined in Table 1 on page 1 of the consultation

telecommunications providers. The RPI can therefore only ever be used as an indicative measure of the likely inflation facing JT's wholesale division.

Question 4: What are your views on the introduction of a broadband line only product and the proposed timing of its introduction? How can the JCRA best support this?

- 20 While we are not opposed to the principle of a broadband line only product being introduced in Jersey, this must be done in a considered way, with the appropriate engagement taking place and appropriate cost/benefit analysis. Technically, this would represent a substantial change for licensed operators and we would therefore need to be afforded sufficient time to prepare for and respond to such a request to ensure our service delivery is not impacted and that our positive customer journey experience can remain. We would also need to be cognisant of the financial implications for our business.
- 21 We discuss our key concerns in turn below.

Significant network change

- 22 We note the JCRA's intention to progress work on a broadband line only service, to be modelled on the combined cost of service for Wholesale Bitstream and WLR. At present the proposed technical solution to deliver this is unclear. Sure did reach out to JT for clarification and was advised that while WLR services would likely remain, further analysis would be required before JT were able to comment on potential changes to in-premises wiring arrangements, WLR charges, voice port configurations, or any impacts on WLR-only customers¹⁰. As such, it is difficult for us to comment fully other than to reiterate that the introduction of the broadband line only service must be carried out in a fair and equitable way.
- 23 Should the current pan-Channel Islands feasibility study of Fixed Number Portability (FNP) result in a recommendation that it is implemented across both Bailiwicks, it will be essential that the wholesale consumer voice solution to be offered, is done so in a way that allows all retailers a consistent means for their customers to connect their customer premises equipment (CPE) (such as phones and answer machines). We understand from JT that it has not yet undertaken any assessment of voice connectivity in preparation for the likely implementation of FNP. However, there does not appear to have been sufficient consideration given as to how voice services will continue to be provided. For example, whether this would continue to be through each customer's ONT, or whether, it would require the voice service to be provided via the voice port of each customer's retail router. An alternative solution would be to change the existing VLAN (Virtual Local Area Network) configurations, such that voice traffic through a customer's ONT

¹⁰ Email from JT to Sure dated 24th March 2026

could be routed directly to their chosen retailer’s network, rather than, at present, where every voice VLAN is routed through JT’s exchange.

24 With JT’s current network configuration, services are provided as follows (in summary):

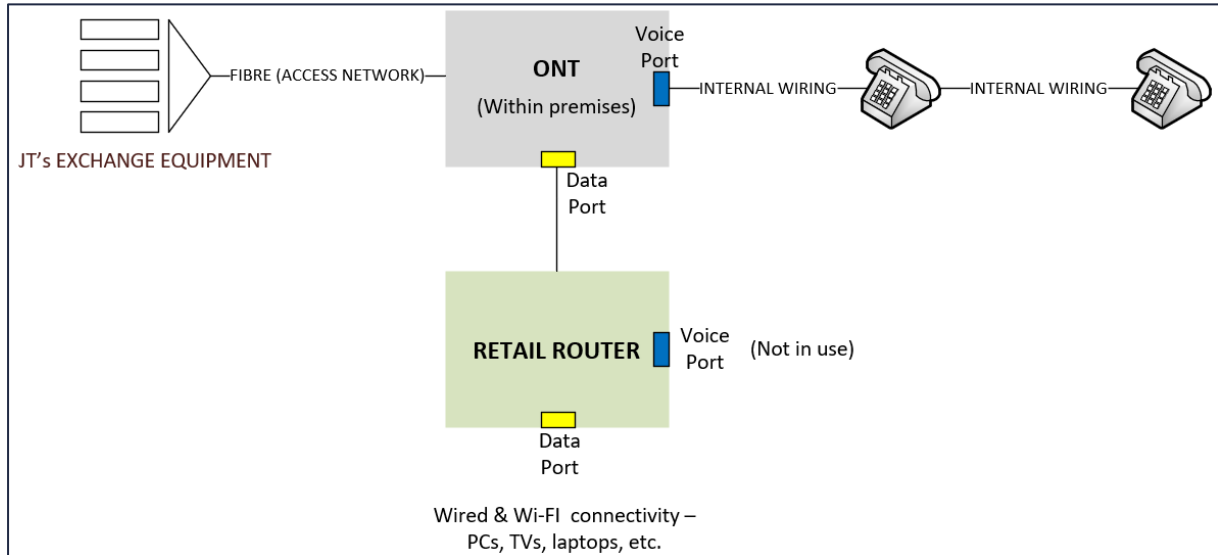


Figure 1 – Current service connectivity

- 25 In this configuration, JT’s ONT equipment provides both the bitstream service (to transport data to/from the customer’s router) and the wholesale voice (as WLR). This is the standard configuration across the Channel Islands, for services provided over a fibre network, in the absence of FNP. The lack of FNP prior to the rollout of FTTP in the Channel Islands has been the key reason for the voice network architecture here needing to deviate from the industry standard (such as exists in the UK and Isle of Man).
- 26 In the high likelihood that FNP will be introduced within the timeframe of the next wholesale broadband price control (Oct. 2026 – Sept. 2031), and the fact that at least one party is pushing for the introduction of broadband line only (i.e. no voice at the network level), consideration needs to be given to potential connectivity changes before the next wholesale broadband price control is finalised.
- 27 We are concerned that should JT have any thoughts of reconfiguring its network connectivity parameters during that period, there may be significant but unnecessary additional costs that would be incurred by OLOs. One option that might be considered, which Sure does not support, is where each customer’s ONT is used solely for data purposes, with a voice service instead being provided through the voice port on the customer’s router, as depicted below:

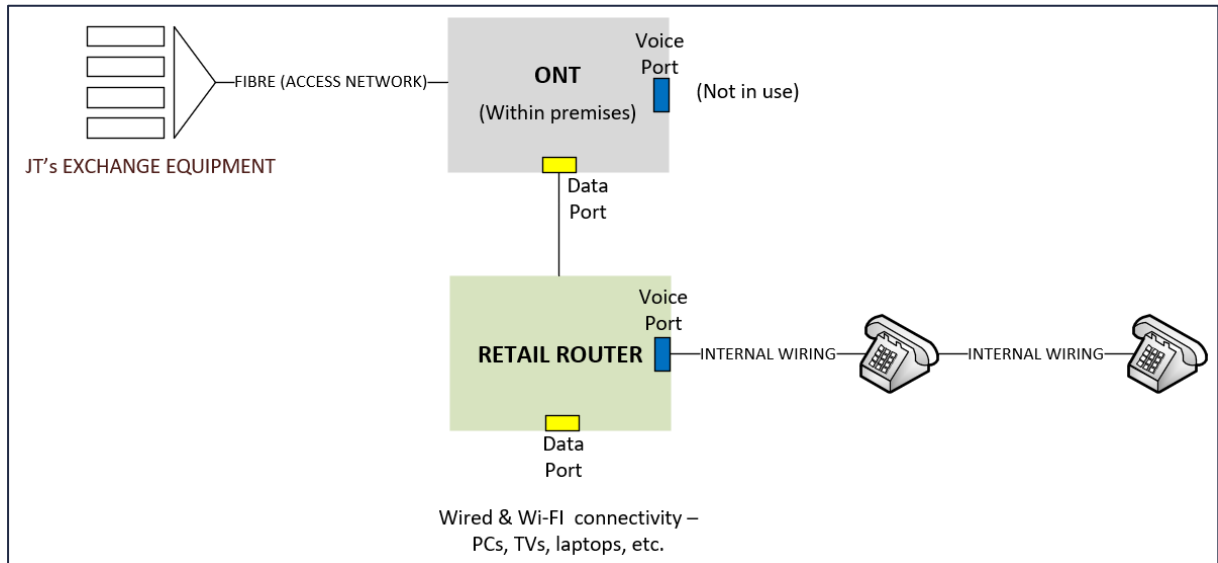


Figure 2 – Alternative service connectivity (more aligned with the UK, post FNP)

- 28 In this scenario, the internal wiring and associated CPE (telephones, etc.), connected via an RJ11 plug would need to be disconnected from the voice port of the ONT and instead connected to the voice port of the customer's router. This could be difficult to replicate, in cases where both of the voice ports on an ONT are currently being used. In addition, it would require the retail provider to ensure that the customer has sited their router in a location where the RJ11 plug is readily accessible. This may be workable where the router is located close to the ONT, but there could well be difficulties in instances where the router is located elsewhere in the premises. {X}.
- 29 A third scenario (there may be more, but they are not considered here) is where the customers' internal wiring and CPE remains plugged into the ONT, but changes are made by JT to the routing of its VLANs:

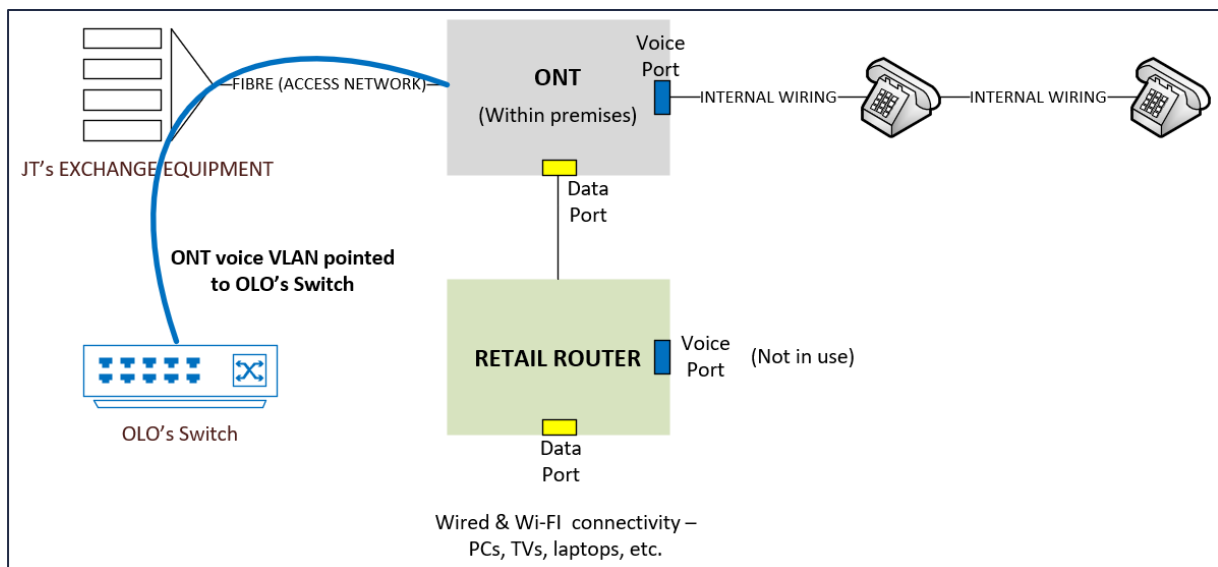


Figure 3 – Alternative service connectivity (VLAN changes only)

- 30 In general terms, JT will have two VLANs in place between each of its ONTs and its core network. One will carry data services; the other will carry voice. Importantly, the voice service will have a higher prioritisation (QoS – Quality of Service), to ensure that, for example, when an emergency call is made it is prioritised over any data capacity that is concurrently being used in the premises.
- 31 JT could choose to reroute the voice VLAN to the network of the customer’s chosen retailer, rather than the voice traffic being handled solely by JT. There would be implications for both JT and retailers in this scenario, which would need to be considered in detail, were a solution of this type be something of collective interest.
- 32 Regardless of which voice related network scenario is used, customers who require a landline but not a broadband service must not be disadvantaged if a broadband-only service is introduced. For example, we would not be supportive of a solution that required all customers to purchase a broadband service, whether they wanted to do so for connectivity, or simply to maintain their voice services¹¹. We would consider this to go against Condition 36 of JT’s licence¹² which prohibits linked sales.
- 33 It is important that the chosen solution must come with minimum disruption for industry.

Need to separate out FNP

- 34 The consultation states that an effective introduction of a broadband line only service in Jersey could be limited by the absence of FNP¹³. While we agree that consumers must retain the option to switch providers and retain their phone number, we would caution against strictly tying the development of the broadband line only product to the introduction of FNP in Jersey. This would risk unwarranted delays in the FNP project which must be introduced on a pan-Channel Island basis in order to achieve appropriate system design and cost efficiencies and to maintain a level playing field.

Future WLR regulation

- 35 We note that the JCRA intends to continue to model the costs of a combined Wholesale Bitstream and WLR service. While we agree that this is a sensible approach given the current

¹¹ While we do not agree that this is a viable solution in the Channel Islands for the technical reasons listed above, JCRA may be aware that in the Isle of Man a new fibre wholesale product was developed, capped at 64kb. This means it can only support voice services and allows customers who wish to purchase a landline without a broadband service to do so at a lower price..

¹² [2023-07-07-modified-jt-class-iii-licence-non-confidential.pdf](#)

¹³ Paragraph 4.11

interlinkage between the wholesale broadband service and WLR, this will no longer be achievable post-introduction of a broadband line only service.

- 36 We have attempted to clarify JT's intention regarding provision of WLR services and JT did confirm that it intends to continue to provide both WLR and Bitstream, with the ability for retailers to purchase these together or on a standalone basis. As an essential input for OLOs, it is important that WLR continues to be a regulated service moving forwards.

Need for engagement

- 37 We note that "JT Retail has submitted a Statement of Requirements (SoR) request for broadband line only, highlighting the retail demand for such a service."¹⁴ It is disappointing that the wholesale division of JT has not engaged with OLOs as the other users of its wholesale services. Given the significant proposed change to the network, in addition to the opportunity to engage and respond on the technical nature of such a request, OLOs would need to be afforded sufficient time to prepare at a retail level. Unfortunately, neither of these two things has taken place to date.
- 38 We consider that there is room for improvement around transparency for OLOs in the SoR process. We will follow up on this separately with the JCRA.
- 39 Given the potential for these changes to significantly impact on industry, we would expect the JCRA to carry out a thorough Regulatory Impact Assessment (RIA), in line with best practice. Upon clarification from JT on the proposed changes for the broadband line only product, we would urge JCRA to conduct the RIA to capture any unintended consequences.
- 40 Separately, but of equal importance, both JCRA and Frontier recognise that from a cost perspective the rollout of broadband line only would result in minimal cost savings for customers. It is therefore important that consumers are engaged appropriately to manage expectations.

Question 5: Do you agree with the JCRA's proposed approach to other policy matters (other charges and approach to deferral)? If you do not agree, please provide your analysis and assessment.

- 41 We agree with the JCRA's position outlined in the consultation, to not change the approach or level of one-off charges as part of this price control. As an input into the total cost incurred by us, we are reliant on JT to act responsibly when setting these charges, which should be cost

¹⁴ Paragraph 4.7

based. We do not have concerns over the level of pricing at present and would approach the JCRA should any such concerns arise in the future.