

### **3.1 Senator S.C. Ferguson of the Minister for Treasury and Resources regarding the creation of a monopoly in fibre routers for the broadband fibre rollout by Jersey Telecom:**

Are J.T. (Jersey Telecom) attempting to create for themselves a monopoly in fibre routers for the broadband fibre roll-out, and if so, what action, if any, does the Minister, as the shareholder representative, intend to take?

#### **Senator P.C.F. Ozouf (The Minister for Treasury and Resources):**

I am advised by J.T. Retail that this is not the case. J.T. are providing free fibre routers to their subscribers in the same way that routers were provided free during the many promotional offers that ran while copper broadband services were being rolled out. If a J.T. Retail subscriber wishes to connect an alternative router to the J.T. network, they can. They should ensure that they contact J.T. to ensure that the fibre service will function with their router. J.T. obviously advise me that they will not provide support for any alternative routers. J.T. also inform me that the provision of routers is a technically complex area and subscribers need to be very careful when choosing alternatives as the network might not work with them. I am advised that other wholesale providers will be able to utilise other routers as part of their own fibre service; other providers will of course provide the service and support where necessary.

#### **3.1.1 Senator S.C. Ferguson:**

Given that J.T. are being difficult over the matter of the routers and the subsidy of the routers with other service providers, and given that access to the fibre network by all suppliers was one of the Minister's conditions for the original £19.5 million as set out in the Ministerial Decision of 2011, what will the Minister do about it?

#### **Senator P.C.F. Ozouf:**

Perhaps the Senator could tell the Assembly where she gets her information from because I am not aware that there are difficulties, and frankly, if I may say so, question time and questions on telecoms really should be directed, I think, at a very high level issue. If there are issues concerning competition issues, then the proper route is for the approach to be made to J.T. directly or to the Competition Regulatory Authority. I am told however that the largest alternative provider of I.T. (information technology) services or broadband services is Newtel and they will be providing their own router and have not asked for any input or assistance. The second largest provider, the former Cable and Wireless, is seeking a subsidy from J.T. but that is a matter for J.T. to resolve with that other entity.

#### **3.1.2 Deputy R.G. Le Hérissier of St. Saviour:**

Is the Minister convinced, despite his disavowal of the partnership arrangement for Jersey Telecom, that there was a proper separation between the infrastructure services and the delivery of services, and that the infrastructures do operate totally at hand's length so that this kind of issue should not arise?

#### **Senator P.C.F. Ozouf:**

I think the progress has been made because the J.C.R.A. (Jersey Competition Regulatory Authority) have required separate accounting. They have required J.T. to provide a set of accounts for their retail business and their infrastructure business so that the regulator, whose decision of any argument should be the place for resolution of it, not the Treasury Department, I am confident that the regulator has these issues well in hand.

[14:30]

#### **3.1.3 Senator S.C. Ferguson:**

As a follow-up, is the Minister aware that fibre customers are being threatened with loss of service if they wish to use their own superior router?

**Senator P.C.F. Ozouf:**

Perhaps the Senator could answer my question about where is she getting this information from. I am advised that the issue of fibre connections is that J.T. are providing a router that will work with their fibre network and that is the standard arrangement that I understand has been the case for roll-out of fibre in other places, and I am not aware of any particular problems. If she has got a particular isolated example then perhaps she could tell me where that problem arises and I will take it up with J.T., although I do not think operational matters really of this level should be discussed on the floor of this Assembly in this way, unless there is a major problem.