

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY G.C.L. BAUDAINS OF ST. CLEMENT
ANSWER TO BE TABLED ON TUESDAY 17th JUNE 2014**

Question

Would the Minister, as the shareholder representative, advise how many JT customers were on the 2MB service at the end of May 2014, and, of those scheduled to be compulsorily moved to the more expensive 50MB service, how many are on fibre?

Should any still be on copper, would the Minister confirm that they too will also receive 50MB at the higher price, or will they remain on the cheaper 2MB service?

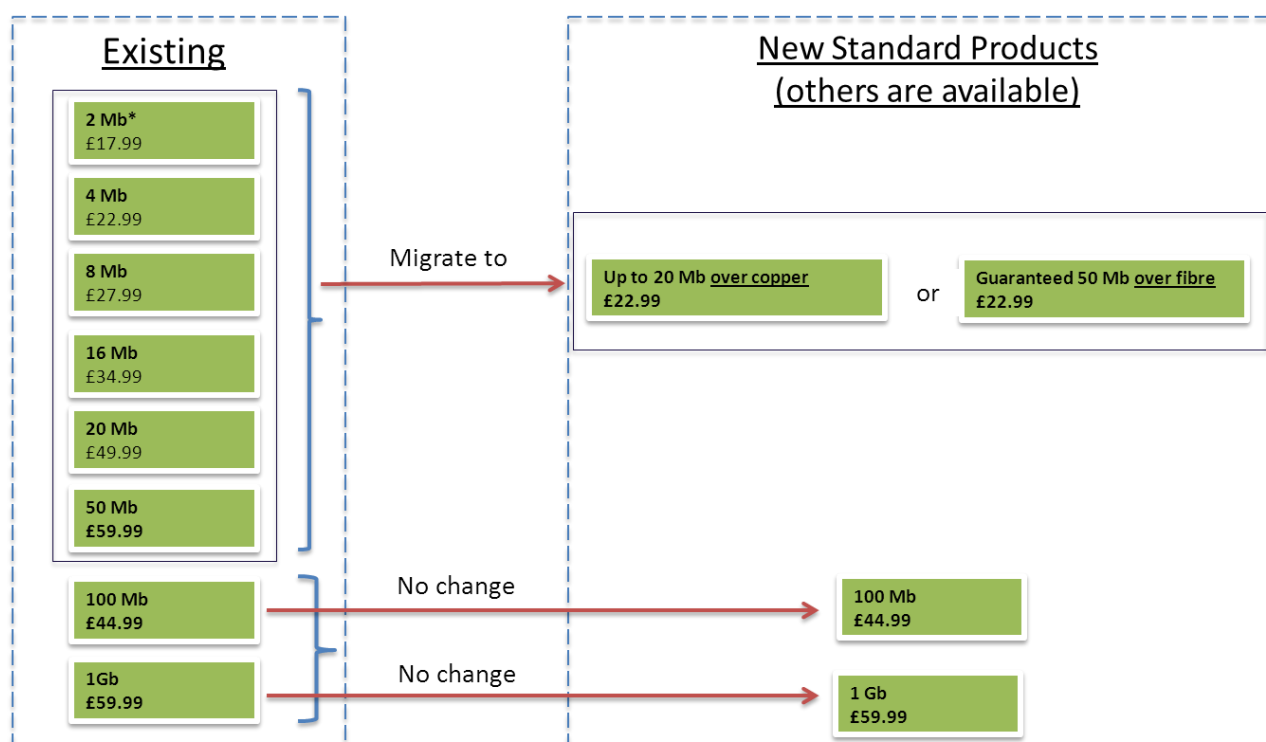
Answer

JT has submitted that the number of JT customers on specific tariffs, or on copper as opposed to fibre service, remains confidential during the course of the CICRA review.

The reason for the information being commercially sensitive is the fact that Jersey's broadband market is heavily competed for by the seven different network providers (JT Fixed, JT Mobile, Sure Fixed, Sure Mobile, Airtel Mobile, Newtel Fixed and Ytel Mobile) and highly regulated by CICRA, which regularly receives commercially sensitive market data of this nature.

In regard to the second part of the question, as explained in the Minister's response to the recent oral question from the Deputy on this subject (3 June 2014), the 2MB service is being withdrawn and JT is moving to a more simple tariff structure where the subscriber receives the maximum possible speed of "up to 20 MB" if they are on a copper connection or a guaranteed minimum speed of 50MB if they are on a fibre service.

The following diagram provides an overview of the changes to JT's retail portfolio:



In making these changes, JT is responding to calls from market and industry commentators to move to an “up to” standard of service for its copper products, such as those available in Guernsey. But it is important to note that copper broadband is a far inferior product to fibre broadband, as many factors such as the length of the copper line or inclement weather conditions (heavy rain, lightning storms) significantly impact copper services (they do not impact fibre network services), all of which means speeds over copper networks can never be guaranteed.

Following the implementation of the updated package, the comparison with Guernsey will look as follows:

JT (Jersey)		Sure (Guernsey)	
Up to 20Mb	£22.99	Up to 16Mb	£24.99
Guaranteed 50Mb	£22.99	Up to 40Mb	£34.99
Guaranteed 100Mb	£44.99	Guaranteed 100Mb	No products over “up to” 40Mb
Guaranteed 1Gb	£59.99	Guaranteed 1Gb	

- Points to note:
1. There are no fibre broadband products available in Guernsey which means that no speeds can be guaranteed
 2. Speeds in Jersey are +20% of those in Guernsey and no equivalent above “up to” 40Mb is available
 3. Where comparable products exist, charges in Jersey are between -8% and -34% of those in Guernsey

* To ensure the fair treatment of those subscribers on a 2MB service, JT is currently running an offer to maintain the 2MB price for a further 18 months, but will provide the increased speeds during that period. For those wishing to remain on a 2MB service, JT will be offering a £17.99 offering over its mobile network.