



Office of Utility Regulation,
Suites B1 and B2,
Hirzel Court,
St Peter Port,
Guernsey,
GY1 2NH.

15th January 2008

For the attention of Mr John Curran – Director General

Dear John,

With reference to the notice issued by the Office of Utility Regulation on the 11th January, finding Guernsey Airtel Limited in breach of the terms of the 2G and 3G licence conditions, we would like to comment as follows.

We are disappointed that we have been unable to comply with the licence conditions and launch the Guernsey business by the extended deadline of 15th December.

From the extensive dialogue between Guernsey Airtel and the OUR, you are aware that our launch has been seriously constrained by a number of factors, largely outside of our control, which has resulted in the Guernsey Airtel network not reaching either the coverage levels stipulated under our licence conditions, or sufficient for us to offer commercially viable services.

We appreciate the OUR's position in this matter and understand the requirement to issue the directive to address the breaches of the licence conditions. However, we believe this could still be very challenging, in view of the ongoing issues we continue to face in terms of securing the required planning consents to deploy coverage in the outstanding key locations and the subsequent implementation.

We are committed to rectifying the breaches you have identified, within the timescale you have stipulated. Please be assured of our full commitment to bring real value to the Guernsey consumer by delivering true competition across the Bailiwick.

Yours sincerely

Iain Williams
Executive Director

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