



Office of Utility Regulation

Amendment to Cable & Wireless Guernsey's Fixed Telecommunications Licence

Statutory Invitation to Comment

Notice of a Proposal to Modify the Licence for Fixed Telecommunications Networks and Services issued to Cable & Wireless Guernsey Ltd under Part 1, Section 1 of the Telecommunications (Bailiwick of Guernsey) Law, 2001 [originally granted to Guernsey Telecoms Ltd in 2001]

Document No: OUR 11/13

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Office of Utility Regulation
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Notice of a Proposal to Modify the Licence for Fixed Telecommunications Networks and Services issued to Cable & Wireless Guernsey Ltd under Part 1, Section 1 of the Telecommunications (Bailiwick of Guernsey) Law, 2001 [originally granted to Guernsey Telecoms Ltd in 2001]

In accordance with:

- Section 8 of The Telecommunications (Bailiwick of Guernsey) Law, 2001; and
- Section 6 of the Licence issued to Cable & Wireless Guernsey Ltd under Part 1, Section 1 of the Telecommunications (Bailiwick of Guernsey) Law, 2001,

the Director General of Utility Regulation hereby gives notice of his intention to modify the Licence for fixed telecommunications services issued to Cable & Wireless Guernsey Ltd (C&W).

Proposal

The Director General proposes to modify Condition 31 of the Licence. This is a condition which the Director General may determine applies to licensees that have a dominant position in a relevant market.

The Director General needs the power to grant an exemption from Condition 31.1 (requirement on a dominant operator to publish changes to its service offering) when he determines certain conditions are satisfied. Such a proposal would improve competitive pressures in the telecommunications sector and, thus, help reduce the burden of regulation.

The text of a modified Condition 31.1 and a new Condition 31.5 are published at the same time as this Invitation to Comment. The modified Condition 31.1 includes modifications on which the Director General already consulted in July 2010 (OUR 10/08).

Reason for Modification

The regulations applicable to an operator that has been found dominant in a relevant market need to be more demanding than those that apply to non-dominant operators. In particular, Condition 31 provides for a control of the prices that a dominant operator can charge and requires a dominant operator to publish its prices, and any changes to them, in advance of the changes coming into effect.

However, the Director General believes that removing the notification duty on C&W may, in some circumstances, encourage competitors to compete on prices and with innovations. It would be so in circumstances when C&W, though dominant, would not be able to abuse its dominance to distort or reduce competition. By improving competitive pressures, the Director General believes he can reduce the need for regulation and its burden on the telecommunications sector.

Representations or Objections

In accordance with section 8(2)(c) of The Telecommunications (Bailiwick of Guernsey) Law, 2001, interested parties are invited to submit written representations or objections to the proposal in this notice within 28 days of publication of this notice.

Written representations or objections should be clearly marked “**Representations re proposal to amend C&W fixed licence**” and be submitted by 15th of December 2011 to:

The Office of Utility Regulation
Suites B1&B2, Hirzel Court
St Peter Port
Guernsey
GY1 2NH
Email: info@icra.gg

Following consideration of any representations or objections the Director General will publish notice of his decision to amend or not to amend the existing fixed licence issued to C&W.

Condition 31 Price Regulated Services

31.1 Where the Licensee intends to introduce:

- (a) new prices for any Licensed Telecommunications Services, or prices for new Licensed Telecommunications Services to be introduced by the Licensee;
- (b) any discounts to published prices for Licensed Telecommunications Services within a Relevant Market in which the Licensee has been found to be dominant or for any Subscribers to whom additional services or goods are provided by the Licensee or any of its Associated Companies;
or
- (c) special offers to all or any of its customers for particular categories of Licensed Telecommunications Services where those Licensed Telecommunications Services have been found to be within a Relevant Market in which the Licensee has been found to be dominant,

it shall publish the same at least twenty one (21) days for retail products and services and thirty (30) days for wholesale products and services prior to their coming into effect or otherwise as required by law, and provide full details of the same to the Director General.

(31.2 to 31.4 - unchanged)

31.5 The Director General may, after consulting the Licensee and such other persons as he may determine, and for specific services only, replace the obligation in Condition 31.1 to publish changes at least 21 or 30 days in advance of their coming into force with an obligation to notify the Director General on the day of the changes coming into force and to put the notification prominently on its website.

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