

Office of Utility Regulation

Media Release

Regulator welcomes publication of Guernsey Telecoms Ltd's Reference Offer for Interconnection and Access

The Regulator today (15th July) welcomed the publication by GT of its Reference Offer for interconnection and access in the Guernsey market (the "RO") which sets out the terms, conditions and charges on which new entrants can gain access to the GT network.

The Regulator said "This is a very significant step in the development of a competitive telecoms market because without a clear and workable regime for new entrants to gain access to GT's network so as to provide services to customers, competition will simply not develop. This RO is a comprehensive and detailed document and I believe it provides an excellent platform for new entrants to plan and prepare for their market entry. I want to thank GT for all of the effort that has gone into developing the RO."

New entrants must have access to GT's network if they are to be able to provide services to the customers connected to GT's network because GT, due to its historical position as the island's monopoly telecoms operator, has direct access to every telecoms customer in the Bailiwick and new entrants have no such access. The RO – which is a "catalogue" of services for alternative operators - sets out GT's stall of interconnection and access services, the processes and procedures for availing of such services and the charges for those services. Individual operators can then choose the elements they require to build their services and negotiate a specific agreement with GT on those issues. The existence of the RO gives new entrants and operators a starting point from which to negotiate. In a market where GT is by far the strongest player, this is an essential tool for new players.

"The RO sets the basis for commercial agreements between operators", said the Regulator, "and I look forward to seeing those operators build on this foundation to deliver innovative and value for money services to end users."

GT has also published notice of the availability of wholesale leased line services for which terms and conditions are still being developed. Pending the finalisation of those terms and conditions which will be published by 1st October 2002, operators contracting for leased lines at retail rates will be reimbursed the difference between the retail and wholesale rates for the relevant period.

The rates in the RO are set on an interim basis and the OUR will keep these under review particularly as the market opens up over the rest of this year.

 $\frac{ENDS}{15^{th}\ July\ 2002}$

For further information call the Office of Utility Regulation on 711120