



CICRA media release

18 January 2012

CICRA proposes a price freeze on most fixed C&W services

The Channel Islands Competition and Regulatory Authorities have issued a draft decision to freeze Cable & Wireless Guernsey's (C&WG) fixed telecommunications services for another 12 months.

C&WG had sought to raise prices on exchange line rental from £8.99 to £9.99 and increase the minimum call charge (from 2p to 3p). The regulator is currently undertaking a wider study across both Guernsey and Jersey into the wholesale access of telecommunications services and did not believe an increase in exchange line rental prices was warranted prior to the findings of the wider study. This is the position adopted in Jersey for the price control of Jersey Telecom.

CICRA did however agree to C&WG's request to freeze prices on specific categories of leased lines.

CICRA Executive Director, John Curran, has also given C&WG the option to combine the way it considers a variety of prices across a range of services in order to have a greater degree of pricing flexibility.

Mr Curran said a key goal for CICRA was to ensure there was greater competition in the fixed market so all consumers had real choice when selecting a provider of fixed telephone services.

"This is a one year price control as we are working hard to get competition into the fixed market. As we have seen in the mobile market, competition drives better pricing, more

innovate products and bundles of services. We want to see that replicated in the fixed market. A one year control allows us to balance protecting consumers with providing the correct incentives for operators to work with us to give consumers the choice they need,” he said

Those wishing to respond to the draft decision are asked to provide their views in writing to CICRA at Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH.

The draft decision will be available on CICRA’s website: <http://www.cicra.gg/index.aspx>. A final decision will be issued prior to 1 April 2012.

Issued by Catherine Le Prevost, Orchard PR, Tel. 01481 240600

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NOTES TO EDITORS:

All enquiries should be directed in writing to CICRA Director General, John Curran, in Guernsey at the Office of Utility Regulation, Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH or email info@cicra.gg and in Jersey at 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF

About the CICRA

The Channel Islands Competition and Regulatory Authority (CICRA) is the name given to the two Channel Islands regulatory authorities, the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Office of Utility Regulation (OUR). A memorandum of understanding was signed in December 2010 to facilitate closer working between the two authorities. Both regulatory bodies were established in 2001. The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001 and the OUR was established under the Regulation of Utilities (Bailiwick of Guernsey) Law, 2001. In Jersey the telecoms and postal sector are regulated by the JCRA, which is also responsible for administering and enforcing the Competition Law (Jersey) 2005. In Guernsey the telecoms, postal and electricity sector are regulated by the OUR. The aim of both authorities is to ensure that consumers receive the best value, choice and access to high quality services while Jersey has the added responsibility of promoting competition and consumer interests.