



Office of Utility Regulation

Investigation into an alleged breach of Guernsey Telecoms Limited's Fixed Telecommunications Licence Conditions

Summary of Finding in Dispute D01/02

Document No: OUR 02/25

August 2002

Office of Utility Regulation
Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey, GY1 2NH
Tel: [0]1481 711120, Fax: [0]1481 711140, Web: www.regutil.gg

Summary

In May 2002, the Office of Utility Regulation (OUR) received a complaint alleging that Guernsey Telecoms Ltd was in breach of the terms of its Fixed Telecommunications Licence by:

- discriminating between customers by providing preferential levels of service for fault reporting to certain customers for charges similar to those paid by other customers who did not receive the preferential level of service, or in the alternative, for no charge, and
- unfairly cross-subsidising its competitive service for reporting faults on telecommunications equipment with revenue received from its monopoly licensed operations.

The OUR investigated the complaint, affording both parties a number of opportunities to comment, and proposed to find that GT was in breach of;

- Condition 29.1 of its fixed telecommunications licence insofar as it was discriminating between customers of GT's fault reporting, or service level agreements, by providing preferential levels of service to selected customers as the same charge as that paid for a lower level of service by other customers, and
- Condition 29.1 insofar as it was providing its own downstream arm with a service that was not available to competing parties in relation to fault reporting.

During the investigation, Guernsey Telecoms Ltd committed to a number of actions which in the opinion of the Director General addressed the concerns raised in the complaint and therefore, in the light of these commitments, the Director General proposes not to take any further actions at this time insofar as GT complies with the commitments it has made. Both parties have accepted the findings of the Director General.

Discrimination between customers

While GT confirmed that customers were receiving different levels of service while paying the same level of charges, it stated that this was due to technical reasons and GT has undertaken to contact all relevant customers and provide the same level of service to all customers paying the same charges.

The Director General considers that this action by GT addresses the concerns as to discriminatory treatment of customers and proposes not to take any further action on this point at this time.

Discrimination between GT's own Downstream arm and competitors in the market

GT confirmed that it uses a single fault reporting shortcode number on which customers can report both network and CPE faults, thus providing to its own downstream CPE arm a service not available to GT's competitors in the CPE market. Customers of competing CPE providers must dial one shortcode number for GT network faults and a separate

normal telephone number for the fault repair service of the CPE provider. During the investigation GT undertook to introduce a service for competitors in the CPE market that would be comparable to the service it provides its own downstream arm, by 30th September 2002.

Therefore the Director General found that insofar as GT makes publicly available to players in the market a non-discriminatory fault handling service by 30th September 2002, receives and responds to queries from interested parties in the mean time, and demonstrates transparent and fair costing and charging to the OUR, this addresses the concerns raised in the complaint and no further action will be taken at this time.

/ENDS