



Office of Utility Regulation

Media Release – 30th October 2008

Regulator Consults on Renewable Energy

The Office of Utility Regulation has published its consultation document into electricity micro-generation, which looks at the buy-back rate that domestic consumers receive from Guernsey Electricity when they sell electricity produced from micro-generation units back to the network. The consultation, produced in partnership with Guernsey Electricity, follows on from the work of the Energy Policy Report, which was noted by the States of Guernsey in June 2008.

‘Most people recognise the potential role that micro-generation might play in the future and it is important therefore to ensure that the current regulatory and technical arrangements neither stifle innovation, nor introduce barriers to micro-generators who would like to connect to the GEL network,’ said Mr John Curran, Director General of the OUR. ‘It is important to ensure that GEL charges are determined in a way that reflects the costs and benefits of domestic micro-generation, whilst also contributing to the States’ wider goals in respect to reducing carbon emission levels in Guernsey.’

The consultation document looks at the advantages and disadvantages of a number of options for determining an appropriate tariff for the sale of electricity back to the network and compares practices in a number of other countries, including the UK, Netherlands, Isle of Man and Jersey. The document considers two main tariff options. The first pays a tariff based on cost, whilst the other option is effectively a premium in excess of the true value of the electricity which would either be a subsidy from the tax payer or other electricity users.

‘We have worked closely with Guernsey Electricity in preparing this consultation and it has very helpfully provided a lot of useful information to inform the debate. We have also spoken to E-Si, a provider of micro renewable technology. In addition, Rupert and Rosie Dorey have very kindly afforded us the opportunity to see the work they

have done at their home in this area and provided us with a lot of very useful and practical information,” said Mr Curran. “However, we would be very interested to hear from other islanders who have installed micro-generation systems and the sort of practical issues they have encountered, to develop this process further. We would also like to hear from suppliers and installers of micro-renewable systems, in order to examine this important issue as widely as possible.”

The proposed Consultation Document (OUR 08/17) is published today and is available on the OUR website www.regutil.gg, or by calling the OUR on 711120. The closing date for receipt of comments to the consultation is the 8th December 2008.

ENDS

Notes for Editors

Micro-generation refers to a number of different technologies such as Photo-Voltaics (PV - solar power), micro-Combined Heat and Power, micro-wind, micro-hydro, heat pumps etc. which have a generation capability of maximum 3.7 kW (one phase) or 11 kW (three phases).

About the OUR

The Office of Utility Regulation was established in 2001 to regulate the three utilities of post, telecommunications and electricity in the Bailiwick of Guernsey. The Office is headed up by Director General, John Curran, and has six staff.

The role of the OUR is to protect the interests of both Guernsey consumers and the economy. It does this by ensuring that customers receive the best in terms of price, choice and quality of service across the three regulated sectors, whilst also ensuring that those sectors are vibrant and robust so that they can positively contribute to, and underpin, a successful Guernsey economy.

The OUR licenses and regulates telecommunications operators, Guernsey Electricity Ltd and Guernsey Post Ltd. Wherever possible, it promotes the introduction of competition through fair play and a level playing field between the operators. Where competition is not yet effective or where it is not feasible, the OUR regulates prices and quality of services to end customers. More information is available from the OUR website www.regutil.gg, or by contacting the Office of Utility Regulation on 01481 711120.