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Guernsey Post submits Tariff Proposals

The OUR is asking for people's opinions on proposals from Guernsey Post (GPL) to change postage prices across all services, including local and UK letter post, from April next year. Following the submission of the price changes, the OUR has opened a period of public consultation that will last until 6th October 2006.

“These proposals represent significant tariff changes across most services, particularly for local and UK letters. We are conscious that all postal users will wish to fully understand the reasons for these changes” said John Curran, Director General of the OUR. “The OUR has already begun a detailed efficiency review of GPL and we will be looking very closely at these proposed price changes to ensure they are justified. While clearly the impact of increased Royal Mail charges is a contributing factor, we will want to be assured that GPL is taking all reasonable steps to reduce its own costs and improve efficiency.”

GPL has proposed revised prices for local, UK, international and Bulk Mail tariffs. Among the proposed changes GPL is seeking are:

- a local stamp will increase to 33p in 2007, 36p in 2008 and 39p in 2009; and
- UK letter price will increase to 39p in 2007, 44p in 2008 and 49p in 2009.

For local post sent to the UK the basic weight step will increase from 60g to 100g.

GPL is also proposing to increase Bulk Mail tariffs over the three years, with average prices increasing by about 7% from April 2007 and by similar percentages in each of the subsequent years. There will however be different increases for individual bulk mailers depending on the nature of the service used by individual bulk mailers.

“We are currently working very closely with GPL on reviewing the company’s efficiency and I would like to record our thanks to GPL’s management and staff for the very constructive approach they have taken to the efficiency review” said John Curran. “Any recommendations from this review will be considered further as part of our detailed assessment of the tariff application.”

Members of the public are invited to submit comments about the proposals during the OUR’s public consultation which runs until 6th October. A final decision is expected in December 2006 and any tariff changes will take effect from 1st April 2007.

The OUR’s consultation paper, entitled “OUR 06/15: Guernsey Post’s Tariff Changes – Consultation Document” is available on the OUR’s website – www.regutil.gg – or from its office in Hirzel Court.

Information for Editors

- **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 four staff.

The role of the OUR is to protect the interests of Guernsey consumers and the economy. It does this by ensuring that customers receive the best in price, choice and quality services in the three regulated sectors, while at the same time 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, the OUR promotes the introduction of competition by ensuring that there is 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.