



Office of Utility Regulation

Media Release – 24th May 2006

Broadband prices to come down

The price of wholesale broadband internet services will come down in Guernsey under proposals announced today by the regulator. In a decision issued by the Office of Utility Regulation (OUR), C&W Guernsey (C&WG) will be required to cut the cost of the wholesale broadband services they provide to local Internet Service Providers (ISP's) by on average 15%.

All ISP's, including C&WG itself, buy wholesale broadband services from C&WG so that they can sell them on to local consumers and businesses. Today's decision is the result of a detailed review of wholesale broadband pricing in Guernsey.

“It is important that consumers in Guernsey have access to a wide range of broadband services at appropriate prices. We have made this decision in order to ensure that competition is given the opportunity to grow within the Guernsey market”, says Michael Byrne, Director of Regulation at the OUR. “While we are aware that comparisons will be made with broadband prices in the UK, the OUR will make decisions that are appropriate to Guernsey and take into account the need to set an appropriate environment to promote continued investment in the Island's communications infrastructure.”

“This decision has been made following a detailed investigation into C&WG's broadband pricing which began last September. The requirement for C&WG to reduce their wholesale price should help ensure that there is a healthy and competitive retail market for broadband services within the Bailiwick.”

The decision – “OUR 06/13; Investigation into Wholesale Broadband Pricing – Decision Notice” is available on the OUR’s website (www.regutil.gg) or from its Office.

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Note to Editor

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.