



# Office of Utility Regulation

Media Release – 9<sup>th</sup> February 2007

## Mobile Operators told to reduce Charges

Guernsey's utilities regulator, the Office of Utility Regulation (OUR), has today directed Guernsey's mobile operators to cut their mobile termination rates from the 1<sup>st</sup> April 2007. The charge, which mobile operators charge other telecoms companies to connect calls to their network will be reduced to an average of 6.75p per minute. Currently the peak charge is 12.60p per minute.

“The mobile termination charge applied by mobile operators in Guernsey is out of line with charges in other countries and is one of the highest charges of the 31 countries surveyed by the OUR. We have consulted with the three mobile operators in Guernsey and they all agree that a significant reduction is needed”, said Jon Buckland, Director of Policy at the OUR. “While this is an operator-to-operator charge it is a substantial component of the cost of mobile calls. I would hope that fixed and mobile consumers will now benefit from the reduction by way of reduced call charges.”

The new charges will come into effect on 1<sup>st</sup> April 2007 and are fixed for three years. The investigation into this charge follows similar studies by regulators in other countries.

“Experience in other markets has demonstrated the need for regulators to intervene directly in the setting of mobile termination charges and this decision should see rates in Guernsey become much more closely aligned with those in other jurisdictions,” said Jon Buckland. “We believe this is a proportionate means of achieving a good outcome for mobile consumers and look forward to seeing the mobile operators reflect this in their charges to consumers”.

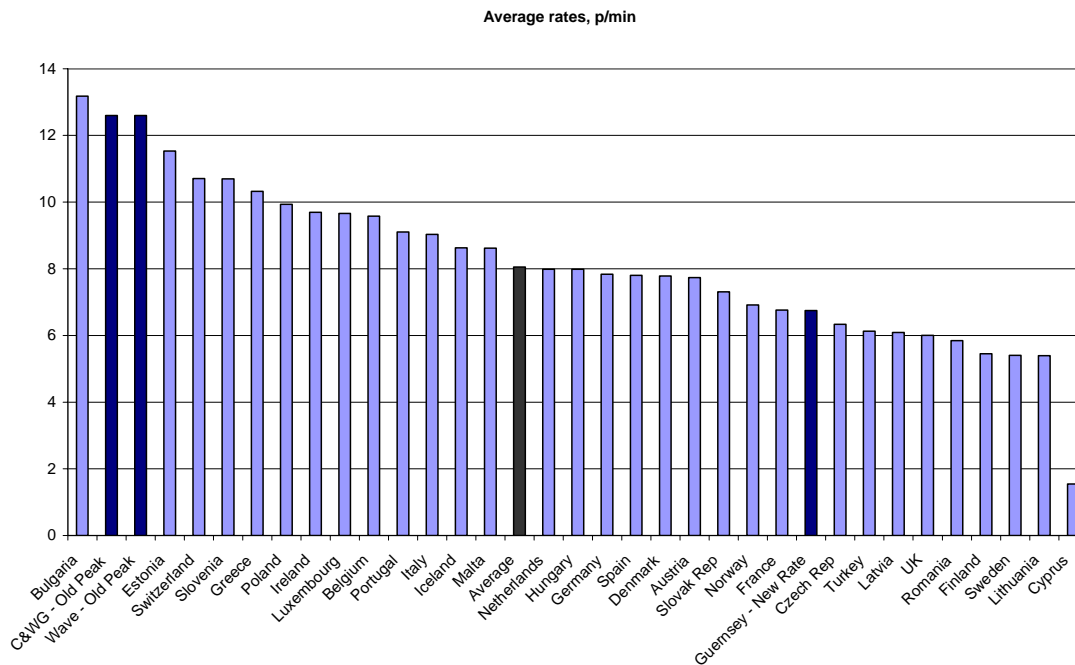
The OUR's Decision (OUR 07/03) is available on the OUR website – [www.regutil.gg](http://www.regutil.gg) – or from the OUR office at Suite B1&B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH, Tel 01481 711120.

**ENDS/**

**Information for Editors**

Average termination rates for a number of jurisdictions are shown in Figure 1 below. This shows that average charges in Guernsey will now be amongst the lower end of the countries surveyed.

**Figure 1 Comparison of Average MTRs**



**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](http://www.regutil.gg), or by contacting the Office of Utility Regulation on 01481 711120.