



Office of Utility Regulation

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OUR welcomes Regulatory Review

Guernsey's Utilities regulator is welcoming the conclusions of a major States report which underlines the continued need for regulation in the telecoms, postal and electricity sectors. The Review of Commercialisation and Regulation which is published today by the Commerce & Employment and Treasury & Resources Departments also concludes that the benefits of regulation in Guernsey have outweighed its costs and continues to meet the objectives set by the States. The two Departments are proposing a number of recommendations to further improve the way the utilities are regulated.

The report provides an overview of the state of regulation and commercialisation in the Bailiwick and covers many different aspects of the Office of Utility Regulation's (OUR) work, whilst outlining the way forward for further development of the regulatory regime in Guernsey.

“We welcome the results of the Review of Commercialisation as a fair and objective appraisal that draws on work undertaken by two separate independent bodies, the National Audit Office and Europe Economics. The report has provided a great opportunity to assess how the commercialisation and regulatory process has worked and how to improve it further for the future,” said John Curran, Director General of the OUR. “The implementation of the review's suggestions will enhance the relationships between the OUR and the utilities it regulates as well as providing for a more transparent and robust regulatory process that will continue to benefit consumers across the Bailiwick. This Office fully support the recommendations put forward by the two Departments.”

The review confirms that regulation in Guernsey has delivered real benefit to consumers. It also suggests some areas for improvement, and the OUR is already implementing these suggestions.

“We have been working hard to make sure that our approach to regulation is tailored to the needs of Bailiwick. While there will no doubt be differences of opinion, it is important that we have good working relationships with the regulated companies and this is something we will be looking to build on. We have already implemented a number of the changes to our procedures to minimise the risks of any costly appeals and to simplify further how we apply regulation. We estimate that the regulatory regime has already saved consumers more than twenty million pounds over the past 4 years. With these improvements Guernsey consumers should continue to benefit further whilst also ensuring that Guernsey’s utility infrastructure is robust, and meets the needs of the Island”.

“These recommendations will allow the OUR to focus on areas where regulation is needed most, and so make it easier for us to balance the Island’s need for continued investment in its infrastructure with value for money by consumers”.

-Ends-

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 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 customers. More information is available from the OUR website www.regutil.gg, or by contacting the Office of Utility Regulation on 01481 711120.