



## Telecommunication Licence Fees in Liberalised Market Report on Consultation and Guidelines published

The Regulator today (15<sup>th</sup> November) published a report setting out the method that the OUR will use to calculate annual licence fees for telecommunications licensees in the newly liberalised market in Guernsey.

“This method of calculating licence fees is fair and transparent”, said Regina Finn, “and takes into account the fact that there will be more than one licensee in the market, and that licensees will have different sizes of operation”.

The fees will be set at 1% of the annual turnover of the licensees in the telecoms market in Guernsey, with smaller licensees below a certain threshold paying a flat annual fee of £500.

Along with the report, the regulator published guidelines for licensees on calculating the fee. “This will help Licensees now and in future years to estimate the annual fee they will pay and include it in their business planning”, said Regina Finn, “and will ensure that the administrative overhead of managing this process is streamlined and kept to a minimum.” The guidelines will be kept under review as the market develops.

Postal and electricity licence fees will continue to be set separately.

Commenting on the grant of two new licensees for telecoms operators in Guernsey recently, Ms Finn said, “This is an exciting time for Guernsey, and a lot of ground work has been done to make it possible – by the team at OUR, the staff of Cable & Wireless Guernsey and not least the new entrants themselves. The potential is there for robust and positive competition

and I welcome the new entrants to the market and look forward to seeing all operators bring solutions to the market needs of their customers in this new environment.”

The Report on the Consultation (Document OUR 02/38) and the Guidelines (Document OUR 02/39) are available from the OUR website on [www.regutil.gg](http://www.regutil.gg) or by calling the Office on 01481 711120.

**ENDS/  
15<sup>th</sup> November 2002**

For further information call the Office of Utility Regulation on 711120

#### **Notes to Editors**

The Director General sets the licence fees at a level that is designed to cover the cost of carrying out the functions of the Office of Utility Regulation. There are two types of licence fees:

- An application fee paid by all applicants for licences; this fee is set at a level to recover the cost of processing such applications and awarding licences.
- An annual licence fee paid by all licensees; this fee is designed to cover the ongoing costs of OUR in regulating the market.

The annual report and accounts of the OUR include information on the total fees collected and are published following submission to the States by the Board of Industry each year. The annual report and accounts for the year ending 2001 (in which the Office only operated for three months) have been published in the Billet for the November meeting of the States and are available from the OUR website ([http://www.regutil.gg/docs/annual\\_report\\_2001.pdf](http://www.regutil.gg/docs/annual_report_2001.pdf)).