



# Office of Utility Regulation

Media Release

## Regulator consults on publication of Guernsey Electricity's Regulated Accounts

The Office of Utility Regulation has today issued a consultation paper on proposals for the publication of Guernsey Electricity Limited's ("GEL") Regulatory Accounts.

"This consultation paper invites comments on the amount of information that should be publicly disclosed from GEL's Regulatory Accounts and the OUR wants to hear views on its proposal to publish these accounts in their entirety", said Jon Buckland, Regulatory Manager.

Regulatory Accounts provide financial information about regulated businesses for use by the regulator, the industry, other stakeholders and interested parties such as customers. The Accounts split the regulated operator's activities into separate businesses (in this case Generation, Conveyance & Supply, and Non-core) so that the financial information for each separate business can be clearly seen.

This information is a fundamental requirement for the OUR in executing its regulatory duties, such as setting the price controls which underpin the prices GE is allowed to charge end customers. "In addition to this information being available to the OUR to assist the Office in performing its regulatory duties, this Office considers the publication of Regulatory Accounts of its dominant licensees to be in line with international best practice", said Jon Buckland.

"Publication of these accounts is designed to demonstrate that a dominant regulated operator (in this case GEL as a monopoly incumbent) applies charges for generation, conveyance and supply that are cost based, transparent and non-discriminatory, and that there is a clear separation from these activities and other, non-regulated activities such as the sale of domestic appliances."

The availability of this type of information will also help new entrants to the generation market, such as the Waste to Energy Plant, to understand how GEL's revenues relate to costs and is also essential to allow for the detection of anti-competitive practices.

The consultation on the publication of GEL's Regulatory Accounts runs from 5<sup>th</sup> September until 26<sup>th</sup> September 2003. Interested parties are invited to submit comments on the scope of publication of GEL's Regulatory Accounts, the degree of detail that should be available and if they consider that there is any information that should not be published, to explain their reasons as to why such information should be maintained as confidential.

**ENDS/**

**5<sup>th</sup> September 2003**

The OUR Document "Publication of Guernsey Electricity Limited's Regulatory Accounts – Consultation Document" is available on the OUR website ([www.regutil.gg](http://www.regutil.gg)) (Document OUR 03/26).