Office of Utility Regulation



Media Release

Regulator Publishes Consultation on Guernsey Electricity's Quality of Service

Today (18th September 2003) the Regulator published a consultation paper on proposals to tighten Guernsey Electricity Limited's ("GEL") existing customer service standards in the light of the company's performance during 2002/03 and international best practice. This follows the publication by GEL of its results against the various quality of service standards introduced over a year ago.

"We are looking at the quality of customer services GEL provides as demonstrated by the first year's published results for a number of key indicators", said Jon Buckland of OUR, "and asking whether the existing standards are the things customers want to see measured, whether there should be any new standards introduced and if the targets should be improved or tightened over time, as well as examining the customer compensation regime".

The paper seeks comments from interested parties on proposals to amend GEL's service standards in four key areas;

- 1. First, the OUR is proposing to extend the range of service standards and set targets for the new standards, for example including a requirement for GEL to keep appointments to visit customers' premises.
- 2. The second area the Office is consulting on is whether existing standards should be tightened taking into account the company's performance during 2002/03.
- 3. The third set of proposals relate to changing the status of some existing standards from an overall standard to a guaranteed standard. If the company fails to deliver the required level of service for a guaranteed standard then it must pay compensation to the customer affected. At the moment there are eight Guaranteed Service Standards and the paper proposes to increase this to eleven.

4. Finally the paper proposes to align compensation payments with those in the UK in those instances where compensation is payable.

"In a competitive market, the quality of service a company provides to its customers is an important source of competitive advantage and a valuable commercial tool", said Jon Buckland. "This is because in a competitive market customers can choose a supplier based on a number of criteria, including the quality of the service the customer receives. In a market where there is a single monopoly provider, as is the case in Guernsey's electricity market, there is no competitive pressure on that operator to improve quality of service and, in common with governments across the world, the States of Guernsey has introduced regulation to function as a proxy for competition. It is hoped that by refining these standards at this time customers overall will receive an even better quality of service than the already high levels provided by GEL."

The OUR encourages interested parties to respond to the issues raised in the consultation paper to ensure that the quality of service targets that will apply to GEL from 1st April 2004 reflect the needs and requirements of customers.

Copies of the consultation paper are available from the OUR website on <u>www.regutil.gg</u> or by calling the Office on 01481 711120

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For further information call the Office of Utility Regulation on 711120