



Media Release
14th November 2003

Guernsey Post's Application for Tariff Changes

The Regulator today (14th November 2003) published a consultation paper on Guernsey Post Limited's ("GPL") proposed tariff changes. The OUR has received an application from GPL for the company to increase its prices for postal services from 1st June 2004

The consultation document (OUR 03/34) includes a summary of GPL's proposed tariff changes and GPL's rationale for those price changes and provides a description of the methodology the OUR intends to adopt in reviewing GPL's tariff change submission. The OUR is inviting comments from all interested parties on the proposed price changes and the OUR's methodology for assessing the reasonableness of the tariff changes sought by the company.

"It is important that in considering this application for tariff changes that the OUR has available to it all relevant information. A robust and sustainable postal service is essential for an economy such as Guernsey and so it is important that this application is rigorously assessed by this Office" said Jon Buckland, Regulatory Manager at OUR. "For this reason the OUR would particularly welcome quantitative responses from interested parties that demonstrate how GPL's price changes would affect them (either as businesses or private individuals) in order to assess the impact of GPL's proposals. We are therefore encouraging respondents to respond fully by December 19th to the issues raised by GPL's proposed tariff changes."

The OUR intends to publish its report on the consultation and its decision on GPL's tariff application towards the end of February 2004. In reviewing the price changes the OUR will

seek to ensure that postal charges remain as low as possible but which allow GPL to recover costs appropriate to an efficient operator and earn a reasonable return on its asset base while at the same time ensuring the provision of the universal service at geographically uniform and affordable tariff throughout the Bailiwick is met.

**ENDS/
14th November 2003**

For further information call the Office of Utility Regulation on 711120

The OUR Document “Guernsey Post’s Proposed Tariff Changes ” (Document OUR 03/34) is available on the OUR website (www.regutil.gg) and directly from the office at Hirzel Court.