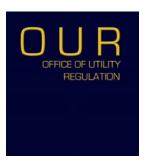
Office of Utility Regulation



Media Release

Regulator Directs C&W Guernsey to Reduce Charges for Interconnection and Access Services

The Regulator has today directed Cable & Wireless Guernsey to reduce the rates it charges new entrants for interconnection and access services by between 15% and 20% from January 2004.

The OUR has carried out a review of a range of information including that provided directly by C&WG as well as international practice. "In arriving at these interim rates the OUR reviewed trends in other markets at similar stages of competition and liberalisation and there was a clear downward trend", said John Curran, Regulatory Manager with the OUR. "This interim review of these charges will be followed by a thorough examination of the submissions from C&W Guernsey in support of its proposed interconnection rates, including a submission made on 14th November 2003 and the Regulatory Accounts republished by C&W Guernsey today. The interconnection and access charges now being announced will be interim charges pending the finalisation of that review."

C&WG will be required to implement the revised rates in January 2004 to coincide with the republication of the Reference Offer as directed by the OUR in November.

The OUR has published a detailed document setting out the new proposed rates that are due to be introduced on 9th January 2004. The document "OUR 03/38: Reference Offer for Interconnection and Access: Rates" is available from the OUR's website – www.regutil.gg – or from its Office.

ENDS/ 15th December 2003

For further information call the Office of Utility Regulation on 711120

Note for Editors

New entrants must have access to C&W Guernsey's network if they are to be able to provide services to the customers connected to C&W Guernsey's network as it has direct access to every telecoms customer in the Bailiwick and new entrants have no such access. The RO – which is a "catalogue" of services for alternative operators - sets out the services that new entrants can purchase from C&W Guernsey, the processes and procedures for availing of such services and the charges for those services. Individual operators can then choose the elements they require to build their services and negotiate a specific agreement with GT on those issues. The existence of the RO gives new entrants and operators a starting point from which to negotiate. In a market where C&W Guernsey is by far the strongest player, this is an essential tool for new players.