



Office of Utility Regulation

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OUR plans boost for Mobile Competition

The OUR is proposing to ease the restrictions on how mobile operators use their existing mobile spectrum to promote further competition in the mobile market. The move, which would see all three mobile operators being free to provide both 2G and 3G services using their current spectrum allocations, comes following discussions with Ofcom (the UK regulator with responsibility for spectrum issues in the Channel Islands) on Guernsey being able to move on spectrum liberalisation at a pace that is faster than the UK.

“The OUR has previously stated that we are keen to relax the regulation of the mobile market as circumstances dictate. With recent changes at an EU level on how spectrum can be used more efficiently we are keen to adopt this means of getting further competition, particularly in the 3G market” said John Curran, Director General at the OUR. “This measure should have minimal impact in terms of the need for new infrastructure as the three operators will continue to use their existing spectrum for which they will have already planned their networks”.

The OUR's move follows decisions by the European Commission to relax the restriction on what is commonly known as 2G spectrum (which is spectrum in the 900MHz and 1800MHz bands) can be used for. The result is that Ofcom, the UK regulator is free to allow 2 and 3G spectrum it controls to be used for a wider range of mobile services than is currently allowed. Ofcom is currently consulting on its approach to the UK mobile operators but discussions between the OUR and Ofcom has resulted in an agreement which will allow Guernsey to move at a faster pace than in the UK.

“The UK has particular issues with their operators which relate to how spectrum was allocated to the various operators and the fees paid by them for 3G spectrum. In Guernsey we are not constrained by these issues and this move therefore is the most pragmatic means of getting further competition in 3G services”, said John Curran. “Along with this proposal we also intend to start discussions with the Environment Department and the Commerce & Employment Department on clarifying the framework within which any future competitive developments can take place. This we would hope will help clarify the environment for operators to ensure they have certainty about how to make their investments, investments which will be needed as the growth in mobile services continues.”

The OUR is consulting on its proposals and the consultation document “Mobile Market Review; Consultation on Further Development of the Mobile Market” (OUR 08/14) is available from the OUR or on its website on www.regutil.gg.

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Information for Editors

Currently mobile spectrum is classified as either 2G spectrum (frequency bands 900MHz and 1800MHz) or 3G services (1900MHz/2100MHz) and only 2G services can be provided using 2G spectrum and likewise for 3G services. The result is that, even though it has now become technically possible to provide 3G services using 2G spectrum, the rules governing spectrum use has prevented this from happening. However with the change in the rules the three Guernsey operators will now have greater flexibility in how they use their spectrum.

About the OUR

The Office of Utility Regulation was established in 2001 to regulate the three utilities of post, telecommunications and electricity in the Bailiwick of Guernsey. The Office is headed up by Director General, John Curran and has four staff.

The role of the OUR is to protect the interests of Guernsey consumers and the economy. It does this by ensuring that customers receive the best in price, choice and quality services in the three regulated sectors, while at the same time ensuring that those sectors are vibrant and robust so that they can positively contribute to and underpin a successful Guernsey economy.

The OUR licenses and regulates telecommunications operators, Guernsey Electricity Ltd and Guernsey Post Ltd. Wherever possible, the OUR promotes the introduction of

competition by ensuring that there is fair play and a level playing field between the operators. Where competition is not yet effective or where it is not feasible, the OUR regulates prices and quality of services to end customers. More information is available from the OUR website www.regutil.gg, or by contacting the Office of Utility Regulation on 01481 711120.