

# Office of Utility Regulation

# Media Release – Embargo 6.00am 24<sup>th</sup> November 2010

## OUR MOVES TO FURTHER PROTECT POSTAL USO

The Office of Utility Regulation has today published a consultation on its draft decision to set up a licensing regime for competitors in the postal market. The proposed introduction of a licensing regime will enable the OUR to licence alternative operators to Guernsey Post and further secure the postal Universal Service Obligation by ensuring it can be funded by all licensees who enter the market, should this be required.

"Providing for a licensing regime means Guernsey can obtain the efficiency and innovative benefit of postal competition while also continuing to receive a universal postal service available to all at the same price, " said Michael Byrne, Director of Regulation at the OUR. "It will also ensure that all postal operators, including Guernsey Post, are regulated in a fair and even-handed way for the benefit of all postal customers."

"It is important that as competition develops in the postal market new entrants have certainty on how the regulatory regime will work. Finalising the licensing regime is a crucial part of this," said Michael Byrne. "It will also enable the OURto introduce a compensation fund to support the USO, should it be required."

The introduction of a licensing regime will ultimately require an amendment to the Postal Law and once the OUR has concluded its consultation process it intends to ask the Commerce and Employment Department to request the States of Guernsey to modify the Postal Law.

Further details on the consultation to the draft decision are included in document OUR10/14 which is published on the OUR website <a href="www.regutil.gg">www.regutil.gg</a>. Copies are available by calling the office on 01481 711120.

#### Information for the Editor

### 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.