



Office of Utility Regulation

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OUR CONSIDERS £1 INCREASE IN EXCHANGE LINE PRICES

The OUR is considering whether to allow Cable and Wireless Guernsey a one-year rollover on its price control as work continues to develop competition in the fixed line market.

C&WG's current price control runs out next April. During 2009 a pan-CI project was undertaken to develop wholesale access products, which if successful, has the potential to significantly reduce or remove price controls from C&WG products.

“While progress has been made in developing new wholesale access products the timing for completion of the pan CI project remains unclear,” said OUR Director of Regulation Michael Byrne.

“Given this, it appears premature to assume the future development of competition would justify the removal of C&WG's price control. A delay in plans for setting a new price control by rolling forward the current control seems to offer the best way forward for now.”

Cable & Wireless Guernsey has proposed an increase in its exchange line rental prices which would rise from £7.99 to £8.99 per month. The OUR is now consulting on these proposals. However, given the limited range of issues in the consultation paper, the OUR proposes to amend the standard consultation process, subject to the views of interested parties, which means the OUR will publish a final decision in January 2011.

Further details on the consultation are included in document OUR 10/15 which is published on the OUR website www.regutil.gg . Copies are also available by calling the OUR on 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.