



Office of Utility Regulation

**Publication of Statement of Connection and  
Use of System Charges by Guernsey  
Electricity Ltd**

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Information Notice

**Document No:** OUR 02/17

**May 2002**

**Office of Utility Regulation**  
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## Background

The Office of Utility Regulation is continuing to work towards establishing a competitive regulatory framework for the electricity sector in Guernsey as mandated by legislation enacted in October 2001<sup>1</sup> and February 2002<sup>2</sup>. As part of that framework, the Generation, Conveyance and Supply activities of Guernsey Electricity Ltd (“GE”) have been licensed since 1<sup>st</sup> February 2002.

Under Licence Condition 31 of GE’s conveyance licence (see document OUR 02/04), GE is required to prepare and publish a statement on the basis of charges for connection to and use of GE’s conveyance system.

The objective of the connection charging statement is to set out the methodology GE will use to derive the connection charges which will enable it to recover the costs involved in providing the assets, which afford connection to the conveyance system. These charges relate to the costs of the assets installed for the benefit of the user and the statement is intended to demonstrate that the costs are determined on a non-discriminatory basis. In this respect interested parties should refer to GE’s recent publication of its Statement of Opportunity (“SoO”) which provides an overview of the electrical system within the island of Guernsey and suggests where any new generation or demand may best be accommodated within the network.

Similarly the use of system charges should reflect the cost of installing, operating and maintaining the overall conveyance system. The statement should provide clarity of the principles and transparency of the methodology used by GE in setting these charges, thereby informing existing users and potential new entrants with stable and accurate cost messages.

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<sup>1</sup> The Regulation of Utilities (Bailiwick of Guernsey) Law, 2001

<sup>2</sup> The Electricity (Guernsey) Law, 2001

## **Publication of Statement of Connection and Use of System Charges**

GE has today, 17<sup>th</sup> May 2002, published its first version of its Statement of Connection and Use of System Charges which is freely available via the GE website ([www.electricity.gg](http://www.electricity.gg)).

The document provides a description of the principles that GE will apply to derive connection charges and sets out its policy on use of system charges. The Director General is interested to hear from affected parties whether the document meets their needs and whether they consider there should be any further information and/or changes in the document. Interested parties are welcome to comment to GE directly also if they desire.

Comments should be submitted in writing by 5pm on Friday 14<sup>th</sup> June 2001 to the following address

Office of Utility Regulation  
Suite B1 & B2,  
Hirzel Court,  
St. Peter Port,  
Guernsey GY1 2NH.

Email: [info@regutil.gg](mailto:info@regutil.gg)

All comments should be clearly marked “Comments on GE’s Draft Statement on Connection and Use of System Charges”.

The Director General intends to review all comments received and consider the form of the first version of the Statement in more detail during the comment period with a view to determining whether the document should be approved or may require any further amendments.

**/Ends  
May 2002**