



GCRA no longer responsible for GEL tariffs and prices

E1362G & E1585G

Information Note

On 16 February 2022, the States of Guernsey passed an amendment to the *Electricity (Guernsey) Law, 2001* (the **Electricity Law**) to transfer the GCRA's responsibility for setting Guernsey Electricity Limited's (**GEL**) tariffs and prices to the States' Trading Supervisory Board (**STSB**), GEL's shareholder.

The Electricity Law amendment¹ removes the GCRA's responsibilities in respect of prices for GEL's tariff customers and Section 16 Special Agreement customers. This includes determining or requiring publication of prices. The GCRA will also no longer be responsible for dealing with pricing disputes between GEL and its customers. The amendment also removes the GCRA's regulatory responsibility for any undue discrimination or undue preference matters concerning GEL's prices.

The amendment has a transitional provision that provides for tariffs and prices previously approved by GCRA to remain in force until such time as STSB approves any new ones.

The GCRA's powers in respect of the Competition Ordinance are unchanged.

The GCRA is currently consulting on two matters that concern GEL's prices. The first relates to GEL's standby charge for embedded electricity generation.² The second is a proposed modification to GEL's electricity licence to oblige GEL to provide a greater degree of transparency in relation to prices negotiated under Section 16 Special Agreements, which would also allow the GCRA to set or constrain such prices.³

¹ <https://www.gov.gg/CHttpHandler.ashx?id=149027&p=0>

² Call for Information issued on 14 April 2021: <https://www.gcra.gg/media/598314/supplier-of-last-resort-costs-for-renewable-generation-capacity-call-for-information.pdf>

³ Draft Decision issued on 24 September 2021: <https://www.gcra.gg/media/598375/e1585g-guernsey-electricity-limited-licence-modification-draft-decision.pdf>

In light of the amendment to the Electricity Law, the GCRA is closing both of these consultation processes with immediate effect.

Any further enquiries on electricity pricing matters, including those related to standby charges and Special Agreements, should be directed to the STSB, which now is responsible for determining GEL's tariffs and prices.

17 February 2022

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