



Office of Utility Regulation

**Information Note
and
Direction**

**Maximum Resale Price of Electricity in
Guernsey**

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Maximum Resale Price of Electricity in Guernsey

Background

Historically, the States Electricity Board had the ability to set the maximum resale price of electricity under The Electricity Law 1933¹. In 1997 the maximum resale price was set at 9.62 pence per kilowatt hour and this was in force until the provisions of The Electricity (Guernsey) Law, 2001 were enacted on 1st February 2002.

On 1st February 2002, this power transferred to the Director General of Utility Regulation under Section 23 of The Electricity (Guernsey) Law, 2001, which empowers the Director General to set the maximum price at which electricity may be resold on the Island of Guernsey. In line with other tariff increases, OUR 06/02 set out the Decision by the Director General that the maximum resale price for electricity should be set at 10.42 pence per kilowatt hour. OUR 07/07 announced a further increase to 11.91 pence per kilowatt hour. It should be noted that separate arrangements apply to the electricity sectors elsewhere in the Bailiwick of Guernsey.

The purpose of setting a maximum resale price for electricity is to protect customers who do not purchase electricity directly from a licensed electricity supplier but from a third party. A typical example is where a landlord pays for the electricity used by their tenants and separately charges the tenant for electricity often via the landlord's meter.

Maximum Charges in accordance with section 23 of the Electricity (Guernsey) Law, 2001: Direction

The Director General of Utility Regulation, in accordance with the powers granted under section 23(2) of the Electricity (Guernsey) Law, 2001, hereby fixes the maximum price at which electricity to which section 23 applies may be resold at 13.89 pence per kilowatt hour, from 1 April 2009.

¹ Loi relative à la Fourniture de L'Électricité par les États, 1933

The Director General further directs Guernsey Electricity Limited in accordance with section 23(2)(b) of the Electricity (Guernsey) Law 2001 to publish this maximum resale price in a manner that will secure adequate publicity for it, including but not limited to publication on the Guernsey Electricity Limited website.

If any person resells electricity to which section 23 of the Electricity (Guernsey) Law, 2001 applies, at a price exceeding the maximum price of 13.89 pence per kilowatt hour, the excess shall be recoverable by the person to whom the electricity was resold as a civil debt in accordance with section 23(4) of that Law.

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