THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

16th February, 2022

Proposition No. P.2022/4

Policy & Resources Committee, Committee *for* Economic Development and States' Trading Supervisory Board

The Electricity (Guernsey) Law, 2001 (Amendment) Ordinance, 2022

AMENDMENT

Proposed by: Deputy D de Garis De Lisle
Seconded by: Deputy C Blin

In the draft Ordinance entitled "The Electricity (Guernsey) Law, 2001 (Amendment) Ordinance, 2022" (Article 4 of Billet d'État No. IV of 2022):

1. In clause 1(6)(b), in inserted subsection (1A) for "the Board" –

   (a) where first appearing substitute "the States, by way of Resolution,", and

   (b) where secondly appearing substitute "the States";

2. in clause 1(6)(c), for the inserted text "(or Board, in the case of Guernsey Electricity)" substitute "(or the States, by way of Resolution, in the case of Guernsey Electricity)";

3. in clause 1(10), for the inserted text –

   (a) "(or Board, in the case of Guernsey Electricity)" substitute "(or the States, by way of Resolution, in the case of Guernsey Electricity)", and

   (b) "(or Board, as the case may be)" substitute "(or the States, as the case may be)"; and

4. in clauses 2(1) and (2), for "the Board" wherever appearing substitute "the States, by way of Resolution".

Rule 4(1) Information

a) The proposition is neutral as far as the States' objectives and policy plans are concerned.

b) In preparing the proposition there has been no consultation with stakeholders.

c) The proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.

d) There are no financial implications to the States of carrying the proposal into effect.

Explanatory note

As drafted, the Electricity (Guernsey) Law, 2001 (Amendment) Ordinance, 2022 amends the Electricity (Guernsey) Law, 2001 by providing that the States' Trading Supervisory Board ("STSB") must approve electricity tariffs to be charged by Guernsey Electricity ("GEL"). It also empowers STSB to determine any question relating to whether any act done, or course of conduct pursued by GEL amounts to an undue preference to, or undue discrimination against, any person when fixing its tariffs. The Proposer and Seconder believe that it is not appropriate for STSB to carry out those functions in circumstances where the regulatory function of the GCRA is to be withdrawn and given the concerns over the price of electricity and the already announced intentions by GEL to restructure tariffs and increase prices for electricity to the consumer.

This amendment would enable the States, by way of Resolution, (as opposed to STSB) to approve any new tariffs and prices and to determine any question relating to whether any act done, or course of conduct pursued by GEL amounts to an undue preference to, or undue discrimination against, any person when fixing its tariffs or prices.