



Office of the Sark Electricity Price Control Commissioner

Electricity Price Increase From 1st February 2024

The maximum unit price that Sark Electricity Limited (“SEL”) can charge for electricity will increase from 52p/unit to 56 p/unit from the 1st February 2024.

This price increase is because of the monthly correction mechanism in the price control which has been in place since 1st April 2023. In December 2023 fuel prices were c5% less than forecast and demand was c4% less than forecast. These offsetting effects, whilst resulting in a small under-recovery for SEL, are not, however, the main reason for this price increase.

For the past three months, the maximum unit price has been maintained at 52 p/kwh, although SEL has continuously under-recovered against its entitlement. It was forecast that this under-recovery could be eliminated before year-end on 31st March 2024, due to falling fuel prices and/or increased demand. Unfortunately, this is no longer expected to be the case, and this is the reason why the maximum unit price must now be increased to 56 p/kwh.

Any further changes to the maximum unit price over the winter months will be influenced by changes in fuel prices and demand compared to the forecast, by any capital expenditure which is proposed by SEL and approved by my office, and by an annual correction mechanism from 01st April 2024 to account for inflation and asset depreciation.

The monthly connection fee will remain capped at £10/meter and the monthly standby charge for own-generators will remain capped at £5/KW of installed capacity.

I also wish to apologise for the very short notice in announcing this price increase. Whilst this was not entirely within my control, I will do my best to provide much longer notice in future. Please contact me at the e-mail address below if you have any queries.

Shane Lynch

Electricity Price Commissioner

Commissioner@epc.sark.gg

31st January 2024