

The Office of the Electricity Price Control Commissioner

DETERMINATION SUMMARY

By Shane Lynch, Sark Electricity Price Control Commissioner, 17th of September 2025.

- Sark Electricity Limited ("SEL") increased its unit price by 132%, from 49 p/kwh to 113.6 p/kwh from the 1st of September 2025. This new price included what SEL referred to as a "legal levy" of 40 p/kwh and a "consultation levy" of 20 p/kwh. This has resulted in Sark having the highest electricity price in the World.
- 2. SEL stated that the purpose of the "legal levy" was to build up a fund of up of £600,000 to legally challenge the compulsory purchase of SEL's assets by Chief Pleas. SEL also stated that the purpose of the "consultation levy" was to build up a fund of £100,000 to cover the cost of SEL responding to consultations issued by my office in 2025.
- 3. On the 16th of September 2025 I determined, pursuant to my legal powers, that the price charged by SEL was neither fair not reasonable, principally for the following reasons:
 - a. I do not consider costs associated with legally challenging a government decision to be costs necessary for the continued supply of electricity, and
 - b. An allowance of £20,000/year (at 2025 prices), to cover the cost of responding to investigations and consultations, was built into the last price control order. This was accepted by SEL and amounted to c1.4 p/kwh rather than 20 p/kwh.
- 4. It is now my intention, following a further consultation with SEL, to make a price control order to take effect from midnight on 30th September at the latest. This price control order will set a maximum price which SEL can charge.
- 5. Unfortunately, due to the statutory consultation process, I was unable to make a price control for the month of September 2025. I appreciate however that a price of 113.6 p/kwh is likely to cause considerable hardship to many residents in Sark. I am concerned that any funds collected in September by SEL may be used, in the first instance, to settle already existing, and significant, legal bills. I am also concerned that SEL did not engage in the consultation process that I have just completed, even though it is planning to charge consumers for the cost of such engagement in their September bills.