



Notice

15th October 2020

PROPOSED CHANGE TO ELECTRICITY PRICE IN SARK

The Electricity Price Commissioner for Sark today publishes proposals to change the price of power on the island.

The regulated price of electricity from the sole electricity supplier, SEL, would rise for one year from the present 54 p/kWh to 58 p/kWh, falling to 52p/kWh in the following year if consumption and fuel prices stay at current levels.

The change could start from the beginning of November 2020.

Price Commissioner Anthony White said that the adjustment was unfortunate but had become necessary because electricity consumption had been so low. "The amount forecast in my Price Control Order, which has been in force since January 2020, was too high for two reasons. First, the current pandemic has affected tourism which has lowered consumption. Second, SEL's new owner, Mr Alan Jackson, has informed my Office that the historic consumption data I received from his predecessor was incorrect. Mr Gordon-Brown had over-estimated his sales figures."

"Clearly, this situation is not welcome when the price of electricity in Sark is already high. The proposed increase will likely lower sales still further and encourage more islanders who can afford it to generate their own power."

Dr White added: "I am extremely concerned to note that Mr Jackson has decided not to invest any capital into SEL because of the lack of statutory wayleaves."

"The company's equipment is old and, without investment, Mr Jackson has warned that reliability of supply is likely to fall and power may be reduced daily from 24 hours to 19. Therefore, in view of the lower quality of supply and the reductions in rates of return in the economy generally, I am proposing to reduce the profit margin allowed for SEL."

"Mr Jackson has suggested in the last few days that he might have an alternative approach and I look forward to receiving details of his proposal."

* Full details of the Commissioner's official Proposed Variation to the Price Control Order can be seen on the website (www.epc.sark.gg). SEL, its customers and other interested parties, have until 30 October to respond to the proposal and give their views.

Anthony White
Commissioner

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