



Office of the Sark Electricity Price Control Commissioner

Press Release

Friday, 20th December, 2019

LEGAL CAP ON SARK'S ELECTRICITY PRICE

After a full investigation, analysis and consultation into the cost of providing electricity on Sark, the island's Electricity Price Control Commissioner has, today, put a formal cap on the price of its power.

This sets the maximum at 54 pence per unit (p/kWh) from 1 January 2020. The present price charged by Sark's sole electricity company, SEL, is 66 p/kWh*.

Dr Anthony White, the Electricity Commissioner, has concluded that 54 pence per unit is fair and reasonable yet still enables SEL to maintain security of supplies while providing a reasonable return for its business.

The decision to impose a legally enforceable Price Control Order (PCO), which will last two years**, follows a lengthy process throughout 2019 of investigation and consultation, not only with SEL but also electricity consumers and other interested parties.

Sark Electricity Limited has accused the Commissioner of bias, collusion and of trying to bankrupt the company. They also claim that his basis for deriving a fair price for electricity was "flawed and devoid of any economic reality." After careful consideration of all their points, the Commissioner has rejected their arguments as being "without merit."

Dr White states that it is unacceptable for SEL to try to pass on to customers excessive legal costs incurred by the company in trying to thwart his official cost appraisal process.

* The average price for power in England is 16 pence per unit.

** The price for 2021 may be adjusted, depending on the consumption of electricity on Sark and movements in prices for diesel, the fuel used by SEL for generating power on the island.

*** The full Price Control Order document is available to view online at www.epc.sark.gg

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