



Notice

Residents will be aware that SEL has notified customers that the electricity price in Sark will increase from 56p per unit plus a minimum monthly usage charge, to 70p for the month of July. SEL has not made clear whether the minimum monthly usage charge will continue in July. This price rise will be deeply concerning to all reliant on SEL for their electricity.

Whilst it is undeniable that diesel fuel prices have risen dramatically, I believe that SEL should have taken action sooner to reduce its reliance on diesel fuel and my Office has been pressing SEL's management to do so ever since I was appointed in 2017. This, coupled with SEL's ageing and, in some cases, unsafe equipment as highlighted in two recent independent reports, would strongly suggest that any responsible management team would have taken urgent action to update its equipment. SEL has provided several reasons for taking no action at all, none of which, in my view, justify this inertia. My Office has never been provided with a detailed capital expenditure plan even though Mr Witney-Price expressed his intention to update the company's assets when he acquired it over two years ago.

Once again, Mr Witney-Price claims to have lost money under the Price Control Order imposed by my Office. The regulatory accounts for 2021, produced using SEL's own figures, show that SEL would have made an operating profit in 2021, had it not been for excessive legal costs that were incurred as a consequence of, what I believe to be, ill-judged decisions by its Directors. I do not believe that it is reasonable for customers to pay more for their electricity on account of such errors.

Given that SEL has heralded a complete change of tariff structure for August, I look forward to receiving and analysing it when it is released. In the meantime, I will continue to press SEL for information which I require and, some of which, will have a direct impact on my ability to assess the new arrangements. In determining whether the prices charged under this new tariff are fair and reasonable, I will take into consideration, amongst other factors, that I am advised that the complete replacement of the existing system is likely to be the most cost-effective option.

Anthony White

Commissioner

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21st June 2022