



January 2017

Dear Customer

## Re – Your “new look” electricity bill

We have made some changes to the format of your electricity bills to make it easier to see how the various tariffs and charges make up the total bill. It is important that we are clear how it all works and it will mean that any changes we make are immediately apparent to all.

To explain further I have included a sample bill overleaf. The new bill is laid out as 4 sections, labelled 1 to 4 on the example.

Section 1 contains the meter readings, showing how many units you have used during the billing period and the price charged for each unit, depending on which tariff your meter is on. In the example, the property in question has 2 meters. One is on tariff C, the normal residential tariff, the other on tariff B, the heating and hot water tariff.

As an aside, you will notice that the per unit charges on your next bill have increased with effect 1 January 2017 (Tariff B has decreased). This is as per my recent letter published in the Journal. We reduced kerosene prices last year and are now putting up electricity prices to match. Overall there will be little impact on your overall energy bills. The reason we have reduced Tariff B is to ensure that properties using electric heating are not disadvantaged.

Section 2 shows the Fuel Cost Component. This is a measure of the cost of the fuel used to produce your electricity. We show this amount separately because the price of energy on Alderney is so sensitive to fuel prices. Your electricity price will change depending on the price we paid for the last fuel shipment.

Section 3 is for any subsidies and or discounts applied to your bill. At the moment the only item appearing here is the Alderney Renewable Energy (ARE) subsidy. Since 2011, ARE have paid £200,000 to AEL each year. This has been used to reduce your energy bills. Each year we predict how many units of electricity the island will use and from that we calculate the per unit subsidy, currently 3.5p per unit. If the prediction proves inaccurate, we may adjust the subsidy rate during the year. Alternative, if we either have money left over or we have over-subsidised, we will adjust accordingly during the following year.

Finally section 4, detail other charges that apply under the individual tariffs. In the example, Tariff C includes a standing charge and Tariff B includes meter rental. These sums are shown here.

Adding up the charges from each of the 4 sections, should give you the total price of the bill.

I hope that's all clear. The team in the office will be happy to answer any further queries.

  
James Lancaster

# Alderney Electricity Ltd

REGISTERED OFFICE. THE ALDERNEY ELECTRICITY CONCESSION LAWS 1953-1978  
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Sample

CUSTOMER REF: 6000

ACCOUNT FOR ELECTRICITY FOR QUARTER ENDED 31/01/2017  
 METER READING

	PRESENT	PREVIOUS	UNITS USED	COST PER UNIT	AMOUNT
	E 32260	32200	21	0.1000	2.10
	E 32260	32200	39	0.1123	4.38
①	E 78148	78100	16	0.1781	2.85
	E 78148	78100	32	0.1549	4.96
	TARIFF B				
②	FUEL COST COMPONENT		108	0.1458	15.75
③	ARE UPFRONT SUBSIDY PAYMENT		108	0.0350	-3.78
④	ADVANCE STANDING CHARGE TO 04/2017				52.32
	METER RENT	Single Phase	1 Meters @	1.4500	0.49
		Single Phase	1	1.2600	0.84
	IF YOU WOULD LIKE TO GO PAPERLESS PLEASE LET US KNOW YOUR EMAIL Please check you have your current customer reference on standing order payments				79.91

## Alderney Electricity Limited.

### PAYMENT SLIP

CUSTOMER NAME Sample

CUSTOMER REF:- 6000

ACCOUNT OUTSTANDING £ 79.91

AMOUNT OF PAYMENT £