



States of
Alderney



Press Release

Joint Press Release on behalf of the States of Alderney and Alderney Electricity Ltd

Date: March 15th 2022

Issued at XXXX hrs

Increasing Global Oil Prices and Energy Prices on Alderney

In the light of recent extraordinary and shocking events in the Ukraine and the impact on global fuel prices, the States of Alderney and Alderney Electricity Ltd (AEL) are considering what can be done to mitigate any prospective adverse economic impacts on the community.

In the short term, AEL have committed to staying within the electricity price cap whilst maintaining the existing relationship between the various tariffs.

James Lancaster, Managing Director of AEL commented:

“AEL is only a small company with limited resources; however, the Board of AEL has committed the Company to limiting the impact of rising fuel costs on electricity prices. In the first instance, the Board will introduce ‘Electricity Fuel Cost Relief’ for a period of three months from May 1st. The value of this relief will be shown on individual bills. Once the price of fuel received in the April shipment is known, the Board will have a better understanding of how long the relief can be maintained without causing detrimental medium-term effects on the viability of the Company.”

Alderney’s electricity price cap is set by Ordinance under the Electricity Concession (Amendment) (Alderney) Law 1978. The most recent ordinance was passed in 2008 setting the maximum price of electricity at 50p per unit. After the latest fuel shipment, the price of electricity on the “A” tariff is 49.86p per unit and on the “C” tariff is 38.50p per unit plus the standing charge.

Bill Abel, Chair of the Policy and Finance Committee (P&F), commented:

“We are informed that the next fuel shipment is due in early April and that heating oil prices on-island will then be stable until the next shipment in late July. P&F and AEL have

considered short-term options in detail. We have concluded that, with warmer weather on the way, the direct reliance on heating oil reduces and the most equitable way for AEL to apply relief is to limit the impact on the price of electricity. It is early days and the States and AEL will continue to work on how to provide energy price relief where necessary in the longer term.”

Ends