



States of
Alderney



Media Release

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

Date: January 25th 2023

Issued at 1555hrs

Electricity prices pegged at last year's cap for most households

Despite an increase of the electricity price cap from 50p to 60p, set by Ordinance earlier this month, the price per unit charged for most Alderney households has been maintained at just below last year's price cap for January bills.

Concerns were raised in public meetings and with individual States Members that raising the cap would equate to a 20% price increase but this has proved not to be the case. The States of Alderney approved the price cap increase because there remains uncertainty over energy costs and Alderney Electricity Limited (AEL) has exhausted the cash available to pay the subsidy that was keeping prices down.

AEL began applying the subsidy to electricity prices on 1st April 2022 in response to sharp increases in fuel prices early in the year, brought on by the war in Ukraine. However, the company must maintain its power supply infrastructure and has now had to raise prices to a level not requiring subsidy. Even so, the budget that the Board of AEL have set for 2023 generates the surplus required but keeps prices to a minimum.

The price of electricity on the main domestic tariffs A and C, including the fuel cost component, have been raised to 55.83p and 43.58p respectively. The effective price per unit on the C tariff in January, which also includes a quarterly standing charge, remains around the level of the previous 50p cap for a typical property with average electricity consumption.

So far Alderney has escaped the spiralling costs on electricity experienced in the UK thanks mainly to timely shipments when prices were not at their peak. Fuels markets are adjusting to the energy crisis brought on by the war and prices fell in time for the last shipment.

James Lancaster, Managing Director of AEL commented: "It is hoped the fuel prices will continue to fall and that these latest prices will prove to be the peak. The States of Alderney and AEL will continue to liaise and communicate any further updates to the community as soon as is practical."

Islanders experiencing hardship as a result of these changes should contact the AEL office on 01481 822715. They are also reminded that the States of Alderney is supporting the Alderney Community Assistance Fund and may be eligible for support from this source.

Ends