



The Government of Sark

Press release from Electricity Policy Development Team

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Does Sark have the highest electricity price in the world at 59p per unit?

A subsea cable link with Guernsey could reduce the price of electricity and also provide a high speed broadband connection; both bring the potential for Sark's long term sustainability.

It would be paid for by the Sark consumer, at no cost to the Guernsey government or the Guernsey electricity consumer, but only possible with their extensive technical expertise and support.

It will help ensure Sark maintains its uniqueness and further enhance its position as a valuable member of the Bailiwick.

The Sark Government policy entitled Securing Sark's Future was launched at the Christmas meeting of Chief Pleas in January 2014. This policy came from the residents' perception survey (Sept 2012) that led to the 'Vision for Sark' and a series of residents economic development workshops (Oct 2013).

One of the major concerns raised was the high price and long term sustainability of Sark's electricity supply this therefore became a key component in Securing Sark's Future policy.

The Government through the GP&A committee and, since the new arrangements came into being at the January 2015 meeting of Chief Pleas, the Electricity Policy Development Team, has been progressing this element of the policy.

The progress made in identifying a possible solution has been significant, and has been completed as far as is possible without further explanation to, and further input from, the residents of Sark.

The Policy Development Team said, 'We are excited about the potential benefit this would bring to the future of the Island. It's our opinion that this opportunity must be taken now as we believe the current supply arrangements are becoming both unsustainable and unaffordable'.

A series of residents' meetings are taking place, commencing on Wednesday 25th March in the Island hall. These meetings will explain that the Government has listened to their concerns. It considers the long term supply of reasonably priced electricity to be of vital importance to the

future sustainability of the island community. The Government believes it has an obligation to secure this essential utility.

At the meetings the Government will announce that with advice and support from Derek Lickorish MBE an energy and fuel poverty expert, it has been in discussions with SEL, the unregulated privately owned company that has historically provided the supply. It has also been in discussions with GEL as expert advisors in the region. Guernsey's External Relations Group and Treasury and Resources Department have been supporting investigations into the initiative, although any formal commitment to the scheme will be subject to the approval of a business case by both the Guernsey Electricity Board and the States of Guernsey before it can become a reality.

Derek Lickorish said, "At the 'backbone' of any successful economy you have a reliable, affordable and sustainable supply of electricity. Through a subsea cable from Guernsey this could now be a reality for Sark with low carbon energy from the European mainland. There are still some challenges ahead but given a unity of purpose from the community and support from other key stakeholders it is within Sark's grasp, with the added bonus of a reliable high-speed broadband connection as well".

Whilst this possible solution will be presented as a very real and exciting possibility, it requires further active engagement with all residents. This will ensure that any decision Chief Pleas will need to make to progress a proposal further has appropriate and verifiable support.

Subject to all of the above the future supply of electricity on Sark could be provided in the following way:-

- Guernsey could provide loan finance for the project. Any such loan would be subject to the approval by the States of Guernsey. It is important to remember that this would be at NO cost to the Guernsey's Government or Guernsey consumers as all costs will be borne and repaid by the Sark consumer through their electricity tariffs.
- The electricity company owned by Sark Chief Pleas.
- A management agreement with GEL to run the company on behalf of CP's with all the benefits of their infrastructure, scale and expertise.
- GEL would then oversee the introduction of a cable link between Sark and Guernsey.

This possible solution is considered vital to the future of Sark as a self-governing jurisdiction that must have a viable and successful economic future. Sark can retain its status as a unique self-sufficient Island whilst enhancing its value to the Bailiwick as a whole.

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