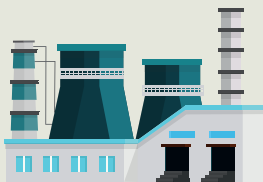


Electricity Market Study Draft Report: Findings and recommendations

Stakeholders now have the opportunity to comment and provide further input on the findings and recommendations before the study is finalised.



94.5%

Percentage of Jersey's electricity supply imported from France with the current contract due to expire in 2027



Jersey offers the 2nd lowest prices out of the 6 jurisdictions considered (Great Britain, France, Guernsey, Isle of Man and Malta)



MINUTES
The median measure of loss of service per annum (or customer minutes) between 2012-2021

92%

The percentage of Jersey business consumers on the general tariff in 2023



45%

The percentage of Jersey consumers on the general tariff in 2023

Findings

- There is the absence of competition in the market, and challenges in promoting an on-island competitive market structure
- Jersey Electricity, the main provider, is vertically integrated and involved at all stages of the supply of electricity
- Current consumer outcomes, such as price levels and price stability, compare favourably relative to other jurisdictions
- Efficiency metrics, such as customer minutes lost, indicate Jersey Electricity generally perform well relative to comparable jurisdictions
- Government policy is key to this market, its evolution and future investment needs.
- The Jersey electricity market faces existing and likely future challenges; which mean current market outcomes may not be replicable in the future.

Recommendations

There are two short and one long-term recommendation, which aim to deliver sustainable improvements in consumer choice, efficiency and market outcomes



Recommendation 1 (short-term)

To enable more informed and effective consumer choice, Jersey Electricity should:

Provide information to existing and new consumers on all available tariffs (including greater clarity on time of use tariffs); and ensure that its infrastructure, systems and processes enable consumers to cost-effectively switch between alternative electricity tariffs.

Recommendation 2 (short-term)

To enable more economically viable self and distributed generation, Jersey Electricity should:

Facilitate greater access to its network through the development of general terms of access and the provision of operational information. For example, on potential geographic and network points of access and areas of spare network capacity.

Recommendation 3 (long-term)

To further mitigate market uncertainty and help improve future consumer outcomes, Government should:

Refine its existing energy policy toward a more competitively resilient market structure, with a detailed path to carbon neutrality. This should provide clarity and guidance to current and potential suppliers, and where necessary, assurance to prospective investors.