



NEWS RELEASE

16 January 2025

Competition Regulator finalises its study of the electricity market

The Jersey Competition Regulatory Authority (the Authority) has published its final report on the electricity market in Jersey.

The report indicates that current market outcomes, such as price levels and price stability, compare well to other jurisdictions. In terms of efficiency, Jersey Electricity performs well when compared to similar organisations in Great Britain and elsewhere.

The report does, however, draw attention to the absence of competition in Jersey, and sets out views on the existing and future challenges facing this market. For instance, increased investment, changes to wholesale supply and decarbonisation initiatives could result in future price increases.

The Authority is making two short-term recommendations for Jersey Electricity to: improve consumers choice and ability to easily switch between tariffs to manage their own costs; and enable access to Jersey Electricity's network to support more self and distributed generation.

The Authority is also making two longer-term recommendations. First, the Government's existing energy policy may require further refinement to achieve its net zero goals, while ensuring the Island's security of supply and safeguarding affordability. Supporting this, the Authority will also undertake a further review of the electricity market in three to five years to capture the impact of market developments.

Commenting on the study, Tim Ringsdore, Chief Executive of the Authority said:

“The study shows that Jersey’s electricity prices compare well relative to other jurisdictions, but the sector faces ongoing challenges and uncertainty. We have set out forward-looking recommendations to improve consumer outcomes and help reduce market uncertainty, and look forward to seeing these being taken forward. We will monitor developments in this market and this will support our future review of the market.”

The full details of the study can be found on the [Authority’s website](#).

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NOTES TO EDITORS:

About The Jersey Competition Regulatory Authority:

The Authority was established under the Competition Regulatory Authority (Jersey) Law 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey. The Authority strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens and consumers facilitating best value, choice and access to high quality services.

What is a market study?

A market study is a flexible tool to explore whether a market, or feature of a market, is working well for Jersey consumers. It is important to note that a market study is on the structure and behaviour of the market itself, not the action of any specific business or firm. More information about market studies, including a video quick guide and previous studies, can be found at the Authority’s website

<https://www.jcra.je/competition-and-regulation/market-studies/>

Background to the study

The Authority announced the study and published the terms of reference in October 2023. The terms of reference considered the operation of this market and whether there are features of the market that may impact competition and consumers. Further, features of the market potentially impacting present and future competition were analysed.

What are the recommendations?

The full recommendations from the study are as follows:

Recommendation 1 - To support consumer and business choice, Jersey Electricity should provide clear information on all available tariffs (including greater clarity on time of use tariffs); and ensure that its infrastructure, systems and processes allow cost-effective switching between tariffs.

Recommendation 2 - To enable viable self and distributed generation Jersey Electricity should develop general publicly available terms of access, where necessary, supported by the provision of network and operational information.

Recommendation 3 - The Authority will undertake a further review of the electricity market in three to five years, to capture market developments (such as a new wholesale supply contract). This review will include trends in electricity tariffs, cost efficiency and performance assessment against comparable benchmarks.

Recommendation 4 - To reduce market uncertainty and improve consumer outcomes, Government should refine its existing energy policy toward a resilient, competitive market structure, with a clear path to carbon neutrality, offering guidance to suppliers and assurance to prospective investors.