

STATES OF JERSEY



JERSEY ELECTRICITY PLC.: REFERRAL OF STAND-BY CHARGES TO THE CHANNEL ISLANDS COMPETITION AND REGULATORY AUTHORITIES (P.88/2017) – AMENDMENT

Lodged au Greffe on 16th January 2018
by the Deputy of Grouville

STATES GREFFE

JERSEY ELECTRICITY PLC.: REFERRAL OF STAND-BY CHARGES TO THE
CHANNEL ISLANDS COMPETITION AND REGULATORY AUTHORITIES
(P.88/2017) – AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

After the word “(“CICRA”)” insert the words “or other qualified body”.

2 PAGE 2, PARAGRAPH (b) –

After the word “CICRA” insert the words “or other qualified body”.

3 PAGE 2, PARAGRAPH (e) –

After the words “Action Plan” delete the words “by 31st March 2018”, and after the words “in Jersey” insert the words “, as stated under Key Objective 3 in the Economic Development Department Business Plan of 2014.”.

DEPUTY OF GROUVILLE

Note: After these amendments, the proposition would read as follows –

- (a) to request the Minister for Treasury and Resources, as shareholder representative, to request Jersey Electricity plc. not to impose stand-by charges on commercial customers who generate their own power from 1st November 2017, until the opportunity has been provided to the Channel Islands Competition and Regulatory Authorities (“CICRA”) **or other qualified body** to undertake further research into the implications of this charge and to report on any findings to the States;
- (b) to request the Minister for Treasury and Resources to request CICRA **or other qualified body** to undertake research into the implications of such charges for the competitiveness of the market for the generation and supply of electricity in Jersey;
- (c) to request the Council of Ministers to bring forward the legislation required to permit CICRA to become the economic regulator of Jersey Electricity plc.;
- (d) to request the Council of Ministers to bring forward proposals to update the Electricity (Jersey) Law 1937 and thereby open up debate on locally-generated renewable electricity targets; and
- (e) to request the Minister for Economic Development, Tourism, Sport and Culture to bring forward an Action Plan **by 31st March 2018** setting out how he intends to exploit and facilitate the development of the renewable energy sector in Jersey, **as stated under Key Objective 3 in the Economic Development Department Business Plan of 2014.**

REPORT

On 10th October 2017, the Minister for Treasury and Resources delayed the debate of my proposition: ‘Jersey Electricity plc.: referral of stand-by charges to the Channel Islands Competition and Regulatory Authorities’ ([P.88/2017](#)) regarding the JEC stand-by charge and my request to update the 1937 Jersey Electricity Law. He moved the debate to 30th January 2018, to give him more time.

This is a cross-departmental issue; it involves the Minister for Treasury and Resources, who is charged to take responsibility for our shareholding interests; the Assistant Chief Minister, who has responsibility to ensure that fair competition is achieved in the market-place; the Minister for Economic Development, Tourism, Sport and Culture, who has responsibility to exploit the potential of the locally generated renewable energy sector; and the Minister for the Environment, who has responsibility for the Energy Pathway strategy.

I gather that a few days after my deferred debate, these 4 Ministers met to discuss the locally generated renewable energy sector for the first time, and it was decided that the Minister for the Environment would take the lead on it.

Since October, I have had 2 constructive meetings in the Environment Department and with the Minister. I agreed to bring forward these minor amendments to broaden the scope of those qualified to do the work I am seeking. It is my understanding that the Department has commenced work to progress some of the aims in my original proposition regarding renewable energy; and specifically in scoping the review to establish what implications the stand-by charge proposed by Jersey Electricity plc. may have on the renewable sector.

Amendment (e) refers to the responsibility of Economic Development, Tourism, Sport and Culture, which I would like to believe is encouraging renewable industries per their own Business Plan, but may wish to consider the results of the review before bringing forward their Action Plan.

Notwithstanding some of the requests in my original proposition have commenced, I believe it is still important to have this debate, to have renewable energy considered and put on departments’ agendas.

Energy underpins our economy and community – from our cost of living, our environment, industries, and diversification, to our way of life. It is therefore high time that the Government put it on the agenda and made their position clear.

Financial and manpower implications

There are no additional financial or manpower implications arising from this amendment, to those set out in my proposition –

“In relation to paragraphs (c), (d) and (e) of the proposition there will be cost implications for the States in terms of policy officer and law drafting time; however, departments could seek to find funding from within existing resources if the proposition is adopted by the States.”