

**WRITTEN QUESTION TO THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES BY DEPUTY M.R. HIGGINS OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 5th JULY 2011**

Question

- a) In a written answer on 7th June 2011 the Minister stated that “many technical or operational issues” had been highlighted with the new Energy from Waste Plant and that “these were being resolved by CSBC Jersey Limited”. Will the Minister set out the details of each of these technical or operational problems and explain how they are being resolved by CSBC Limited and the estimated costs of such rectification?
- b) Although the Minister in his previous answer stated it was normal to discover problems during the commissioning period and that the contractor was required to address these issues and is liable for any associated costs, can he inform members whether the contractors have indicated whether they –
- (i) will be seeking any additional funds for any purpose in relation to the construction of the facility and the amounts involved; or
 - (ii) will be lodging any claims against the States in relation to the contract, and if so what they relate to and the amount of the claims?

Answer

- a) The Energy from Waste plant is still under the control of the Contractor CSBC (Jersey) Limited. TTS are working with the CSBC commissioning engineers to get the plant to the point where it can be officially handed over to the States of Jersey. The plant is a large and technical piece of machinery and there have been many minor snags to resolve. The cost of resolving these snags is within the original contract price. To date 70% of the snags have been resolved.

The Contractor, CSBC (Jersey) Limited has diligently worked to provide a plant which has processed all of the Island’s waste since Christmas 2010.

- b) The Energy from Waste plant is being constructed by CSBC (Jersey) Limited on behalf of Transport and Technical Services. The Contract is a design and build Lump Sum contract. The Contract form is the IchemE red book and has a variety of mechanisms for dealing with claims and penalties. At this critical point in the Contract whether the contractor will seek additional funds or lodge any claims against the States of Jersey remains to be seen. The high level of project governance, on going audit and proactive risk management mechanisms are in place to protect the interests of the States of Jersey and I am confident that our position is satisfactory at this time.