

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 19th NOVEMBER 2013**

Question

What actions, if any, has the Minister taken to implement the recommendation made by the Channel Island Competition Regulatory Authority in 2012 that he should request that Authority to regularly collect heating oil prices and to monitor the operation of the market, pursuant to a formal request under Article 6(4) of the Competition Regulatory Authority (Jersey) Law 2001?

What conclusions, if any, has the Minister come to concerning the operation of the market in domestic heating oil?

Answer

In February 2012, the Channel Islands Competition and Regulatory Authorities (CICRA) published a report entitled '*Review of the supply of heating oil in Jersey*' which analysed the market for the supply of heating oil in the Island. One of the recommendations in that report was that the Minister should consider directing CICRA to collect and publish prices of heating oil in Jersey from various suppliers, and to compare them with prices charged by heating oil suppliers in the United Kingdom.

After discussions with the Minister, CICRA began to collect heating oil prices from the Jersey distributors on a quarterly basis in order to monitor the operation of the market, pursuant to a formal request from the Minister under Article 6(4) of the *Competition Regulatory Authority (Jersey) Law 2001*. The request did not include publication of prices, as it was considered premature to do so until the basis for the differences in price were better understood. Collection of price data continued until March 2013, when CICRA commissioned further work into the operation of the market, having identified that the price differential between Jersey and the UK could still not be fully explained.

CICRA's investigation in this area is on-going, currently focusing on the operating fees charged by the fuel consortium managing the La Collette fuel terminal. The Minister will draw conclusions once he has been provided with the results of CICRA's monitoring and further review.