

**STATEMENT TO BE MADE BY THE VICE-PRESIDENT OF FINANCE AND ECONOMICS
COMMITTEE ON TUESDAY 20th APRIL 2004**

Following the interest expressed in acquiring the Jersey New Waterworks Company Limited, (JNWW) the Finance and Economics Committee has decided not to support the current proposal made by the Jersey Electricity Company Limited (JEC).

The Committee has made this decision based upon independent professional advice taken and is now proposing to undertake a Strategic Review of the future of the JNWW business.

That Review will clarify and consolidate the objectives of the States in respect of the provision of water services and the regulation of those services. It will also identify the most cost effective and efficient means of providing that water service by examining, amongst other elements, engineering, ownership and organisational issues and any synergies in providing sewerage and water services through one organisation.

The Committee looks forward to working closely and in co-operation with other States Committees, the Board of Jersey New Waterworks, its workforce and other stakeholders in bringing forward this Review, which will commence shortly with final results being available later this year.

The Committee recognises and is grateful to the workforce of JNWW in achieving the high quality and service standards currently enjoyed by Islanders and looks forward to the workforce's input in achieving the standards required for the future.

The President of Finance and Economics Committee intends to convene a meeting, as soon as possible, between the President of those Committees whose remits include the various aspects of such a Strategic Review to consider terms of reference.

The Review will have consideration of the need for an appropriate balance for consumers, the Company's workforce, shareholders and other stakeholders and as promised we shall keep members informed at all stages of the Review wherever possible.