



| States Assembly

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Deputy Kirsten Morel
Minister for Economic Development, Tourism, Sport and Culture

BY EMAIL

18th October 2023

Dear Minister,

Island Energy Gas Supply

I am writing to you regarding the recent gas supply issues, noting its potential impact upon the Island's economy, especially within the hospitality sector.

Local media reports that the Chief Executive Officer of Island Energy has indicated that compensation will be looked at on a case-by-case basis. What information do you have on the cost to businesses to date arising from the outage, which types/size of business are likely to be entitled to compensation and what is the likely impact on the economy as a result of the outage?

It is also noted within local media that its Chief Executive Officer describes Island Energy as a private company and unregulated. Given its monopolistic position, and the importance of supply to the Island, has any consideration been given to whether a Jersey Competition Regulatory Authority investigation of the fairness of its trading terms is merited and should be requested?

Given the role of Ofgem in providing regulation of gas and electricity markets in Great Britain, would an equivalent system of regulation be prudent in Jersey, given that energy supply is critical for businesses and Islanders more generally?

We would be grateful if you could respond to this no later than Wednesday 25th October 2023 in line with the 5 working days approved for responses between Scrutiny Panels and Ministers.

If you have any questions regarding this or our work in general, please do not hesitate to contact me. Please note that unless otherwise stated, all letters will be uploaded to the Scrutiny website as a matter of course.

Yours sincerely,

Deputy Moz Scott
Chair
Economic and International Affairs Scrutiny Panel