

STATES OF JERSEY



EVIDENCE-BASED ENERGY STRATEGY

**Lodged au Greffe on 12th February 2025
by Deputy H.L. Jeune of St. John, St. Lawrence and Trinity
Earliest date for debate: 18th March 2025**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to request the Council of Ministers to develop, and before 31st October 2026, implement an evidence-based energy strategy, that sets out Jersey's long-term energy requirements, and balances the need for affordability, safety, security, market competitiveness and carbon-neutrality of the energy sector in Jersey; and
- (b) to request the Council of Ministers to bring forward any necessary legislative changes subsequent to the implementation of the energy strategy, for approval by the Assembly before 31st December 2027.

DEPUTY H.L. JEUNE OF ST. JOHN, ST. LAWRENCE AND TRINITY

REPORT

Jersey's energy sector is vital to the Island's economic stability, the well-being of its residents and achieving climate and environmental goals. The market is supported by diverse products and providers managing complex supply chains for a small marketplace of approximately 48,000 homes and 103,000 people.¹ However, nearly all energy is imported, with only 3% generated on-island through the Energy Recovery Facility and solar panels. In 2023, 57% of energy consumed came from petroleum products, 39% from electricity, and 4% from gas. Domestic users accounted for 39% of consumption, with industry and government at 27%, road transport at 25%, and air and marine at 8%.²

It is common – and increasingly necessary – for jurisdictions to have an energy strategy. Many governments around the world, from national to local levels, have implemented comprehensive energy strategies to address a range of critical issues. Having an energy strategy is a best practice that enables jurisdictions to navigate the complex interplay of energy resilience and security, economic stability, technological advancement, and environmental goals in a coordinated and sustainable way. The absence in Jersey of a cohesive energy strategy has exacerbated gaps in legislation and policy, which undermines the sustainability of Jersey's long-term energy requirements.

The public are concerned - from safety and aging infrastructure to supply security to transparency, cost of living pressures, service quality and provider accountability – questions are continuously being raised. The Consumer Council recently called for an independent regulator for Jersey's utility industries, while the JCRA noted, with regards to electricity, that "*Jersey is in a good position with regards to pricing versus other jurisdictions, it is important that Jersey consumers using all types of energy sources, are assured that there are levers that are, and could be, in place to ensure consumer protection.*"³ Following Island Energy's 2024 12% price increase, the Minister for Infrastructure acknowledged, in response to [WQ.76/2024](#), that the 2016 *Oxera report* – which deemed regulation unnecessary at the time - was outdated. He committed to discussing with the Minister for Sustainable Economic Development whether an updated review is needed to ensure fair pricing and protect islander's interests. No further details of this discussion have been shared.

Following an urgent oral question in the 21st January 2025 States Sitting, the Chief Minister confirmed plans for specific legislation to address gas resilience, highlighting glaring gaps exposed by the tragic incident at Haut du Mont, the October 2023 gas outage and the quadrupling of reported gas leaks over the past three years. While this may address urgent issues, a comprehensive strategy is essential to identify further gaps and, if necessary, update or create legislation to ensure the resilience of current and future energy infrastructure.

The 2024 *C&AG report on Critical Infrastructure* emphasised that government arrangements for monitoring and assuring energy supply resilience are weak, with no clear, resourced action plans to balance short- and medium-term risk management with future energy needs. Recommendation R10 of the report specifically calls for updating energy laws to align with resilience requirements and drive high standards.⁴

¹ [Carbon Neutral Roadmap 2022](#)

² [Energy Trends 2023.pdf](#)

³ [M-008 Electricity Market Study | JCRA, 2025](#)

⁴ [Critical-Infrastructure-Resilience-Energy.pdf, 2024](#)

Both the *Bridging Island Plan* (2022) and the *Carbon Neutral Roadmap* (2022) called for a joined-up, evidence-based approach to energy planning, yet currently, existing energy policies and legislation are dispersed across multiple ministries, resulting in a lack of coordination, fragmentation of oversight and policymaking. This was noted in the 2024 *C&AG Report*: "*There is a lack of a coherent, joined-up approach across Government. Roles and responsibilities are unclear, with no single person, team, or department coordinating energy matters.*" This fragmentation undermines efforts to address Jersey's energy challenges and weakens resilience in the energy sector.

The *Carbon Neutral Roadmap* outlined the shifting energy landscape, bringing to the fore emerging challenges in a changing energy market. These include new products and technologies, the increased potential to democratise power generation, distribution, and storage (ie. individual homes to housing developments sharing energy generation, storage and consumption). It anticipates new players in the market, new infrastructure and supply lines (for example, hydrogen or biogas) and the introduction of marine renewable projects – with offshore wind as a potential first step, following the adoption of proposition [P82/2023](#). However, it remains unclear whether current policies and legislation allows innovative players, technologies and schemes to access the market fairly.

The *C&AG Report* warns that minimal regulation in Jersey's energy market, characterised by limited competition in electricity and gas, risks insufficient consumer protection without robust controls in place – "*The Jersey energy market is characterised by minimal or no competition in the electricity and gas sectors and is largely unregulated. All providers are subject to relevant industry and health and safety standards. The extent of regulation is a policy choice by Government. Limited regulation creates a risk that current or future consumer interests are not sufficiently protected unless other controls are put in place.*"⁵ The *JCRA Electricity market study* noted in their findings there are challenges in promoting an in-island competitive structure and to that end Recommendation 4 was "*To reduce market uncertainty and improve consumer outcomes, Government should refine its existing energy policy toward a resilient, competitive market structure, with a clear path to carbon neutrality, offering guidance to suppliers and assurance to prospective investors.*"

The absence of a clear energy strategy and comprehensive energy policy creates a policy vacuum where stakeholders and politicians may propose well-meaning but disjointed, reactionary solutions. These ad hoc measures risk being rushed through without proper analysis, potentially failing to achieve intended outcomes or leading to unintended consequences. A well-designed evidence-based energy strategy would provide a structured approach to energy policy, regulation, and market development providing long-term benefits that I believe outweighed initial costs. The strategy as proposed in the proposition, would be structured around affordability, safety, security, market competitiveness and carbon-neutrality.

Jersey's energy sector faces clear vulnerabilities, and the current ad hoc approach risks compounding these challenges. To ensure Jersey's energy sector evolves sustainably and securely, I propose the Council of Ministers prioritise the development of an evidence-based energy strategy that identifies key gaps, consults stakeholders, be clear about trade-offs and delivers actionable policy and legislative recommendations. Rather than pre-emptively prescribing solutions, this phased approach ensures that decisions are grounded in robust evidence-based analysis and avoids unintended consequences

⁵ [Critical-Infrastructure-Resilience-Energy.pdf](#)

ahead of any legislative changes that would be identified following the strategy developments.

In short, I am bringing this proposition so the States' Assembly can give direction to the Council of Ministers to prioritise and implement a two-pronged approach before the end of 2027.

1) Develop an Evidence-Based Energy Strategy

Part (a) of this proposition calls on the Council of Ministers to prioritise the development of an energy strategy by October 2026. This strategy will guide future legislative reforms, ensuring they are cohesive, and evidence driven. Ministerial support has been indicated in recent States Assembly and Scrutiny Hearings ([OO.51/2024](#), [WQ.374-2024](#), [Quarterly Scrutiny hearing EHI, December 2024](#)), yet there has been little movement with this important piece of work. The proposition asks the Government to prioritise this.

The strategy will address affordability, safety, security, market competitiveness, and carbon neutrality, balancing immediate needs with long-term goals.

2) Amend or develop cohesive energy legislation

Part (b) requests the Council of Ministers to present any necessary legislation informed by the energy strategy to the States Assembly by December 2027. This ensures informed decisions are made to address identified gaps without overregulation.

This approach matters because it –

- **Is driven by evidence:** Avoids premature solutions by analysing all aspects of the energy sector before implementation.
- **Avoids unintended consequences:** Ensures any regulatory changes support affordability, resilience, and carbon neutrality without disrupting the market.
- **Addresses accumulating issues:** Responds to pressing concerns such as affordability, grid access, storage facilities, safety and market dynamics.
- **Builds on existing recommendations:** Incorporates insights from key reports, including:
 - [The Bridging Island Plan 2022](#): Called for a review of long-term energy requirements, including regulatory and infrastructure needs.
 - [Carbon Neutral Roadmap Strategic Policy 2 2022](#): Called for an energy strategy with accountable leadership.
 - [The CAG Critical Infrastructure Resilience – Energy Report 2024](#): Highlighted weaknesses in resilience oversight and recommends updated laws to align with high standards.
 - [The JCRA M-008 Electricity Market Study 2025](#): Advised refining energy policy to foster resilience, competition, and carbon neutrality.
- **Provides a holistic approach:** Government efforts have heavily focused on offshore wind development, as highlighted in EHI scrutiny hearings, and

responses to WQ and OQs since proposition [P.82/2023](#) was adopted. While offshore wind is a critical component of Jersey's energy future, this proposition emphasizes the need for a broader, comprehensive energy strategy. It calls on the government to prioritize the entire energy sector, ensuring that legislative and policy developments address all aspects of energy generation, supply, storage, and distribution—not just offshore wind. This holistic approach is essential to balance affordability, safety, security, competitiveness, and carbon neutrality across the sector.

Conclusion

This proposition encompasses all forms of energy generation, supply, storage, and trading, whether decarbonised or fossil-fuelled, ensuring that affordability, safety, security, and market competitiveness remain at the forefront of policy and legislation. By implementing this structured, evidence-driven approach with clear oversight from the Council of Ministers, Jersey can secure a sustainable, resilient, and equitable energy future.

Financial and staffing implications

There is an existing Energy Team within Government. The work required by this proposition to complete part (a) would be considered business as usual with no additional resources being required.

In relation to part (b), the work required would be predicated on the outcomes of part (a). However, this proposition provides sufficient time to ensure the inclusion of any legislative drafting requirements within the Legislative Drafting agenda and budget for 2027.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.