



Environment Scrutiny Panel Energy Policy

THURSDAY, 25 JULY 2013

Panel:

Deputy J.H. Young of St. Helier (Chairman)

Deputy S.G. Luce of St. Martin

Witnesses:

The Chief Minister

Chief Executive Officer

Director for Environment/Deputy Chief Officer, Department of the Environment

[10:01]

Deputy J.H. Young of St. Helier (Chairman):

Good morning, Chief Minister. Good morning, everybody. Welcome to this morning's, our last scheduled hearing, on the Minister for Planning and Environment's draft energy plan *Pathway 2050*. Just to record there are normally 3 members of the Environment Scrutiny Panel other than myself and Deputy Luce. The Constable of St. John is out of the Island unfortunately and availability meant we still had to go ahead.

Deputy J.H. Young:

Thank you, and welcome to the members of the public and members of the press. Chief Minister, we have had a series of hearings in detail with the principal players, 2 Ministers, and one

executive department, all of the energy providers and the regulators, and obviously we do not plan today to go into detail with you. What we would like to do, if you are happy with this, is concentrate on some very high level questions which came out of those hearings. We have reserved an hour. I understand you are free until 11.00, is that right?

The Chief Minister:

Yes. Do not worry if you cannot fill that time, somebody else will.

Deputy J.H. Young:

Thank you. Obviously if you need to refer to your advisers, feel free. But what we are trying to do is stick to the high level. Chief Minister, if I could begin, the draft energy plan, its purpose is clearly to meet the target of reducing the Island's carbon emissions by 80 per cent from the level that they were in 1990 by 2050. That is clearly the entire purpose of the plan, although there are ... the arguments that we have heard really fall into 2 basic categories. One is that it is essential that we do this, that we have to meet our international commitments that the Island has signed up to, effectively through the U.K. (United Kingdom) as part of the U.K.'s commitment and the E.U.'s (European Union) to Kyoto and that therefore there are major issues of reputation, economic opportunity and moral responsibility. On the other hand there is an alternative view that there are sceptics about the case for carbon reduction, although that is a fair minority, but there are those who take the view we are insignificant and we might as well just wait and have a free ride and ride on other people, and that there is no real case for us putting ourselves through the heartache of costs of extra energy costs, and so on. What I would like to ask you, if you could tell us, what is your own view as Chief Minister and the Council of Ministers, if they have a view, about how important it is that the Island delivers on these international commitments?

The Chief Minister:

The document itself is entitled "plan". I prefer to think of it as a framework document of actions that need to be considered and taken immediately, some consulted upon, reviewed, have expert advice and then implemented throughout the course of the life of the policy. So I think we need to think of it as a framework rather than a descriptive plan up until 2050. The other thing I just wanted to say was, Chairman, I think you described it as the Minister for Environment's energy policy, and that is right from the perspective that it says "Environment" on the label. The reality is that it is a Council of Ministers' proposal. Yes, the Minister for Environment rightly takes the lead because it is within his legal responsibilities to do so and will be required to ensure that a lot of these issues are dealt with. But equally, it is so fundamental dealing with these issues about security, about sustainability, that it needs to be and is a Council of Ministers' document and it could easily have had a prologue by myself as Chief Minister, it does not happen to have, but I think that it is important to say that because that indicates the level of support that this document

has got at the Council of Ministers and the need for each department to consider the implications and support the actions that will already have resulted from the document but will over the course of its lifetime come from the document. You, in your opening question, asked could Jersey not just sit on the side lines and say we are a small place, we do not need to be involved. I do not want to enter into the argument about global warming and carbon issues. I am a layman when it comes to those areas but suffice to say it appears to me that the vast majority of scientific evidence shows that those are issues which the world needs to deal with and I am not qualified, I do not believe, to question that. So if we take that as a given, and I recognise that some will not, but I think any responsible government does and should, I do not believe that it is a responsible position to say there are these issues which need to be addressed, Jersey is only small so we will not take our place in helping to make the world a sustainable place. That would be, to my mind, completely irresponsible and it is not why I do not believe any of us have come into Government to wipe our hands of making decisions and taking responsibility. Because you could always find an argument for not doing something but you could then say each small town in the U.K., if they are not going to play their part because they are only small, it is the effect of lots of small things will result to ultimate change. Therefore we should play our part. It coincides with the fact that the world has become a much more globally connected place. We know, whether we like it or not, that Jersey has an international profile and being responsible in regard to energy and emissions, et cetera, is something which is an important part of that profile, and we should be taking our place in the world, albeit that any changes that we make in the world equation will be small, but they are the right thing to do.

Deputy J.H. Young:

Thank you for that very comprehensive and helpful answer. Could we take it as an assumption, from what you have said, that your support for the strategy in its present form will carry the endorsement of the Council of Ministers in respect of a proposition before the States to ask them to adopt this document?

The Chief Minister:

They are 2 different things. This document has the support of the Council of Ministers because it was considered by the Council of Ministers at length. Officers put a lot of time and effort into getting it into the state that it is now. It is always a difficult question because of all that work, because of the framework nature of the document, does that mean it is a good document to have States approval? On the one hand, of course it would be good if the Legislature could approve it. On the other hand we know that in our system of government officers and Ministers and departments are going to be working together in a co-ordinated way for many years and then our system allows for any Member of the Assembly to come along and drive a cart and horses through what is a co-ordinated comprehensive approach. Therefore we have to ask ourselves: "Is it right

that this particular document comes for States approval or is it not far better for particular initiatives to have States endorsement in due course?" Of course, the Medium-Term Financial Plan, which gives effect to the first 3 years of funding, has already been endorsed by the States Assembly and I think that is a very good start. The document stands together. As I said, framework: you will be aware of all the other pieces of work that are put in train and being delivered, reviews being undertaken, the sustainability work being done. There might be issues that arise out of that which will need States approval and will need States endorsement. I am not, as I sit here, convinced that the whole document needs to go for States approval but ultimately that is a decision for the Minister for Environment because of all the reasons I said at the start.

Deputy J.H. Young:

I think we will be coming back to that because I think one of the issues that the panel have identified is that we think the document we have heard from witnesses is very strong on objectives and aspirations, but less strong on actions and initiatives, and I think my colleague Deputy Luce will pick it up in a moment. But sticking to the big picture, if I can ...

The Chief Minister:

That is absolutely intended, is it not? From looking at the document it is intended that we are not at the point to be able to say: "These are the actions which are going to deliver on the requirements that the plan lays out." It is important that we do the work to determine what actions are going to be needed to deliver on the plan. So you could argue that if we go for a States debate Members are going to rightly want to put in actions but I would argue that we do not yet have the evidence base to determine what those actions quite should be. So it might be that as that evidence base builds then the States should consider whether each individual action or group of actions, and it might be that we develop a group of actions that would go with the next M.T.F.P. (Medium-Term Financial Plan), for example, and say: "This is the money in M.T.F.P. 2 and these are the actions that are going to be delivered", and Members then would have an opportunity to discuss and consider those actions. But it would not be helpful, I do not think, for us to predetermine what actions might be without the evidence base to back up those actions.

Deputy J.H. Young:

Understood, Chief Minister, but I think it is time to bring Deputy Luce in now. We want to talk about ... there are some major strategies in terms of action which are mentioned, which I think we need to move on to.

The Deputy of St. Martin:

Yes, I am interested, Chief Minister, would you not agree that we need a policy which is adopted, that would show an active energy policy which would demonstrate our good government to the

Island and enhance our broader reputation? You seem to be saying that the document that we are looking at is a potential wish list, some bits we may cherry pick and some bits we may not, depending on the technology as it evolves.

The Chief Minister:

Absolutely not. It is not a wish list. It is a determined statement of what we need to achieve, but as soon as you start drilling down into the detail of should we regulate the energy market, should we have more than one provider providing different types of energy supply, we need to have the evidence base upon which to make those decisions. Trying to make those decisions without that evidence base, and that research, I do not think would be sensible government.

[10:15]

At this point what we should be saying is we are committing to taking actions which will deliver on these targets, and there are various workstreams that we will need to complete in order to deliver that. But trying to prejudge exactly what they are going to look like and what they are going to be at this stage, I do not believe that any of us have the evidence to make those prejudgements. That would concern me.

The Deputy of St. Martin:

Let us move to some other more general topics. One very general one is the fact that this document is based on reducing carbon. How do you feel about more emphasis on reducing energy demand rather than carbon specifically? Do you feel that we should be targeting energy or are you happy with purely targeting carbon?

The Chief Minister:

I do not seem them as mutually exclusive, are they? Surely if we are reducing energy consumption by implication, even if it is carbon intensive, we are reducing carbon because we are reducing consumption.

The Deputy of St. Martin:

There are different ways of looking at it depending which ... obviously we draw a lot of our energy at the moment from a nuclear source which is not carbon intensive.

The Chief Minister:

Absolutely. There will be challenges in that regard as well. If we look to see what the rest of the world is doing, we know that Germany has changed its policy when it comes towards nuclear and yet, at the same time, we know that other areas of the world, certainly the Middle East, where they

are conscious of oil reserves, they are looking to implement nuclear in the medium term, while at the same time developing a policy for renewables in the longer term. So it comes back to trying to prejudge without the evidence of how things will affect us is not necessarily a helpful approach.

The Deputy of St. Martin:

You mentioned Kyoto but one of the broad lessons I guess from Kyoto was that unexpected events can transform energy markets in very unpredictable ways, and obviously there is not an awful lot of chance of a tsunami happening in the area where we draw our nuclear power but would you not see that as a result of that that we find ourselves maybe ... not in a more difficult position but we could potentially be in a more difficult position as a small jurisdiction with limited bargaining power. We are going to be currently or soon in a position we draw most of our energy from outside the Island. Do you worry about eggs in one basket scenario and not having enough power requirement or power generation requirement here in Jersey?

The Chief Minister:

I am and I do think that security of supply is important, and that is why the work around security of supply, I suppose, is one of those workstreams which is underway right now because it is important because of world events and the way certain countries are thinking about their own security of supply. In a small Island that has always got to be at the top of our agenda in any given area. I do, and that is why the department have pushed that piece of work forward. I do not know if you want to add to where you are with that.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think it is very important. The strategy or the plan focuses on 3 immediate areas, but with 2 of them, one is demand, there has been a reduction in demand, as you quite rightly say; the second is alternative supply methodology and, as the Chief Minister has alluded to, we are in discussions currently through the Channel Islands Marine Renewable Energy Group with our sister islands in the Channel Islands but also with French authorities and with the U.K. with a view to connectivity for a start, and also with a view to try to determine where we can go in terms of alternative generation. The document looks at alternative generation. It looks at the possibilities for what is currently available in terms of technologies we provide to the Island. We already know that through the works of the Marine Renewable Group that should we wish to go down the route of tidal turbine generation then in the future it is possible that we could generate about 50 per cent of the Island's needs through that. We could possibly get more through wind. So there is a distinct importance placed on alternative generation.

Deputy J.H. Young:

If I can just come in there, the evidence given so far is that long-term renewables feature strongly in a strategy but much of the issues are on the transitional period on the shorter term and the representations on the various alternative fuel suppliers and so on that make that clear. So I think this question of security did come out, the evidence is strong. I think what you have told us is that you are giving priority to that, is that right? You are giving priority to the right ensuring that we get those issues out early in the plan?

The Chief Minister:

You have got a ... I am not sure who the people are that are doing the work for you.

Director for Environment/Deputy Chief Officer, Department of the Environment:

IPA are looking at the security of supply study at the moment to try and flush out exactly where we should be going.

Deputy J.H. Young:

They are talking to all the suppliers are they?

Director for Environment/Deputy Chief Officer, Department of the Environment:

They are talking to them as we speak.

The Deputy of St. Martin:

We are talking about supply now but just getting back to the policy, there is a whole number of different subjects in the policy, we have got microrenewables, we have got anaerobic digestion, we have got other subjects, but the main emphasis of the policy is based on transport and buildings. Do you agree, Minister, I know we are going off on a bit of a tangent now, but would you agree that we have a fantastic opportunity in Jersey to develop electric vehicles and to be world leaders in that area?

The Chief Minister:

Are you asking me as Chief Minister or as an individual member of the public? There is no doubt that the issue of range is not one which is so high on the agenda of people living in Jersey because we do not travel long distances, and the 2 issues with electric vehicles currently are cost and range. Cost we know is already starting to come down. I will not name providers but, as I understand it, you can now get a Focus-sized family car, electric vehicle, for about £15,000 or £16,000. Now that is a considerable cost reduction on what they were and the differential between that and a petrol engine vehicle of that size is not that great anymore. So cost is being dealt with in the new market. Ultimately it will be dealt with in a far superior way when there is a second-

hand market in electric vehicles because that will keep the market turning over. Range as well continually improves. So once the market has dealt with those 2 issues, and it is dealing with them fairly quickly it would appear, then it seems to me that individuals will be able to make the choice on a comparative basis to choose electric rather than petrol.

The Deputy of St. Martin:

Do you think that is a case of Government intervention to reduce that price further to increase the speed of public uptake?

The Chief Minister:

I am not sure there is because Government in Jersey has not intervened and yet we have already over the last couple of years seen that differential reduced drastically.

The Deputy of St. Martin:

How long do you think we should wait? I mean given that we have targets for take up on electric vehicles of a certain number by 2020, for example, do you think we should be prepared to wait for ever for the take up, or do we get to 2016, 2017, and say: "No, the take up is not sufficient, we need to step in and find a way to increase take up"?

The Chief Minister:

We would have to understand why take up was not happening if the cost differential and the range ... the cost differential is no longer there and the range was increased. We would then have to understand why are people not taking up a move to electric vehicles, but you are asking me quite a detailed technical point, which Willie is probably better able to answer.

Director for Environment/Deputy Chief Officer, Department of the Environment:

We already know that the fuel costs are about a third of that which an equivalent diesel car is likely to use, so that is another lever, if you like, for the public to grab hold of these new type of vehicles.

Deputy J.H. Young:

I think the point of Deputy Luce's question, if I just rephrase certainly what is in my mind, is that to what extent should Jersey intervene to go farther and faster and what extent should we just be passive and follow technology and follow the market elsewhere? Some of the evidence that we have heard is that Jersey is a place of prosperity and as a small Island it has got much more opportunity to do things and be leaders in this field, which would put the Island in an advantage, I think. So to what extent is part of the strategy that we intervene and we lead and we support these fine words in here?

The Chief Minister:

It is always a difficult question that because the first question that I would ask is where is the evidence to say that the intervention is going to deliver the result that we want. So if work was undertaken and evidence was brought forward to say that intervention did help then Ministers would consider that because Ministers are committed to delivering on this framework document. But I do not think, unless Willie is going to tell me otherwise, we currently have that evidence, so trying to say, yes, that is what we are going to do, without evidence to say that what we would do would deliver the results, again is not sensible decision making.

The Deputy of St. Martin:

Looking at it the other way, you would say we are not intervening, the results are not happening so we are not getting there, so obviously ...

The Chief Minister:

No, because we look at experience elsewhere.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think we are early on in the game in terms of new, good, high quality technology electric vehicles ...

The Deputy of St. Martin:

I mean I spoke about electric vehicles and one of the reasons I did that was to take us to the bigger picture, which is Government intervention, the carrots and sticks, and whether carrots work and whether we need sticks. I think we have heard from a lot of witnesses but generally speaking I would think that on the overall evidence that we can say that in certain areas it will be difficult just to get public opinion to move in a direction which will be sufficient to get this plan to work. We will need to step in with whatever to encourage them to move.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think we need to better understand what ... at the moment in other comparable jurisdictions or let us say developed jurisdictions, economic jurisdictions, there is no evidence there yet as to whether finance is the sole limiting factor in pick up of alternative technology, as we already suggested.

The Deputy of St. Martin:

No, I tend to agree, and I mean I was going to discuss potentially the able-to-pay market when it comes to insulating your house and reducing energy where there is evidence to show that people who are able to pay do not bother because they cannot be bothered or they are not interested or they do not see the benefit or they do not mind because they have the money, they will just walk

out. In those sort of circumstances, do you think we should be stepping in and saying: “You are not being responsible enough.”

The Chief Minister:

You are asking me to make a hypothetical decision. I do not think that a politician’s first answer to any question should be Government intervention. We have to understand the limit of Government. Having said that, it would be irresponsible for Ministers not to consider intervention if the evidence showed that that intervention led to the results that we are trying to create for our community and thereby the global world. Trying to ask me now whether we would propose intervention or not, I cannot answer it because I would need to have the evidence to show that intervention created the benefits that we wanted it to create. But be in no doubt, which I think is what you are asking is, are Ministers committed to ensuring that the targets in this document are delivered: the answer is yes. But what we cannot say is ... we go right back to what I said at the start, we cannot say exactly what those actions will be because we do not have the evidence in which to bring forward yet the actions. I know it is not necessarily helpful because you are trying to say (a), (b), (c), (d), (e), (f).

The Deputy of St. Martin:

I think we are all agreed that Jersey has a moral responsibility to Kyoto, we accept the climate is changing for whatever reason, we are not going to dispute that, and I think we are agreed that we want to move forward with these reductions in carbon reductions in energy. I think what we are trying to get from you is how far down the path do we go trying to control people with carrots and at what point do we stop, and say: “You are not doing what we need to do, we are going to get the big stick out now and impose regulation”, however strong or weak that may be, but we are going to start taking another tack to reduce ...

The Chief Minister:

I would say that as we sit here today we are at the stage of not ruling anything in or anything out. I cannot say any more than that.

[10:30]

You are right. I do not ever think that you deliver policy objectives by saying it is either/or. Inevitably you encourage people to take action by use of both, to use your term, carrots and sticks.

The Deputy of St. Martin:

Let us move away from regulation and move towards spending money in another direction, which would be utility scale renewables offshore. We have mentioned tidal and wind. Do you think it is

important that you find some money to go out and investigate this seriously? Can you ask the Minister for Treasury and Resources to give you some money?

The Chief Minister:

You think I am being awkward this morning.

The Deputy of St. Martin:

Maybe it is us that is being awkward.

The Chief Minister:

And I am not. I just think we have to acknowledge where we are. So the first point that we are working on, and that is costing money, is ensuring that we sort it out, the ownership of the seabed. So we are putting the appropriate resource into that so that we can then make decisions, we could then be in a position to sign contracts with providers to test technology, put technology in. So it is not that we have stepped back and we are not engaged, we are just engaging at the appropriate point in the appropriate way because of where we are on the scale of things. First thing: sort out seabed ownership. It is costing us money to sort that out and we are absolutely committed to doing that.

The Deputy of St. Martin:

How long is that going to take?

The Chief Minister:

When you ask a lawyer for advice how long does it take?

The Deputy of St. Martin:

Could not possibly put that answer on record.

The Chief Minister:

No. So we need to get the appropriate advice in place. That is in train. We have been having lots of negotiations and conversations with the U.K. because obviously it is Crown ownership currently. I think that that particular issue could easily or could be sorted out within the next 6 months but do not hold me to that timescale.

Deputy J.H. Young:

And funding is available for that?

The Chief Minister:

We do not know yet what the proposal will be from the Crown for that change of ownership.

Deputy J.H. Young:

Is there an acceptance around the Council that wind power is an opportunity between now and 2020 but afterwards may not be there?

The Chief Minister:

You are asking a technical energy question, which I will throw to Willie.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think it is recognised that tidal turbine technology is likely to be the greater provider into the longer term, but it is likely that wind turbine technology is perhaps more appropriate in the shorter to medium term. That is what still needs to be done to assess that but we know from conversations with our French colleagues, both in the Cotentin Peninsula area, which is focusing very heavily now on the construction, the R. and D. (research and development) work on wind turbine technology, and also with energy providers, part provider Iberdrola with the construction project, or the soon to be construction project, to the southwest of us in the Minquiers that they are seriously considering whether they are going to get another 100 megawatt wind turbine farm, for want of a better phrase.

Deputy J.H. Young:

This is in French waters?

Director for Environment/Deputy Chief Officer, Department of the Environment:

In French waters. So it is something that we have got to consider. We have to look at what the technology is able to deliver. In combination with that we, as an Island, are undertaking a quality of wind review in our outlying reaches. We would have liked to have done this right on our 12-mile limit but in terms of technology it is very difficult to do that. So we will have, as you have no doubt seen through the media, wind masts that will be going up on the outlying rocks at the Ecréhous and the Minquiers to try and determine, among other things, what the quality of the wind would be there. Not that we would ever look to be putting wind turbines in those areas but what we are looking for is a representative picture of the wind patterns across our territorial seas. That perhaps shows how serious ... the combination of that and our conversations with our French colleagues gives an indication of where are going. We have to get that research undertaken to try and determine what is going to be best long term for the Island.

The Deputy of St. Martin:

Is it right that there is an opportunity pre 2020 for this, after which it may not be quite so easy?

Director for Environment/Deputy Chief Officer, Department of the Environment:

I am not sure why you would consider 2020 as a cut-off period. I think it is likely, bearing in mind we are now at 2014, that the more likely shorter term or shorter to medium term, would be wind power, the longer term would more likely be a tidal power, and a combination of them both ultimately.

The Deputy of St. Martin:

I think we were given some anecdotal evidence that there would be a lot of money available pre-2020 because countries have to have signed up to an agreement to install a certain amount of wind power before that date, after which money may not be available.

Director for Environment/Deputy Chief Officer, Department of the Environment:

That is one of the reasons why we are in discussions through the Channel Islands Marine Renewable Energy Group as to whether it is feasible that we could take advantage of European funding for linking in to these countries and their grid networks.

Deputy J.H. Young:

One of the evidence to us was that not only has wind power got a great potential, also there are opportunities through the E.U. indirectly by co-operation with the French of taking advantage of E.U. indirect funding, if you like, coming into those projects, and it is a case ...

Director for Environment/Deputy Chief Officer, Department of the Environment:

With respect, I think you might be a bit premature in saying there is an opportunity. I think there is a potential opportunity; certainly that is what we are in discussion with at the moment.

Deputy J.H. Young:

I think the strategic issue is obviously, we do not want to get into the detail, but the evidence was that there were potential opportunities, and the question of what was the Island's attitude, if you like. Are we risk averse, are we hands off? Are we just going to leave it to other people? Or are we going to get in early and make interventions and do agreements as the opportunities arise. That seems to be a strategic issue for the Council of Ministers. How far do we go with this? I think you are really saying to us that cautious, steady as we go, are you not? That is what I am hearing.

The Chief Minister:

I do not think that is the approach that they are taking. Do not forget we sit outside of the E.U. and therefore it is new territory, if we were able to access some of the funding options available within the E.U., but we have not given up hope and the work the department is exploring to see if that is a potential.

Deputy J.H. Young:

I understand but obviously I think in the evidence in our report will be a lot of the detailed things that were said to us about those opportunities. It was very encouraging but what we are wanting to know from you is how far we can go there. What you are saying is you are open. I think I have written down here, you do not rule anything in, you do not rule anything out, so you do not rule out regulation, you do not rule out tariff structures and so on if the evidence justifies them on a case by case basis.

The Chief Minister:

Exactly, and anything else would be irresponsible.

Deputy J.H. Young:

Presumably the same applies to public funding as well, we do not rule it out or do not rule it in.

The Chief Minister:

It has to be evidence based and it has to provide value.

Deputy J.H. Young:

At the moment we have a green tax, if you like, on the V.E.D. (Vehicle Emissions Duty); is that a thing that you will protect as the sort of right policy intervention?

The Chief Minister:

The States have agreed it. I have got no reason to suggest anything other than that, and you will be aware of the conversations and discussions about use of that money going forward as well into the able-to-pay sector.

Deputy J.H. Young:

Thank you.

The Deputy of St. Martin:

I wonder if we might move to the Energy Partnership, which is the proposed multi-sectoral body that is going to co-ordinate this plan. The details are not decided exactly in the proposals but how

do you see that body being made up, with some suggestions that it should be made up completely of commercial people outside of government. What would your view be on that?

The Chief Minister:

No, I do not think it should be.

The Deputy of St. Martin:

Can you expand a little bit on why you do not think it should be?

The Chief Minister:

We have got to keep coming back to the ... it is important in this area that actions taken are evidence based, it is always important that is the case, but not that you are simply being driven by one specific commercial interest, and therefore you have to have government representation on that partnership body.

The Deputy of St. Martin:

You would like to see a mixture of government and commercial then? You see it as easier to coordinate when you have got perhaps incentives from all sectors?

The Chief Minister:

Yes, I think that is exactly right because then you can counter and work together to deliver solutions. It has got to be delivery focused, meeting targets, rather than just ... the biggest concern of course is when you are setting up a body like this that it just talks and does not deliver anything. It is important that it has got targets and is held to deliver on those targets.

The Deputy of St. Martin:

When it comes to our own policy that we have at the moment, which is more of a government policy, it has been argued by several witnesses that we do not have any sort of coherence or coordinated approach in our government departments and agencies to sort of energy at the moment, and that it is a major weakness. Would you agree with that and make sure ... do you think that the energy partnership should take that on board and make it a priority?

The Chief Minister:

There is no doubt that the energy partnership should take that on board, whether it needs to be prioritised above where it is now. We know that the States owns many buildings. We know that buildings are going to be part of the delivery strategy. The States uses energy. Reduction in that energy use will be an important element in ensuring that we meet the target. So the States, as a

body itself, will need to, not only from a government perspective, will need to be involved and will need to play its part.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think perhaps to add to that, if you were to look at the work of Eco-Active States, which has been quite heavily pushed over the last couple of years, it is an incentive, as you know, to reduce waste and water usage and energy uses by 10 per cent on an ongoing basis. That is a very useful indicator that Government is trying to put its money where its mouth is, and trying to lead by example. I think we have to be showing that we are keen to certainly tackle the demand management side of the energy policy, and be seen to be leading the way before we can prescribe to the private sector how to move forward. I think if we can be shown to have results in that respect, from what are fairly simple interventions, for want of a better phrase, then that is a low level start-off point for the rest of the Island's businesses.

The Deputy of St. Martin:

Given that government does not work very fast, Minister, do you think that government people on the energy partnership are going to be the most effective and efficient way to drive forward an energy plan?

The Chief Minister:

It needs to be done together, does it not, which is what I am saying.

The Deputy of St. Martin:

Do you think therefore that this proposal should be more specific for the energy partnership because it seems to us that it is a little bit vague on the role of various bodies?

The Chief Minister:

Potentially at this stage it is and potentially that is a fair comment to make, but, as I have just said, it does need to be target and delivery focused once it is operating.

Deputy J.H. Young:

From what you have said, Minister, would you agree that setting up this energy partnership, it is important it is an early task in order to ensure that this framework becomes a strategy?

The Chief Minister:

It is absolutely because otherwise we will not ... although things that we have talked about that need to be undertaken, there needs to be ownership right across not only government but community as well.

Deputy J.H. Young:

I may have missed your answer ...

The Chief Minister:

I do not know whether there is a date?

Director for Environment/Deputy Chief Officer, Department of the Environment:

I am not sure there is a date. It is though, in terms of prioritisation it is a very high priority in that it is a first action statement.

Deputy J.H. Young:

And the target date, if you have got one.

Director for Environment/Deputy Chief Officer, Department of the Environment:

It is an overarching action statement.

Deputy J.H. Young:

While we are looking that up, I may have missed your answer, I apologise: are you seeing that it should be politically led or otherwise this body?

The Chief Minister:

It needs to be, as I have said ... I do not think I was asked that question.

Deputy J.H. Young:

Should it be politically led, Minister?

The Chief Minister:

I think it does need to have a political lead and we need to decide who is going to have ownership for it and ultimately be held to account for it delivering.

Deputy J.H. Young:

Our witnesses were not very encouraged by the idea of political lead, would that surprise you?

The Chief Minister:

It is very easy to criticise government, yes I accept that, certainly sitting as we do a week after last. Very easy to criticise government.

[10:45]

But with these things if we are going to have the interventions that you have been trying to challenge me to move forward on it will need a political lead.

Deputy J.H. Young:

So would it be right that it depends on the extent of that intervention and so on?

The Chief Minister:

No, I think it does need political lead.

Deputy J.H. Young:

I would like to clear up maybe a side question: one of the evidence to this is that we really could rule out hard measures because we can rely on hearts and minds to deliver this, that we can do it through persuasion and example and so on. Do you have a view on that sort of approach or are you more inclined to be an open ... I think from what you said you are inclined to putting government's weight behind this, if it is necessary.

The Chief Minister:

Would that the world broke down into either/or, it does not, does it? It is going to be encouragement, it is going to be about winning hearts and minds. Some of that will be about persuasion, some of it is about the measures that we have spoken about earlier this morning. It cannot be either/or.

The Deputy of St. Martin:

I just want to talk briefly about about the Sustainable Transport Policy because we are talking about persuasion and I think possibly up until now we have been going along the persuasive route with a Sustainable Transport Policy, but would you agree that it would appear, and this is very general, the Sustainable Transport Policy to try to get people on to public transport, out of their cars, is not really working?

The Chief Minister:

I do not think that is a fair assessment. I do not have the figures in front of me about the usage of public transport and how they have changed but certainly the new bus company have extended the routes. They have been open to change and they have got plans to provide even more public transport facilities. But if you come back to your question about electric cars, it should not be necessarily that we are trying to get everybody on to the bus because it might be that individual modes of transport become more energy efficient and less carbon dependent. There is also a big question about uses of cars. One person in one car doing all their trips or trying to encourage people to share transport more. So there are lots of different ways of dealing with that issue.

The Deputy of St. Martin:

So it is time we rewrote the Sustainable Transport Policy then.

The Chief Minister:

I do not think I am saying that at all. I think the Sustainable Transport Policy touches on some of those issues as well.

Director for Environment/Deputy Chief Officer, Department of the Environment:

I think it is quite important. It is the same transport policies that were significantly agreed but we just touched on modal shift in terms of, as you say, get the hearts and minds of people from their personal car to another mode of transport. If you were to look at a recent success instigated by the Transport and Technical Services guys, which was instigated through them, and through Eco-Active as well, the Cycle to Work fortnight. We suddenly had around 1,200 people regularly cycling to work over the course of those couple of weeks, and that was a relatively simple campaign that instigated that. So through those kind of interventions there are successes coming. I would not necessarily say that from my perspective that the transport policy has failed in any way as yet. It is a progressive policy, much in the same way --

The Deputy of St. Martin:

You would accept that there are targets which are not being met?

Director for Environment/Deputy Chief Officer, Department of the Environment:

They are on their way to being met, and I think there are some successes and inevitably there will be some falling short.

The Deputy of St. Martin:

I was hoping to use the Sustainable Transport Policy as one of these sort of carrots where we are trying our very best to control people to use public transport but it is not actually working, and what we should be doing is reducing the cost of travelling on public transport, increasing the cost of using your car, and move down a more regulatory way of getting a policy to work.

The Chief Minister:

That is another area where we would have to look at the evidence because we know that sometimes actions in a more wealthy community are not always driven simply by cost considerations.

Deputy J.H. Young:

Maybe on that, can I introduce one brief subject? Do you think there is enough attention being given in this draft document to social equity issues, particularly as energy becomes more expensive and decisions are made on all these areas of supply, price, regulation and so on, as you have outlined, based on individual initiatives? Do you think there is enough emphasis on there? We have not met with the Minister for Social Security but I think that comes under you, does it not, social policy issues and as Chief Minister?

The Chief Minister:

Yes, I think there is looking at energy or fuel poverty. It is considered in this report and we know that it is an important issue, and we need to, at the same time as delivering on this strategy, the framework document acknowledges that you may, while you are delivering on some of these targets, have to put in place measures that ensure that people do not fall into fuel poverty and are, at the same time, lifted out of it.

The Deputy of St. Martin:

Do you think there is a case, Minister, for the J.C.R.A. (Jersey Competition Regulatory Authority) to look at alternative tariffs to help people who are financially challenged with electricity bills?

The Chief Minister:

Absolutely. I mean that is what I have been trying to say throughout the course of the morning. That we need to get evidence bases in order to make decisions and that seems to me like that would be an eminently sensible thing for them to do.

The Deputy of St. Martin:

Would that be various tariffs across the board or is that a specific type of tariff which you think would be useful?

The Chief Minister:

I do not think I want to make a prejudgment on what tariff may or may not be useful but if that work was to be undertaken I would certainly personally think that looking at fuel poverty and how a tariff system might enable its reduction would be a very worthwhile piece of work.

Deputy J.H. Young:

Going back to the partnership and delivering that, it is good to hear that, but that is an example where the task cuts across a number of different ministries. In setting up your partnership how do you get round the difficulty of putting this under the entire responsibility being led by a single Minister where that particular issue may not be within their normal brief? How do we achieve this?

The Chief Minister:

I suppose in the same way that we have to achieve that with every other cross-departmental issue. We set up a group of representatives of those who have an interest or need to make decisions arising from deliberations and you get consensus around the table and other people go away and fulfil their obligations, and the group itself is then held responsible for making sure that all the actions are being delivered on, which comes back to the point of why it seems to me that it would be sensible to have a political lead.

Deputy J.H. Young:

That is what would be done in this case?

The Chief Minister:

That is certainly the intention.

The Deputy of St. Martin:

One last attempt at probing into government intervention.

The Chief Minister:

I never thought I would hear the day the Deputy of St. Martin ... **[Laughter]** An interventionist from St. Martin.

The Deputy of St. Martin:

Very briefly about feed-in tariffs. The Jersey Electricity Company have a policy on feed-in tariffs and if somebody wants to put up a little wind turbine or solar array or what have you and feed some electricity back into the Jersey grid they pay them the same amount of money that they can purchase nuclear power from France for. That obviously is not a huge amount of money and makes the business plan for putting up your own wind turbine quite difficult to justify. Do you think, given that this plan ... I accept that microrenewables only form a very small part of the savings, but given that people will want to do their bit, do you think there is a case for government stepping in and helping people with schemes where they might put a solar panel on their roof or a small wind turbine in their back garden, given that the J.E.C. feed-in tariff is not huge?

The Chief Minister:

I see no reason why that should not be reconsidered because you make a good point, that that currently, as you describe it, as I understand it, is the case. There is no reason, as I can see it, why that should not be considered.

Deputy J.H. Young:

Thank you. Planning restrictions eased, Minister, to allow such schemes?

The Chief Minister:

You are pushing your luck this morning. **[Laughter]**

Deputy J.H. Young:

I accept you are not the Minister to answer that.

The Chief Minister:

That is a point of why you need to have a partnership approach because it is no good just changing a tariff if another department is maintaining its regime which means that it will not happen anyway. It has to work together. Of course what it would require in this instance is if the Minister for Environment was leading the partnership, and I am not saying that is what will happen, which would require a change of hats.

The Deputy of St. Martin:

A whole wardrobe of hats, I suspect.

The Chief Minister:

Indeed.

Deputy J.H. Young:

Thank you, Chief Minister. We are 5 minutes early but I think we have had a comprehensive coverage on the high level issues we wanted to get your personal feel. Is there anything else you wanted to say on this, give you an opportunity to just add to it as to, for example, how important this is for the Island?

The Chief Minister:

I do not think there is. I think a lot of work went into getting this plan or framework document to where it is today. All the actions we need to work on, I think that is something else that we do need to consider and our department is starting to consider, is that this is an area where it would be eminently sensible to work with our colleagues in Guernsey on because they face the same issues. We have got this co-ordinated supply of electricity and therefore it is an area of policy that we should be working together on, and I know that is what the department is now doing.

Deputy J.H. Young:

We did hear that the Channel Islands Competition and Regulatory Authorities have got this issue as far as Guernsey, under their belt, as it were, and they did say to us that they saw no problem about extending that to Jersey, to look at some of these issues, if they were asked. I thank you for that. Certainly what you said there about Guernsey is mirrored by evidence given to us. I think with that I will close this session. Thank you all for coming.

The Chief Minister:

Thank you very much indeed.

[10:57]