

# STATES OF JERSEY



## EVIDENCE-BASED ENERGY STRATEGY (P.11/2025): AMENDMENT

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Lodged au Greffe on 10th March 2025  
by Deputy P.F.C. Ozouf of St. Saviour  
Earliest date for debate: 18th March 2025

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STATES GREFFE

## EVIDENCE-BASED ENERGY STRATEGY (P.11/2025): AMENDMENT

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### 1 PAGE 2, PARAGRAPH (a) –

After paragraph (a), insert a new paragraph (b) as follows and redesignate the subsequent paragraph accordingly –

- “(b) to request the Council of Ministers to include within the development of the Energy Strategy a comprehensive review of Jersey’s fuel storage and distribution infrastructure, ensuring it is aligned with the objectives of affordability, energy security, market competition, and the Island’s transition to net-zero, such review to –
- i. assess whether the existing lease arrangements and operational structure of Jersey’s primary fuel storage facility support a competitive and non-discriminatory market, ensuring that all fuel suppliers have fair access at reasonable commercial terms;
  - ii. ensure that any renewal or future lease arrangements for fuel storage facilities, including but not limited to the La Collette Fuel Farm, are subject to an open and transparent competitive tendering process;
  - iii. examine opportunities for optimising fuel storage capacity in light of projected reductions in fossil fuel consumption, ensuring right-sized infrastructure that meets the island’s resilience needs without excessive cost burdens on consumers;
  - iv. explore whether alternative models for fuel storage management, including: the States of Jersey either directly or delegated to an appropriate majority or 100% States-owned entity, potential public-private partnerships or other non-States diversified infrastructure, could enhance both security of supply and consumer pricing; and
  - v. ensure that the forthcoming Energy Strategy explicitly considers all options for the long-term management of fuel storage in Jersey, including a review of alternative models that separate infrastructure management from fuel supply distribution, in line with the Government's commitment to energy security and resilience;”.

DEPUTY P.F.C. OZOUF OF ST. SAVIOUR

**Note:** After this amendment, the proposition would read as follows –

### **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;

(b) to request the Council of Ministers to include within the development of the Energy Strategy a comprehensive review of Jersey's fuel storage and distribution infrastructure, ensuring it is aligned with the objectives of affordability, energy security, market competition, and the island's transition to net-zero, such review to –

i. assess whether the existing lease arrangements and operational structure of Jersey's primary fuel storage facility support a competitive and non-discriminatory market, ensuring that all fuel suppliers have fair access at reasonable commercial terms;

ii. ensure that any renewal or future lease arrangements for fuel storage facilities, including but not limited to the La Collette Fuel Farm, are subject to an open and transparent competitive tendering process;

iii. examine opportunities for optimising fuel storage capacity in light of projected reductions in fossil fuel consumption, ensuring right-sized infrastructure that meets the island's resilience needs without excessive cost burdens on consumers;

iv. explore whether alternative models for fuel storage management, including: the States of Jersey either directly or delegated to an appropriate majority or 100% States-owned entity, potential public-private partnerships or other non-States diversified infrastructure, could enhance both security of supply and consumer pricing; and

v. ensure that the forthcoming Energy Strategy explicitly considers all options for the long-term management of fuel storage in Jersey, including a review of alternative models that separate infrastructure management from fuel supply distribution, in line with the Government's commitment to energy security and resilience; and

(c) 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.

## **REPORT**

### **Introduction**

This amendment seeks to enhance Deputy Jeune’s proposition by ensuring that Jersey’s future energy strategy includes a structured review of fuel storage infrastructure, ensuring it is fit for purpose in a changing energy landscape. While the proposition rightly focuses on net-zero, this amendment adds a crucial dimension: that of energy affordability, market fairness, and security of supply.

### **Sustainable and affordable energy**

Jersey’s energy future must be both sustainable and affordable. One of the most significant contributors to high energy costs in the island is fuel storage infrastructure and the market arrangements surrounding it. The existing model for fuel storage, particularly the La Collette Fuel Farm, has long raised concerns about market access, competition, and the knock-on effect it has on the price that Islanders pay for vehicle and heating fuel products, both directly on forecourts or through heating oil distributors, or indirectly through the price of virtually all goods that need to be transported.

In the discussions of the last fuel farm lease within the Council of Ministers – the third such discussion – a number of ‘trigger clauses’ had been included in the lease, designed to protect the future interests of Islanders. These lease clauses, which are public, enabled the Government to consider the best interests of the Island instead of being faced with a last-minute decision to sign another lease on terms that were less than ideal from the perspective of the Island, the environment, land use, and long-term safety considerations.

These clauses allowed the Government to take decisions in a timely, fair, transparent, and competitive way.

Unfortunately, the Council of Ministers missed the initial clause deadlines. However, in early January, when the lack of attention to this was highlighted through oral questions, the Chief Minister responded quickly and helpfully, and it is understood that an extension to the decision-making timetable has been the subject of discussion.

Despite this, there has been no official, clear, and public commitment or stated process to ensure that, even with the agreed extension, decisions regarding the fuel farm’s future will be made transparently and in the best interests of consumers, both from a cost-of-living perspective and in a way that complements the island’s energy transition.

Deputy Jeune’s proposition gives Members the opportunity to express a view publicly, and a vote in favour of this amendment, as well as the underlying proposition, will be helpful for the Government in the challenging, multifaceted work that now needs to be done urgently.

## Key Aims of the Amendment

The amendment proposes that the Energy Strategy explicitly includes:

1. **A Review of Market Fairness:** Ensuring that fuel storage operates on a non-discriminatory basis and that third-party suppliers can compete fairly.
2. **A Competitive Tender Process:** Guaranteeing that any future lease for critical infrastructure is awarded transparently and in the public interest.
3. **Right-Sizing for Net Zero:** Avoiding excessive costs by ensuring that infrastructure reflects the island's actual energy needs in a decarbonising economy.
4. **Exploring Alternative Models:** Encouraging innovation in fuel storage, including potential use of existing underutilised assets.
5. **Formal Recognition of the Government's Own Position:** Ensuring that the Energy Strategy's planned review of liquid fuel storage (as confirmed in WQ.53/2025) incorporates specific considerations of market fairness and affordability.

## Reference to WQ.53/2025

The Government's response to [WQ.53/2025](#) states that:

- The **Minister for the Environment** is commencing work on an **Energy Strategy in 2025**, which will include reviewing **long-term liquid fuel storage**.
- The **Government recognises** the importance of maintaining **bulk fuel storage** and the associated infrastructure.

However, **there is no commitment** in the response to conducting a **competitive tender process** or ensuring that the market operates in a **non-discriminatory manner**.

This amendment ensures that these **gaps are addressed**, reinforcing the importance of **transparent policy direction** from the Assembly rather than leaving these decisions solely in the hands of government departments.

## Conclusion

This amendment strengthens the proposition by ensuring that Jersey's Energy Strategy tackles not just the long-term transition to renewables, but also the immediate issue of fairness and affordability in the fuel market. It also ensures that past concerns regarding fuel storage arrangements are addressed in a structured and transparent manner.

The amendment is not intended to criticise current policies but to ensure that decisions taken now create a fairer, more affordable, and more sustainable energy future for Jersey.

## Financial and staffing implications

The financial and staffing implications of this amendment are expected to be met by the relevant departments – Infrastructure, Environment, and Sustainable Economic Development – within existing budgetary constraints. The need for this work has been known for some time and should not give rise to significant new expenditure beyond

what has already been envisaged. The proposed review will support strategic decision-making and help ensure value for money in the management and future use of Jersey's fuel storage infrastructure. Any additional resources required should be proportionate to the long-term public interest benefits, including affordability, energy security, market fairness, and optimal or alternate land use.

### **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.