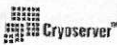


Message # 1

**Message Key:** 0003131D649688EA896AE4B04D3E007E6B0983E3 

**From:** Doug Bannister <D.Bannister@gov.je>  
**To:** Philip Ozouf <p.ozouf@gov.je>, Steve Luce <S.Luce@gov.je>, [REDACTED], Mike King <M.King@gov.je>  
**Cc:** Lyndon Farnham <L.Farnham@gov.je>, Alan Maclean <A.Maclean@gov.je>, Richard Bell <R.Bell@gov.je>, Edward Noel <E.Noel@gov.je>, John Rogers <J.Rogers@gov.je>, Kristina Moore <K.Moore2@gov.je>, "John Richardson (CMD)" <J.Richardson@gov.je>, Steven Austin-Vautier <S.Austin-Vautier@gov.je>, Joe Moynihan <J.Moynihan@gov.je>  
**Addressed To:** s.austin-vautier@gov.je, l.farnham@gov.je, j.moynihan@gov.je, j.richardson@gov.je, j.rogers@gov.je, s.luce@gov.je, r.bell@gov.je, a.maclean@gov.je, m.king@gov.je, p.ozouf@gov.je, e.noel@gov.je, [REDACTED], k.moore2@gov.je  
**Subject:** RE: Fuel prices  
**Date:** Thursday, January 08, 2015 18:27 GMT

Hi Philip,

I had been chasing [REDACTED] for some time as to an answer to my question. I received a bit of feedback yesterday which indicates they have [REDACTED] in the last 12 months. The issue may be whether [REDACTED] customers (the logistics companies) are following suit with their customers.

I have asked [REDACTED] for more information (including numbers) that we can share more widely.

Also, we have a meeting of the [REDACTED] (the entity created with the Operating Agreement) on the 19th of January, where this is a topic on the agenda.

Best regards,  
Doug

-----Original Message-----

**From:** Philip Ozouf  
**Sent:** 07 January 2015 12:12  
**To:** Steve Luce; [REDACTED] Doug Bannister; Mike King  
**Cc:** Lyndon Farnham; Alan Maclean; Richard Bell; Edward Noel; John Rogers; Kristina Moore; John Richardson (CMD); Steven Austin-Vautier; Joe Moynihan  
**Subject:** Re: Fuel prices

Steve,

Yes absolutely. The fuel market is one of my top priorities and [REDACTED] will be leading in the competition issues generally.

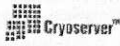
[REDACTED] Mike/Doug: do you know anything about this Fuel Surcharge issues based on your previous involvement in this?

Philip

Ps Whilst the [REDACTED] surcharge is not necessarily a fuel farm issue, there are going to be a discussion about the Fuel Terminal more generally so copying in colleagues who are likely to be involved [REDACTED]

Senator Philip Ozouf  
Assistant Chief Minister  
Government of Jersey  
p.ozouf@gov.je  
T +44 1534 440597  
[REDACTED]

Message # 1

**Message Key:** 0003131D2AB093020F334AD45057A9BC2FA2CDD5 

**From:** Philip Ozouf <p.ozouf@gov.je>  
**To:** Doug Bannister <D.Bannister@gov.je>, [REDACTED] Mike King <M.King@gov.je>  
**Cc:** Lyndon Farnham <L.Farnham@gov.je>  
**Addressed To:** m.king@gov.je, l.farnham@gov.je, [REDACTED] d.bannister@gov.je  
**Subject:** [REDACTED] Surcharge  
**Date:** Monday, January 19, 2015 16:04 GMT

Gents,

You might have already been asked this question, please forgive me if you have.

I'm advised that [REDACTED] has reduced their fuel surcharge for their freight customers. However it is suggested that the surcharge is not been passed on to consumers of freight services.. Is this the case?

Mindful of the new operating agreement between the States of Jersey and [REDACTED] and [REDACTED] do we have any recourse to test whether [REDACTED] are being transparent in the fuel surcharge.

If the guilty party in not passing on the lower surcharge is not [REDACTED] but the freight forwarding business what do you suggest we do?

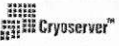
The [REDACTED] have asked this question so I'd be grateful for an answer by 9am tomorrow please.

Philip

Senator Philip Ozouf  
Assistant Chief Minister  
Government of Jersey  
p.ozouf@gov.je  
T +44 1534 440597  
[REDACTED]

----- End Of Message -----

Message # 2

**Message Key:** 0003131D8D5694E46A5B790360389B2442B2D022 

**From:** Philip Ozouf <p.ozouf@gov.je>  
**To:** Edward Noel <E.Noel@gov.je>  
**Cc:** Ian Gorst <I.Gorst@gov.je>, Alan Maclean <A.Maclean@gov.je>, Lyndon Farnham <L.Farnham@gov.je>, [REDACTED] @gov.je>, Doug Bannister <D.Bannister@gov.je>  
**Addressed To:** i.gorst@gov.je, [REDACTED] a.maclean@gov.je, l.farnham@gov.je, e.noel@gov.je, d.bannister@gov.je  
**Subject:** Re: [REDACTED]  
**Date:** Thursday, January 15, 2015 18:30 GMT

Eddie,

Thanks. I have today received up-to-date information on in the fuel market.

The JCRA last reviewed the Road Fuel market in 2011. They concluded that competition forces had improved. At the time the report explained that the consistently lower price retailer [REDACTED] was selling fuel (after stripping out duty and tax) at 6pence higher than the UK with the average being 13p higher.

It appears margins on average have increased to 20p. The lowest prices (still [REDACTED]) are now much higher than 6p.

There is evidence that could be a serious issue with the market power [REDACTED] can exert,

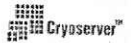
On the otherwise [REDACTED] have exited the market and the [REDACTED] is now selling fuel at some of the lowest prices in the EU.

This needs to be properly investigated. Islanders are not benefiting from the lower crude prices.

More tomorrow.  
Philip

Message # 3

Message Key: 0003131D69AE0AF5A4A254B67F6CF073490EC7A6



From: Philip Ozouf <p.ozouf@gov.je>  
To: "John Richardson (CMD)" <J.Richardson@gov.je>  
Cc: Ian Gorst <I.Gorst@gov.je>, Alan Maclean <A.Maclean@gov.je>, Edward Noel <E.Noel@gov.je>, Lyndon Farnham <L.Farnham@gov.je>, Steven Austin-Vautier <S.Austin-Vautier@gov.je>, Mike King <M.King@gov.je>, John Rogers <J.Rogers@gov.je>, Andrew Scate <A.Scate@gov.je>, Doug Bannister <D.Bannister@gov.je>  
Addressed To: s.austin-vautier@gov.je, a.scate@gov.je, l.farnham@gov.je, j.richardson@gov.je, j.rogers@gov.je, d.bannister@gov.je, i.gorst@gov.je, a.maclean@gov.je, m.king@gov.je, e.noel@gov.je  
Subject: Re: Fuel Farm Lease  
Date: Monday, March 02, 2015 16:59 GMT

Dear John,

As you know I have been a consistent doubter of the approach the States have taken over negotiations with [redacted] over the last ten years.

I think ministers are entitled to be told why there has not earlier to safeguard the publics interests in ensuring the Fuel Market is operating in the interests of consumers. There is clear evidence it is not and this is now new.

It now appears that things are worse than have been reported to me. Namely that the [redacted] was granted to [redacted] on the following basis

1. a [redacted] year lease was to be entered into (which despite being very reluctant to do so I did under duress)
2. the States would invest [redacted] in a new [redacted] (money was found from [redacted] and tba advised but as I recall potentially other sources - [redacted])
3. the [redacted] would invest in [redacted] (the figure quoted at the time) in upgraded foam fighting and water/foam ring mains around the site.

The latter has not been done. The [redacted] has are now been told that [redacted] require another [redacted] year lease (but they'd accept [redacted] to justify the investment that they were already committed make from the last lease they have made the profits on to pay for it.

I did not realise this until today. If this is the case, whilst the [redacted] are trying hard to the very best to be reasonable and lenient and [redacted] are largely neutral parties again trying to do the right thing for Jersey, my view is hard deeming that we need to play hardball with [redacted]

[redacted]

They have behaved disgracefully with the [redacted] threatening to bring the island to a halt by making life almost completely impossible by withdrawing fuel operations months a before allowing the properly appointed new supplier to commence operations. It was only due to the up sheer determination of the new [redacted] that was able to withstand the threats. The [redacted] team, a government department, was perfectly within their rights to secure a better lower priced Aviation fuel solution. [redacted] responded by publicly sacking their staff before their lease ended, prevented the new operator from accessing Fuel at the [redacted] and even of planting questions in the States and ransomed finally they ransomed [redacted] to acquire their nearly worthless for the fixed assets for [redacted] of tax payers money.

Before signing any lease I'd like to check these facts and then strongly support the [redacted] not hold [redacted] to account to comply with their obligations under the existing lease.

Philip

Senator Philip Ozouf  
Assistant Chief Minister  
Government of Jersey  
Financial Services, Digital, Competition and Innovation

Tel: +44 1534 440597 <tel:+44(0)1534440597> Fax: +44 1534 440597 <tel:+44(0)1534440597> In Office: 0207 808 1147 <tel:0207%208081147>

Email: p.ozouf@gov.je <mailto:p.ozouf@gov.je>

Web: www.gov.je <http://www.gov.je/> and www.ozouf.je <http://www.ozouf.je>

Cyril Le Marquand House, PO Box 140, St Helier, Jersey JE4 8QT <x-apple-data-detectors://3/1>

-----Original Appointment-----

From: John Richardson (CMD)

Sent: 27 February 2015 13:57

To: John Richardson (CMD); Ian Gorst; Alan Maclean; Philip Ozouf; Edward Noel; Lyndon Farnham; [REDACTED] [REDACTED] Steven Austin-Vautier; [REDACTED] Mike King; John Rogers; Andrew Scate

Cc: [REDACTED] Deidre Mezbourian; [REDACTED]

Subject: Fuel Farm Lease

When: 02 March 2015 14:15-15:15 (UTC) Dublin, Edinburgh, Lisbon, London.

Where: Concord Room - 4th Floor Cyril Le Marquand House

Importance: High

Dear all

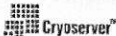
I would be grateful if you could make every effort to re-arrange your diaries in order to attend this urgent meeting.

Kind regards

<Fuelfarmoptions2.doc>

----- End Of Message -----

Message # 4

**Message Key:** 0003131DDA0D9D50C4ECA9B9CFC7FD0352855764 

**From:** Philip Ozouf <p.ozouf@gov.je>

**To:** Steve Luce <S.Luce@gov.je> [REDACTED] Doug Bannister <D.Bannister@gov.je>, Mike King <M.King@gov.je>

**Cc:** Lyndon Farnham <L.Farnham@gov.je>, Alan Maclean <A.Maclean@gov.je>, Richard Bell <R.Bell@gov.je>, Edward Noel <E.Noel@gov.je>, John Rogers <J.Rogers@gov.je>, Kristina Moore <K.Moore2@gov.je>, "John Richardson (CMD)" <J.Richardson@gov.je>, Steven Austin-Vautier <S.Austin-Vautier@gov.je>, Joe Moynihan <J.Moynihan@gov.je>

**Addressed To:** s.austin-vautier@gov.je, l.farnham@gov.je, j.moynihan@gov.je, j.richardson@gov.je, j.rogers@gov.je, d.bannister@gov.je, s.luce@gov.je, r.bell@gov.je, a.maclean@gov.je, m.king@gov.je, e.noel@gov.je, [REDACTED] k.moore2@gov.je

**Subject:** Re: Fuel prices

**Date:** Wednesday, January 07, 2015 12:11 GMT

Steve,

Yes absolutely. The fuel market is one of my top priorities and [REDACTED] will be leading in the competition issues generally.

[REDACTED] Mike/Doug: do you know anything about this Fuel Surcharge issues based on your previous involvement in this?

Philip

Ps Whilst the [REDACTED] surcharge is not necessarily a fuel farm issue, there are going to be a discussion about the Fuel Terminal more generally so copying in colleagues who are likely to be involved ([REDACTED]).

Senator Philip Ozouf  
Assistant Chief Minister  
Government of Jersey  
p.ozouf@gov.je  
T +44 1534 440597  
[REDACTED]

Message Key: 0003131D6CA6CFDDF621526E26D84075D0617C93



**From:** Philip Ozouf <p.ozouf@gov.je>  
**To:** Edward Noel <E.Noel@gov.je>  
**Cc:** Ian Gorst <I.Gorst@gov.je>, Lyndon Farnham <L.Farnham@gov.je>, Kristina Moore <K.Moore2@gov.je>, Alan Maclean <A.Maclean@gov.je>, John Rogers <J.Rogers@gov.je>, [redacted], Doug Bannister <D.Bannister@gov.je>, "John Richardson (CMD)" <J.Richardson@gov.je>, Richard Bell <R.Bell@gov.je>, [redacted] <S.Luce@gov.je>, [redacted], Andrew Scate <A.Scate@gov.je>, Steve Luce  
**Addressed To:** a.scate@gov.je,l.farnham@gov.je,[redacted],j.richardson@gov.je,j.rogers@gov.je,d.bannister@gov.je,i.gorst@gov.je,[redacted],s.luce@gov.je,r.bell@gov.je,a.maclean@gov.je,e.noel@gov.je,[redacted]  
**Subject:** Re: [redacted]  
**Date:** Thursday, January 29, 2015 14:45 GMT

Eddie,

Ministerial-in-confidence.

Thanks for your email. I'm not sure you are aware but John R chaired a cross departmental officer group on this yesterday.

You should be aware that [redacted] met with [redacted] concerning the Competition Review into Fuel and Oil prices that I have asked to be updated in the light of the evidence that margins on oil have risen over the last few years. Added to the importance that the falling Crude price has been slow to passed onto consumers.

I spoke to John about this last night.

It important that we are all joined up on this area. The stakes are very high from an economic energy price perspective, security of fuel supply as well as safety issues of the safe management of the Fuel Storage.

I am very disappointed that the States did not exercise its right to tender the fuel Farm and we are now in a position that we are over a barrel with [redacted] would like to know why the the right was not exercised. Was a ministerial decision asked for and if not why not.

The bottom line is that the report after report have shown that Jersey oil prices are higher than comparable small markets. This differential is costing Jersey consumers and hence the economy millions. The causes for this are well documented and not exclusive to [redacted]

I was forced to signed the Fuel Farm lease 9 years ago. At the time with [redacted]. I warned of the consequences of signing the lease. The lease was signed and [redacted] shortly after the business to [redacted] for a figure that was not disclosed. I am aware this figure was very significant and not related to the value of the assets, rather then ability to profit from having the ability to set prices.

[redacted] have consolidated the position further. There has been some competition in Road Fuels and consumers are getting lower prices. It's been a hard slog and the combination of political pressure, the requirement to show cash prices outside garages and the [redacted] price watch campaign (which then became the Consumer Council Price Watch campaign. The road fuel market remains inefficient. With over 30 garages,some very small, with a complex network of solus agreements means the market is not operating efficiency. The barriers to entry prevent even the lower price for courts such as [redacted] and now the [redacted] from obtaining fuel at a price which is competitive.

The [redacted] have shown how things can change. Despit [redacted] vigorous, threatening and determined efforts their strangle hold over Aviation fuel has been broken. Herculean efforts have been made to achieve this. Today visiting aircraft pay some of the most competitive prices available at any airport in Europe. This helps not only the important key operators such as [redacted] but also the private aviation sector.

We must not allow [redacted] to bully and frighten the States into signing a new lease which will cast the inefficient and high margin fuel market in aspic for another [redacted]

Markets work best with the threat of competition and the ability for new operators i.e low barriers to entry.

I have asked John to urgently report to ministers on the viability of the alternative to a Fuel Farm as is now operating at the airport. If that is possible, the negotiating hand of the States will be significantly strengthened.

The important and able partners of [redacted] and my [redacted] area need to working together against a backdrop of understanding the economic opportunity that exists to secure lower margins, a more competitive road fuel market and heating oil market.

The emails from [redacted] are a repeat of the refrains last time round. There may well be safety issues and investment which need to be made. We need to understand this and whilst not compromising on safety at all, we must make decisions calculated to make the energy market work better.

It is important this work is done alongside the excellent Energy Policy work which was ably lead with [redacted]

I suggest the establishment of a ministerial oversight group for this issue which involves [redacted] (and land use), [redacted]

The urgent issue that needs to be resolved is 'is the alternative to the Fuel Farm viable?'.  
[REDACTED]

I would invite John to allocate and task dedicated officer leadership on the tasks which need to be done. This has been urgent for a long time and it is vital we do not end up with having no option but to yield [REDACTED] demands.

Philip

Senator Philip Ozouf  
Assistant Chief Minister  
Government of Jersey  
Financial Services, Digital, Competition and Innovation

Tel: +44 1534 440597<tel:+44(0)1534%20440597> London Office: 0207 808 1147<tel:0207%208081147>  
[REDACTED]

Email: [p.ozouf@gov.je](mailto:p.ozouf@gov.je)<mailto:p.ozouf@gov.je>

Web: [www.gov.je](http://www.gov.je)<http://www.gov.je/> and [www.ozouf.je](http://www.ozouf.je)<http://www.ozouf.je>

Cyril Le Marquand House, PO Box 140, St Helier, Jersey JE4 8QT<x-apple-data-detectors://3/1>