

**REPLY BY THE PRESIDENT OF
THE POLICY & RESOURCES COMMITTEE
TO A QUESTION ASKED PURSUANT TO RULE 14 OF THE
RULES OF PROCEDURE BY DEPUTY N. R. INDER**

Question

What impact would there be on the rejection of the FAB Link on Alderney's revenue earnings?

Answer

The 1948 agreement between the States of Guernsey and the States of Alderney established a fiscal union between the two islands. However, matters regarding any potential additional revenues, such as those from the FAB Link project, are matters for the States of Alderney alone. This financial relationship is in line with the policy letter approved by the previous States of Deliberation in February 2016, and the stated objectives of the States of Alderney's Policy & Finance Committee.

Question

Is there anything in a rejection by Alderney that might impact on any future renewable energy strategy for Guernsey?

Answer

The current renewable energy strategy for Guernsey does not look to access the cable link between France and the UK via Alderney, as such there would be no direct impact on Guernsey's renewable energy aspirations.

Question

Is there anything in a rejection by Alderney that might impact on any future connectivity strategy for Guernsey?

Answer

Guernsey already has a cable link to France, via Jersey, and has plans for an additional direct link to France, all of which offer connectivity to the European market.

There are no plans for a link to the UK in the future or to connect to the proposed FAB Link. A connection to the FAB Link would require a converter station in order to allow electricity to be exported to Guernsey at the required voltage.

Question

What assistance is Guernsey giving to Alderney in current negotiations?

Answer

The States of Guernsey works closely with the States of Alderney, including through the Alderney Liaison Group and the Bailiwick Council. Through these forums the States of Guernsey is able to provide any such strategic advice that Alderney may ask for. In addition, the Bailiwick's Law Officers of the Crown are available to the States of Alderney for legal advice. They have already provided substantial support in relation to the FAB link project by providing legal advice during the negotiations.

Question

If there is a risk to Guernsey and/or Alderney in breakdowns in negotiation, how much Policy & Resources assist?

Answer

The Policy & Resources Committee stands ready to provide any such strategic advice that may be requested by the States of Alderney. Also, as mentioned in the response to the previous question, the Bailiwick's Law Officers of the Crown have already provided legal advice during negotiations for the FAB link project. This support will continue to be available to the States of Alderney throughout the negotiations.

Question

Does Guernsey have any final veto or ability to intervene if Guernsey deems that there is a risk to either Alderney's revenues or/and Guernsey energy strategy?

Answer

The Fab Link project is not a matter that falls within the transferred services under the 1949 arrangement. Decisions relating to the project, insofar as they relate to the island of Alderney, are within the sole domestic competence of the States of Alderney and its committees.

Question

Could the Committee for Policy & Resources describe the concerns, if any, it has should the negotiations breakdown?

Answer

As explained above, the matter is one for the States of Alderney. However, as Guernsey and Alderney operate in a fiscal union, anything that would either assist or hinder either economy would be of interest and benefit to the other. It is in both the interests of Guernsey and Alderney that the latter is as successful as it can be. The States of Alderney have an economic development fund to support their initiatives in this regard.

Date of Receipt of the Question: 2nd August 2017

Date of Reply: 17th August 2017