Department for Infrastructure Chief Officer

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18 January 2016

State of Guernsey Public Services Department Head Office Brickfield House St Andrew GY6 8TY

Our Ref: 39/8/8

Dear

Tender Return for the Transport and Treatment of Refuse Derived Fuel from Guernsey

Please find enclosed/attached our tender return documentation for the Transport and Treatment of refuse derived fuel from Guernsey.

The Department for Infrastructure (DfI), previously known as Transport and Technical Services, is delighted to work with the States of Guernsey to develop a solution that offers best value to the Islands of Guernsey and Jersey.

Furthermore, we would welcome a long term arrangement where we work on an open book basis into the future. This would mean the actual costs we incur reflect the price charged for the treatment of waste. So future savings or changes to costs of electricity, ash export etc. can be passed onto Guernsey reflecting a true cost of waste disposal, without private sector profit and avoiding the volatility of a constantly changing European market.

The treatment of waste on Jersey does incur GST, we have included this charge within our tender price at the current rate of 5%. If this changes in the future we will need to reflect the change in our pricing. Again this will be open book and agreed within the detailed contractual terms we will develop if successfully the preferred bidder.

Dfl believes that an inter-island solution provides the best mechanism to support local businesses, interisland transport links and keep the beneficial finances in local circulation.

Dfl can, if required, work with the States of Guernsey to develop alternative methods of waste disposal which are not identified in the Transport and Treatment ITT. For example, Dfl can, if required, accept food waste in the RDF delivered to the La Collette EfW.

The principles of waste importation need to be agreed by the States of Jersey Assembly prior to importation. The Minister for Infrastructure, Deputy Edward Noel and Jersey's Chief Minister, Senator Ian Gorst have both indicated that they strongly support the principle of importation of waste into Jersey and fully support an inter-Island solution to the Guernsey waste disposal issue. If we are selected as the preferred bidder we will bring this debate to the States of Jersey assembly as soon as practicable to make sure your timetable is adhered to.

If you require any further information or clarification please do not hesitate to contact myself or one of my team.

Yours sincerely



Chief Officer

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