

13 September

ISSUE:

The Economy, Jobs and Fair Work Committee are running an inquiry into the options for a public energy company. A call for written evidence on the role/ format of the company **closes on 13 September (today)** and oral evidence sessions are expected around October recess. The Energy Minister has written to the EJFW Committee to ensure that our leadership on this issue is fully understood.

The Minister for Energy, Connectivity and the Islands has written to COSLA (28 August) to engage Local Authorities in the development of the public energy company. An editorial was placed in the Herald on Friday (31 August) setting out our aims for the public energy company, this was our first public announcement of our Local Authority approach.

Portsmouth City Council announced on 10 August that they have ‘stopped’ their in-development energy company, this followed a change in administration from Conservative to Lib Dem. The council may lose at least £2.5 million of money already committed to the project.

Background: October 2017 - You pledged to set up, by the end of this Parliament (March 2021), a publicly-owned, not-for-profit energy company in Scotland to give people, particularly those on low income, “more choice and the option of a supplier whose only job is to secure the lowest price for consumers”.

Top Lines

- Scotland is an energy rich country with unacceptable levels of fuel poverty.
- Our ambition is to establish a public energy company to support our efforts to tackle fuel poverty.
- This company will be run on a not-for-profit basis while supporting economic development and climate change targets..
- We are in the process of commissioning the outline business case to assess detailed options for public energy company.
- We are proposing a phased approach, investigating how to support Local Authorities to operate a white label, or franchise, arrangement in phase one.
- The public energy company is a long-term ambitious project which is likely to move from this initial focus to direct energy supply and generation.

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28 June

ISSUE: 28 June - The Economy, Jobs and Fair Work Committee will publish a report (by the Centre for Energy Policy) to support a call for evidence on the role/ format of a public energy company.

The report is largely factual but interpretation may lead to suggestions that a “Scottish Government” owned company would be entering a market that is already diversifying, that further regulation will achieve many of the aims that the company would be aiming for and that the market would make it very difficult for the company to break even due to the fine margins involved.

Critics may suggest that a proposal around creating a company to help the growth of local and community energy projects may be a more effective approach.

Building on recent advice to Ministers officials are working to develop a statement of next steps to ensure that Scottish Government leadership of this agenda remains prominent.

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- 20 Dec 2017 - Further details trailed in the Energy Strategy with a commitment to undertake wide engagement and public consultation during 2018.
- The Strategic Outline Case (SOC) was published on 5 April.

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- Our ambition is to establish a publicly-owned energy company to support our efforts to tackle fuel poverty and help to achieve our climate change targets.
- This company will support economic development, contribute to tackling fuel poverty, as well as being publicly owned and run on a not-for-profit basis.
- The Scottish Government will consult on proposals for a public energy company later this year.
- Scotland is an energy rich country with unacceptable levels of fuel poverty.
- We are leading the way on this agenda, and introduced the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill earlier this week.
- This sets a new definition of fuel poverty with innovative use of the UK Minimum Income Standard.
- It also requires Ministers to publish a fuel poverty strategy as well as a progress report every five years and a report at the end of the target date.

[Redacted]

10 May

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There has been significant media and stakeholder interest since this announcement

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