

13 October 2017

BC/pt

Nicola Sturgeon MSP
First Minister
St Andrews House
Regent Road
Edinburgh
EH1 3DG



Dear First Minister,

I have recently been contacted by one of my constituents regarding your announcement about setting up a public energy company.

My constituent says that he applauds this commitment but has asked me to outline the issue faced by many people in rural areas.

Some years ago, the then Scottish Hydro, recognising that many rural areas don't have access to mains gas, set up a tariff called THTC (Total Heat Total Control) designed to run storage heating off-peak, plus another heating appliance on cheap rate. Consequently, many people installed electric boilers, which were just about cost-effective on that tariff. This means that, unless they are prepared to replace their entire heating systems, they are effectively locked to this tariff. No other provider offers such a tariff, and SSE don't offer it to new customers, while being free to increase the costs.

My constituent suggests that this area would seem an ideal case for the new public utility to consider.

Yours Sincerely,
Redacted

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Bruce Crawford MSP
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Bruce Crawford MSP Stirling constituency (SNP)
Office 16, John Player Building, Stirling Enterprise Park, Stirling FK7 7RP
Telephone 01786 471899
Email: bruce.crawford.msp@parliament.scot

Stirling Constituency covers: Aberfoyle, Arnprior, Ardeonaig, Balfron, Balquhidder, Bannockburn, Blanefield, Brig O'Turk, Buchlyvie, Balmaha, Callander, Cambusbarron, Cowie, Crianlarich, Croftamie, Deanston, Doune, Drymen, Fallin, Fintry, Gargunnoch, Gartmore, Inversnaid, Killearn, Killin, Kinlochard, Kippen, Lochearnhead, Milton of Buchanan, Plean, Port of Menteith, Rowardennan, Stirling, Strathblane, Strathyre, Stronachlachar, Thornhill, Throsk, Tyndrum

DATA LABEL: PUBLIC

Corporate Services

By email to:-
scottish.ministers@gov.scot

**Committee Services
Carol Johnston
Chief Solicitor**

Civic Centre
Howden South Road
Livingston
West Lothian
EH54 6EE

Redacted

20 November 2017

Dear Minister

AMENDMENT – PUBLICLY OWNED ENERGY COMPANY

At a meeting of West Lothian Council held on 7 November 2017, the Council considered a motion entitled 'Publicly Owned Energy Company'. An amendment by Councillor Fitzpatrick was subsequently agreed.

I would be grateful if you could consider the terms of the amendment (copy attached). I would ask that your response be directed to Graham Hope, Chief Executive, West Lothian Council.

Yours sincerely

Redacted

for Graham Hope
Chief Executive

Enc

WEST LOTHIAN COUNCIL LABOUR GROUP

Notice of Amendment from Councillor Lawrence Fitzpatrick for the Council Meeting on 7th November 2017

Item 10 – Publicly Owned Energy Company

Councillors are advised that The Scottish Government announced on 10 October that It would be taking forward proposals outlined in its manifesto for a publicly owned energy company. While there is no significant detail available at present, the Draft Energy Strategy published in January 2017 stated that:

“A Government Owned Energy Company (GOEC) should address specific market failure or add value through accelerating progress towards relevant policy aims and goals, and could take on a number of potential roles:

- deliver/support existing and new schemes and initiatives;
- deliver energy infrastructure including district heating;
- coordinate the procurement of energy efficiency and heat technology measures;
- act as an energy supplier, delivering on a not-for-profit basis; or
- administer a Scottish Renewable Energy Bond”

It cites a number of existing publicly owned energy suppliers including Aberdeen Heat & Power and Bristol Energy as examples of the type of schemes which could be included in future plans. It is intended that any GOEC would be in place by 2021 and would sell energy at as close to cost price as possible. The development of a GOEC could be seen as an alternative to local authorities developing their own Energy Services Companies (ESCO) or to existing schemes such as Our Power.

Council notes that West Lothian Council has almost totally upgraded its housing stock in terms of efficiency to Scottish Housing Quality Standard. Our Advice Shop service has helped maximise customer's income to a value of £7,687 and 278 homes were insulated through the Home Energy Efficiency Programme as well as offering energy advice to 699 customers which resulted in fuel savings of £64,226.

Fuel poverty is a major issue throughout Scotland with the last Scottish House Condition Survey highlighting that 29% of households in West Lothian were fuel poor and 7% were in extreme fuel poverty and agrees that any measures taken at a Government level to help address this issue, and to supplement or enhance the work already being undertaken by the council, are to be welcomed.

It is the case that Scottish Labour have long asserted the need for a publicly owned not for profit energy company and look forward to Scottish Government coming forward with meaningful proposals.

This Council, given the absence of timescales for establishing a state owned energy company calls on the Scottish Government to provide additional funding to resolve fuel poverty and to bring forward its plans without further delay.

**Councillor Lawrence Fitzpatrick
Group Leader
West Lothian Council Labour Group**



YorkshireEnergy

Yorkshire Energy
46 The Calls
Leeds, LS27EY

Redacted

W: ye.co.uk

Dear Minister,

I have followed with great interest the development of the Scottish Energy Strategy and read the report you commissioned from EY to support the creation of a viable, publicly owned energy company for Scotland.

The EY report states that a Scottish Energy Company has the potential to successfully address many of your current energy market problems such as low switching rates and fuel poverty. It also highlights that an Energy Company can support economic development and deliver innovation.

Demonstrating how this will be achieved is the big challenge and this is the purpose of my letter to you.

I have successfully created a low cost energy supply company and navigated a route to market with a innovative business model and I would welcome the opportunity to discuss with you how my experience could support your ambitions for Scotland.

My proposal also includes the involvement of key partners and industry specialists, global business with a proven track record as investors, in the Scottish economy: BP, and Legal & General.

I recognise that Scotland is in a unique position to change the energy industry. The Scottish Government may however face challenges if it relies on adopting the standard utility business model with its heavy upfront investment and significant political risk. Our proposal has a public service ethos and aims to establish a network of enterprises capable of delivering wider social and economic value.



Briefly my proposal is:

- to facilitate Scottish Energy Company becoming a fully licensed supplier and trading by early 2019
- to offer expertise and experience to accelerate the delivery of a low risk, scalable business model that is publicly owned and cost effective
- to support the development of an energy company for Scotland capable of delivering your wider economic agenda
- to facilitate the infrastructure investment including the large scale installation of batteries for households that could be aggregated to provide large scale storage facilities for the grid and a framework for Scottish PPA's
- to identify and develop key pilot projects on a "test and learn "basis e.g. electric charging points, energy efficiency initiatives, which can then rolled out at scale

It is the opportunity to work and deliver at scale that could make a Scottish Energy Company an economic and social game changer.

We are keen to work within the framework of the EY assessment and would welcome an opportunity to discuss our proposal with you.

Yours Sincerely

Redacted

Peter J Connolly

Chairman Yorkshire Energy Ltd

Redacted

Redacted

Sent: Friday, November 23, 2018 11:43:36 PM
To: Wheelhouse P (Paul), MSP; Cunningham R (Roseanna), MSP; Sturgeon N (Nicola), MSP
Subject: Scottish National Energy Company - Replacing Feed In Tariffs

Dear Nicola, Paul and Roseanna,

I have chosen to e-mail you as I believe that your responsibilities cover the topic and the suggestion this e-mail contains.

As you may be aware (and if the media stories I have read are correct) the UK Government is currently deciding on whether to bring an end to Feed in Tariffs for small scale renewable projects. This funding is particularly key to individuals who may be considering whether it is financially viable to install solar panels on their rooftops. My suggestion is that if the UK Government decides to bring these tariffs to an end, that the future Scottish National Energy Company should replace these tariffs by buying electricity directly from small scale producers. This could even be combined with some sort of financial incentive and ongoing payment to encourage more people to install renewable energy sources. The end outcome being the continued reduction in Scotland's carbon emissions.

I'm not sure if it's legally possible but for what it's worth I thought I would pass on my suggestion.

Redacted
Redacted



The Scottish Parliament
Pàrlamaid na h-Alba

ALASDAIR ALLAN

MSP for the Western Isles - BPA airson nan Eilean Siar



Mr Paul Wheelhouse MSP
Minister for Energy, Connectivity and the Islands
Scottish Government
St. Andrews House
Regent Road
Edinburgh
EH1 3DG

Our Ref: AA2610

28 January 2019

Dear Paul,

Re: Public Energy Company

I am writing to you in light of the recent disappointing news that the energy firm Our Power has ceased trading.

As you may be aware we have a White Label local energy company in the Western Isles called Hebrides Energy which was using Our Power as the energy supplier. I am aware that this type of local White Label arrangement was the approach favoured in developing the model for the Public Energy Company.

I would be grateful therefore if you could provide me with an update on the progress of the Outline Business Case for the Public Energy Company as well as a potential timeline for the Public Energy Company being available as a supplier for a White Label arrangement.

I look forward to your reply.

Yours sincerely,

Redacted

Alasdair Allan MSP

20 Kenneth Street, Stornoway, Isle of Lewis, HS1 2DR
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The Scottish Parliament
Pàrlamaid na h-Alba

GIL PATERSON MSP

Clydebank and Milngavie

SUITE 1-6
TITAN ENTERPRISE BUSINESS CEN.
1 AURORA AVENUE
CLYDEBANK G81 1BF



Paul Wheelhouse MSP
Minister for Business, Innovation and Energy
The Scottish Government
St. Andrew's House
Regent Road
Edinburgh
EH1 3DG

19/06/18

Re: Paul Richards, Together Energy

Dear Paul,

A constituent Mr. Paul Richards of Together Energy Ltd. met with me recently to discuss issues affecting his business which is based in Clydebank.

Together Energy Ltd. is a new independent energy supplier which was established in 2016 and has grown from a standing start in October 2016 to now employing over 100 workers.

They have a policy of recruiting locally and have employed 90% of their new staff from the lowest 10% of SIMD postcodes which is a real positive addition to the deprived local economy in Clydebank

As many of their new employees have performed less well at school the company has evolved an ethos of a "second opportunity to learn" and provide 2 hours of learning each week for every employee. In addition, they encourage staff to improve their educational attainment and have a relationship with the Business School at Strathclyde University to promote this aspiration.

Although their business is very successfully growing, with 55,000 customers after only 20 months, they are concerned about the impact the new publicly owned, not for profit energy company being promoted by the Scottish Government might have on the sustainability of Together Energy Ltd. when it is established and would appreciate the opportunity to discuss the issues with you.

Mr. Richards is very knowledgeable on the energy supply industry and I am sure he will raise matters in a positive way which will be of interest to the Scottish Government.

Gil Paterson MSP | Clydebank and Milngavie | Scottish National Party

e: gil.paterson.msp@parliament.scot | **www:** gilmsp.com | **fb:** gilmpaterson | **tw:** @gilmpaterson

Constituency address: Titan Enterprise Business Centre, Suite 1-6, 1 Aurora Avenue, Clydebank, G81 1BF, **t:** 0141 952 9677

Parliament address: M5.10, The Scottish Parliament, Edinburgh, EH99 1SP, **t:** 0131 348 6812

Will it be possible to arrange a meeting with Mr Richards, yourself and myself to discuss Together Energy's concerns?

I look forward to hearing from you.

Redacted

Gil Paterson MSP

Member of the Scottish Parliament for Clydebank and Milngavie (SNP)

Sent: 26 September 2018 09:43
To: Minister for Energy, Connectivity and the Islands
<MinisterECI@gov.scot<mailto:MinisterECI@gov.scot>>
Subject: Renewable Energy Proposal

Dear Mr Wheelhouse,

Allow me to introduce myself,

My name is **Redacted** and hail from Aberdeen. At the moment, I am in the process of setting up a renewable energy operation in Scotland, focusing on solar panels and other energy efficient products, such as solar lighting. Our business model is one which benefits from the experience of having sourced products to facilitate similar projects, albeit on a greater scale, in South Asia.

It was met with great interest recently, when the First Minister alluded to a potential initiative to create a government, not for profit renewable energy programme. We are all aware that renewable energy is the most prudent way to address Scotland's energy requirements, although we really are still at the early stages of procurement, let alone full roll out. I feel that due to our experience in sourcing competitively priced solar panel hardware and ancillaries, manufactured to Tier 1 standards for contracts as

aforesaid, we have a competitive edge in this area. As such, we are able to support such an enterprise by working with the Scottish Government, offering the knowhow to supply install and maintain this equipment.

This challenge was discussed with a friend of mine, **Redacted**, who is a former and long standing, Aberdeenshire SNP Councillor. I believe he may be known to the First Minister, as he was one of the team who organised and implemented the Independence Campaign Marches, prior to the Independence Referendum some years ago. I also understand from **Redacted** that he discussed the above with a former colleague of yours, who alerted you to the fact that I would like to write to you regarding this matter, subsequently you kindly supplied your email address.

In order that this can be expanded upon, I feel it would be beneficial, along with our Technical Director, **[REDACTED]**, that we meet to allow us to give a short presentation in this regard.

Regards

Redacted

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From: Redacted
Sent: 09 November 2017 07:28:51
To: scottish.ministers@gov.scot
Subject: National Energy Company - Implementation

FAO: Paul Wheelhouse, Minister for Business, Innovation and Energy, Scottish Government

Dear Paul,

I was excited to hear the First Minister's announcement about plans for a national energy company. It makes a great deal more sense than attempting to patch the energy market with a price cap.

My company, Venturebright, creates high growth ventures for large corporations across different industries and my business partner Redacted and I both have experience starting new energy ventures (with Edf and E.ON respectively).
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I'd love to talk to you about getting this new venture going and find out if there is any way we could assist.

Best regards,

Redacted
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Redacted



John Finnie
Member of the Scottish Parliament
Highlands and Islands

The Scottish Parliament
Pàrlamaid na h-Alba

John Finnie
Ball Pàrlamaid na h-Alba
A' Ghàidhealtachd agus na h-Eileanan

Paul Wheelhouse
Minister for Business, Innovation and Energy
St. Andrew's House
Regent Road
Edinburgh
EH1 3DG

18 JAN 2018

16th January 2018

Dear *Paul*

Not-for-profit Energy Company

I write today regarding the Scottish Government's proposal to establish a not-for-profit energy company.

The Highlands and Islands has the potential to become the engine room of Scotland's sustainable future, yet suffers some of the highest fuel poverty rates in the country.

It is my hope that communities in the region are able to share in the benefits of the sustainable energy produced in their communities.

I understand that the Scottish Government has committed to having the company operational by 2021, and therefore there is much work to be done and scrutiny to be applied in the coming years.

I hope you will give consideration to basing this new company in the Highlands and Islands to ensure that the region benefits from these jobs in Scotland's new economy.

Kind regards

Redacted

John Finnie MSP

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Sent: 07 December 2017 18:56

To:

Nicola.Sturgeon.msp@parliament.scot<mailto:Nicola.Sturgeon.msp@parliament.scot

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Redacted

Subject: Publicly owned energy company.

Good evening,

I'm aware that as I write is roughly 6.30 pm and Paisley is awaiting the news of its bid for city of culture 2021. Perhaps to be honest its no mistake that I choose to write now though that's for you to decide.

Having just recently moved to Paisley from Stirling in August of this year it has been on my mind before I left Raploch (a similar area) to Ferguslie Park that folks suffer in many ways as you know and as is indicated in the SIMD figures. Many of these indicators include things like health, education, etc with another key factor in peoples well being that of energy and fuel poverty amongst folks from all ages.

I'll get to the point! I'm glad to hear of your desire to set up a publically owned energy company by 2021 ! interestingly enough... with as view amongst others to helping those on low incomes.

I'm writing Nicola (if I may) because I believe that something has been brought to my attention that might help this move further forward and particularly help those in what is said to be Scotland's most deprived area ? that of Ferguslie Park.

It seems that one thing amongst many positives that I see in the community and amongst its people is that of its post code ? yes I've not gone mad ? seemingly the post code for Ferguslie Park is not only significant but special in that it's as far as I'm aware the only community in Scotland that has its own, in other words if your post code is PA3 1?? then that means that you can be identified as living in Ferguslie Park and no other part of Paisley.

This I believe provides a great indicator in helping those within the area to access cheaper energy in terms of the community being able to approach energy suppliers and perhaps request some kind of community deal that would not only access cheaper energy supply based on a kind of community sign up (perhaps some 5,000 folks ? not sure how many houses at present) in the same way perhaps that a community would buy an island i.e. Egg.

So I'm writing to ask if somehow Ferguslie Park might be a place to begin in this process ? could you either help us to approach an energy company as a community to get a cheaper deal or might your idea begin here.

The other benefits as far as I see them not only involve people getting access to cheaper energy by encouraging a community change over as it were but also it may allow people to access other energy saving things like insulation, better gas/electric fixtures in their homes, advice, etc

Thus helping one of the most deprived communities in Scotland.

I leave it there ? to be honest I'm sure that the post code and the ability to prove where one lives in this case could I believe open many positive doors for the people in this community.

Happy to talk through this and obviously this'd need to be something discussed with the proud people of the area of which I'm only a recent incomer.

Many thanks and we'll see how Paisley get's on shortly!

Red
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Redacted

From: Redacted
Sent: 10 October 2017 17:49
To: First Minister; Nicola.Sturgeon.msp@parliament.scot
Cc: Redacted
Subject: Public Energy Company - how can we help

Dear Nicola,

I watched your recent speech with interest as both a Scottish citizen and SNP voter. It was with mixture surprise and excitement that I heard you intend to start a domestic energy supply company that is publicly owned to sell power at as close to wholesale price as possible.

The excitement stems from the fact that I work in the industry and am based in Scotland. Myself and my business partner have now helped several UK energy companies to enter the market, we are actively working with one starting in Scotland right now that want to provide domestic storage solutions in order to reduce householders bills - potentially below wholesale price. Another one of those new entrants was an English council that is seeking to benefit it's citizens in a similar way to the supply company you have just announced and to help alleviate energy poverty.

At this stage, the information that I've seen made publicly available is sparse naturally given it was only recently announcer; however I want to express our desire to be involved if there is any way we can help. We know the industry well and the senior management teams in most of the common suppliers that will be needed to make this happen quickly and cost effectively.

Clearly, part of the key to providing energy at as close to wholesale as possible is

keeping your overheads as lean and efficient as possible - my opinion is that the easiest way to do that is by having a partner who has done this before and ideally is based in Scotland.

I presume there is also a desire to focus on renewable energy provision, with a focus on energy generated within Scotland - thus providing the economic benefit and support for local generation, while also reducing householder bills. If that is the case - it may also be prudent to mention that I am actively enrolled in a Heriot Watt course for renewable energy development and happy to bring in contacts from those areas as needed.

Basically I think this is a very good idea for the country and want to help, how can I make that happen?

Regards
Redacted

Redacted

Regards,
Redacted

GS/JF

3 September 2018

Mr Paul Wheelhouse MSP
Minister for Energy, Connectivity and Islands
The Scottish Government
St Andrew's House
Regent Road
Edinburgh EH1 3DG



Dear Minister

Scottish Government's Proposed Public Energy Company

I read with interest your Agenda piece in the Herald newspaper, Friday 31 August, regarding the Scottish Government's proposals for the Public Energy Company and your wider comments about Scottish energy policy.

GMB Scotland, the union for energy workers, shares your concern about the stubborn problem of fuel poverty in Scotland. You are right to point to the disparity between Scotland's position of relative wealth in energy resources alongside a harsh reality where too many of our people are forced to choose between heating and eating. GMB Scotland shares your belief that there is a greater role that the state could play in the energy retail market. We also particularly welcome your commitment that a new Scottish public energy company must be involved in both energy generation and retail.

In your article, you encourage Scottish local government to engage with your plans and talk about the potential benefits that you see for consumers. It is, however, disappointing to us that you do not talk about the position of energy workers who are currently experiencing significant anxiety as a result of the mixed messages of Scottish energy policy and very real world challenges that already exist in the energy industries.

The current debate around the Climate Change (Emissions Reduction Targets) (Scotland) Bill, for example, appears to be being led by an interest lobby more concerned with pursuing an ideological agenda around energy policy rather than putting in place workable arrangements which meet the scale of the climate challenge, whilst also recognising the importance of energy to both domestic and industrial consumers of energy and as a source of employment and economic benefit. I am concerned that the Scottish Government seems unwilling, so far, to take on these difficult but vitally important arguments and our members are increasingly concerned that some in Scottish politics, regardless of rhetoric around a so-called "just-transition", seem to regard other peoples' jobs as expendable.

Redacted



In formulating proposals for a public energy company and for energy policy more broadly, GMB Scotland wish that the Scottish Government would give more weight to these considerations and to a more honest appraisal of how our energy needs are being met in reality, with, as you know, a continuing role for gas as a transition fuel and a serious appraisal of new nuclear needed. The existing nuclear stations are inching closer to the end of their useable life and the only question about gas in our future energy supply is where we are going to get it. You will be well aware that the risk is increasingly of an even larger reliance on imported gas to both heat our homes and keep industry turning.

Right now, GMB Scotland members working for Scottish Gas are acutely worried about that company's plans to cut 4,000 more jobs across the UK, with very real concerns for us about the future of their sites in Hamilton and Edinburgh as a result. Our concerns about the real level of jobs within the renewables sector in Scotland are well known to you, although we both share a desire to see these numbers change. We are also currently having to campaign to get our members a hearing in the exploitation which has been allowed to become rife within the energy from waste sector, where Scottish public authorities are signing engineering construction deals to procure new facilities using bogus self-employment and rip-off agencies.

I hope that you will reflect on whether there is more that could be done in planning for the new public energy company to engage directly with representatives of Scottish energy workers and to develop a credible energy policy which seeks to balance both the challenges and the needs which the country faces.

If it would be of interest to you to engage further on any of these points then, as always, GMB Scotland would be pleased to hear from you or your officials, to find areas of common ground and to help improve the quality of the energy debate which Scotland rightly needs to have.

Yours sincerely

Redacted

GARY SMITH
GMB SCOTLAND SECRETARY