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and Energy
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By email
5 September 2023

Dear Edward,

Thank you for the Committee's report on the Legislative Consent Memorandum and supplementary LCM for the UK Energy Bill, which sets out the Committee's views on the Bill in the round and its concerns in relation to particular parts of the Bill. I wanted to update you on progress on the Bill and on negotiations on amendments with the UK Government.

On Thursday, the UK Government tabled amendments including many that have been agreed with the Scottish Government to address our concerns regarding devolved competence and/or the application of the Bill in Scotland. These agreed amendments are the product of intensive engagement at both official and Ministerial level. The amendments agreed are vital to our net zero interests though it is disappointing that we have not been able to secure other asks on the Bill. Agreed amendments that improve the Bill relate in particular to: the marine recovery fund, reducing the impact of oil and gas activities, low carbon heat schemes, heat networks and energy efficiency of buildings.

The Scottish Government nevertheless is deeply disappointed that the UK Government has not been able to offer further amendments on important issues such as CCUS, hydrogen and offshore wind, where it would have been possible to make amendments that would have both improved the impact of the Bill and fully respected devolved competence. The UK Government's approach to negotiations on these amendments has not been conducive to a pragmatic resolution of these issues.

As the amendments have been tabled the Scottish Government will now, subject to the normal clearances and in line with the Parliament's Standing Orders, seek to lodge a Supplementary LCM covering these amendments within 2 weeks. We would be grateful if the Committee could prioritise consideration of the Supplementary LCM as we expect the Bill to gain Royal Assent in early October.

I would like to take this opportunity also to provide some further information in relation to the Committee's inquiry on Scotland's Electricity Infrastructure.

As the Committee knows, one of the key inhibitors to our ability to rapidly progress the decarbonisation of our electricity system is the lack of fully devolved powers in relation to consenting of electricity infrastructure, for which amendments to the UK Electricity Act 1989 are needed. In May 2022 Michael Matheson, former Cabinet Secretary for Net Zero, Energy and Transport, wrote to the then Secretary of State Kwasi Kwarteng setting out the issues in relation to the consenting regime in Scotland and its need for modernisation in order to ensure effective delivery of net zero and interim targets. Scottish Government officials have been in regular contact with their UK Government counterparts since that point and have provided, when requested, information to the Department for Energy Security and Net Zero on the operation of the applications and determination regime in Scotland and where modernisation of the regime would have the most impact on reducing delivery timescales. This included providing specific drafting proposals for the necessary regulation making powers.

To date, however, officials have not had any confirmation from the UK Government which either: agrees that legislative change is necessary to achieve this goal, or offers any proposals to achieve the changes we are calling for.

We continue to engage with UK Government on these points, which as the Committee will be aware are now supported by the UK Government's own independent electricity network commissioner. We continue to urge the UK Government to urgently put forward proposals to achieve the necessary reforms.

I look forward to reading and considering the Committee's report from its inquiry.

I am copying this letter to the Minister for Energy and the Environment.

NEIL GRAY