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Gordon Lindhurst MSP
Convener
Economy, Energy and Fair Work Committee
Scottish Parliament
Holyrood
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9 October 2019

Dear Convener,

Thank you for your letter of 25 September requesting an update on the development of the public energy company.

As I informed you in my letter of 19 March I am grateful for the committee's consideration of the opportunities that a public energy company could offer, in your report published last December. As I noted in that letter the Scottish Government wishes to build on your conclusions and my officials ensured that the report has been considered as part of the development of the outline business case.

In terms of the current position, my officials have just received the final outline business case and are providing advice as to next steps for my consideration. This will be with other Ministerial colleagues given the potential public policy outcomes the energy company can deliver in a range of areas including tackling fuel poverty and climate change.

My letter of 30 August 2018 informed the Committee that I had written to COSLA with the offer to work in partnership with them to develop the public energy company ambition. I offered local authorities a place on the steering group that my officials established to support the evidence base for the company. Through SOLACE and COSLA representation we have received positive input and constructive challenge. Initially we had expected to conclude the outline business case in the spring, however following discussion with local authority representatives we extended the timeline to maximise their involvement. In particular initial findings were presented, by the lead consultants Grant Thornton and my officials, to the SOLACE branch on 30 May.

Once I have been able to consider the outline business case my intention is that the Scottish Government will use it as the evidence base to discuss next steps with interested local authorities. I would plan to publish the outline business case after local authority partners have been able to consider the report and I have been able to consider next steps with my officials.

Kind regards



PAUL WHEELHOUSE