Scottish Publicly Owned Energy Company (POEC)

- What are your general views on the idea of a Scottish publicly owned energy company (POEC)?
  I am not convinced that this is either necessary or would influence the energy market significantly.

- What role should it fulfil and how?
  Given the role identified it will take several years and substantial investment to achieve the necessary critical mass for the company to make any difference to the market.

- What are the key challenges that the POEC should address?
  Size, capital and pricing policy apart from state aid restrictions

- How might a Scottish energy supply company work best to support the growth of local and community projects, and fuel poverty reduction?
  The point of my submission is that many of the aspirations of a POEC are already supplied by an existing social interest company in which the government is already invested.
  Pending an imminent study by EY, there is an economic case for limited further investment by the shareholders including SG and Social Investment Scotland in Our Power. This company has been established for 3-4 years and has a significant revenue and customer base but requires £6m to £8m to achieve sustainability.

- How can the POEC be best designed to align with wider Scottish energy policy objectives, and to avoid potential policy conflicts?
  Look at Our Power.

- Should a new Scottish POEC be more than solely a licensed energy supply company? Should it have a direct role in energy generation?
  Generation is a capital intensive business and there is already significant mixed generation available in Scotland with further wind and additionally solar to come, all funded by the private sector.

- How might the POEC be designed to promote objectives and functions beyond the retail of gas and electricity (e.g. supporting investment and innovation in new technologies and infrastructure)? What benefits are there to having wider objectives?
  I would suggest that any further intervention is limited to short term fiscal incentives for generation as permitted by devolved tax legislation.
• What governance arrangements should a Scottish POEC have? Who should it be accountable to e.g. Parliament?
  Company law should be sufficient

• Should legislation be required to underpin the creation of a POEC?
  No, as suggested there is already a platform in Our Power which is available and will reduce the timeline by a couple of years.