

Community Energy Scotland 67a Castle Street Inverness IV2 3DU

## Open letter to Scottish Members of Parliament - 4 May 2023

## **COMMUNITY ENERGY & THE ENERGY BILL**

We are writing to ask you to support amendments 272 & 273 to the Energy Bill during the Bill's **Second Reading debate in the Commons on Tuesday 9th May**.

Last week the House of Lords voted to add the wording of the Local Electricity Bill as two amendments to the Energy Bill at its Lords Report stage. This means that the Energy Bill now contains two new clauses – numbers 272 and 273, that would enable growth in community renewable energy schemes by allowing them to sell their power locally.

While the Government opposed these amendments, they have cross-party sponsorship and the backing of the Labour and Liberal Democrat Front Benches. Overall, 318 MPs now support the Local Electricity Bill, including 125 Conservatives.

The Scottish Government Energy Statistics Hub<sup>1</sup> reports 896MW capacity of operating locally owned renewable energy initiatives in 2021. However, only 10% (<100MW) of these are community owned (rather than owned by, for example, public sector, farms, or local businesses). This is supported by Community Energy Scotland's own research 'State of the Sector - 2021'<sup>2</sup> which reports 86MW of community owned electricity across 103 of our member organisations in 2021.

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<sup>&</sup>lt;sup>1</sup> Scottish Energy Statistics Hub (2023) 'Community and Locally Owned Renewables: Capacity of operating locally owned renewable energy initiatives' (accessed 03/05/2023) < <u>https://scotland.shinyapps.io/sg-scottish-energy-statistics/?Section=LocalEnergy&Chart=LocalRenewables</u>>

<sup>&</sup>lt;sup>2</sup> Community Energy Scotland *et. al.* (2022) 'State of the Sector', p. 17, < <u>https://communityenergyscotland.org.uk/wp-content/uploads/2022/06/UK-State-of-the-Sector-Report-2022</u> Full Version.pdf>



## **Empowering Communities**

On this basis Community Energy Scotland argue significantly more needs to be done to prioritise community owned energy projects, which have the capacity to be accelerated at pace. This was the conclusion of the House of Commons Environmental Audit Committee, which found in its community energy inquiry that community owned energy capacity could be nearly twenty times higher across the UK, **but only if local supply is enabled**.

Community Energy Scotland has long called for community electricity trading and local supply to be enabled and unlock the significant potential for local energy markets. This would support Scottish and UK targets on decarbonisation, create new businesses cases for community energy projects, and would also decrease the vulnerability of our communities to market fluctuations and fuel poverty. The Scottish Government have also called on the UK government to reform market trading and unlock localised energy markets in their draft Energy Strategy & Just Transition Plan.

We ask that you publicly support these amendments and support the Energy Bill through its second reading on the 9<sup>th</sup> of May.

Yours Sincerely,

Zoë Holliday CEO, Community Energy Scotland

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