

OurPower



Objectives



- Address the market failure impacting on low income households
- Impact on fuel poverty directly through price
- Create an asset-locked entity with the ability to recycle profits
- Generate renewable energy to give a profit-line PLUS price stability of energy over time
- Look at wider structural ways in reducing fuel poverty

Structure

- Industrial provident society with community benefit
- Membership from social housing providers and community controlled organisations
- Group structure
- Licensed energy supply company as a wholly owned subsidiary – first to market

Priority 1: Licensed energy supply company

- Prioritising prepayment meter tariffs in the first instance
- Smart meters critical
- Focus on excellent customer service
- Delivering clear advice and support to maximise value from customers energy expenditure
- Controlled market entry based on voids
- Service available to member's communities

Tariffs

- Target tariffs £100 lower than Big 6 standard tariffs
- Equalising tariffs regardless of payment method as the longer term goal
- Having tariffs that are structured to work depending on use (i.e. structured for high users/low users)

Priority 2: Establish renewable generation pipeline

- Focus on joint ventures with members, community generators and private developers
- Spread of technologies – wind, solar, hydro
- Ambition to generate 30% of energy within first 18 months rising to 100%
- Regulatory requirement to have 24.4% of energy supplied from renewable sources or pay a fixed penalty

Priority 3: District heating/infrastructure solution

- Billing and metering solutions available after controlled market entry
- Developing a district heating strategy and business plan within 18 months

Progress since the Business Plan was developed



Membership interest

- 36 organisations here today
- Business Plan out to an additional 12 organisations
- Potentially members with 200,000 stock

Progress since the Business Plan was developed



Funder discussions for funds to support market entry

- Scottish Government
- Social Investment Scotland
- Other social investment funds
- Between £3.5m - 5m
- Investment Committee meetings in September

Key issues

- Longer term objective v speed of market entry
- Funding requirement/available funding
- Scale of membership
- Energy purchase strategy
- Tariff structure
- Business start-up