



THE UNIVERSITY *of* EDINBURGH
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Ownership models and business structures in UK Local Authority energy initiatives

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International Workshop on Publicly Owned Energy Companies

Edinburgh Centre for Carbon Innovation

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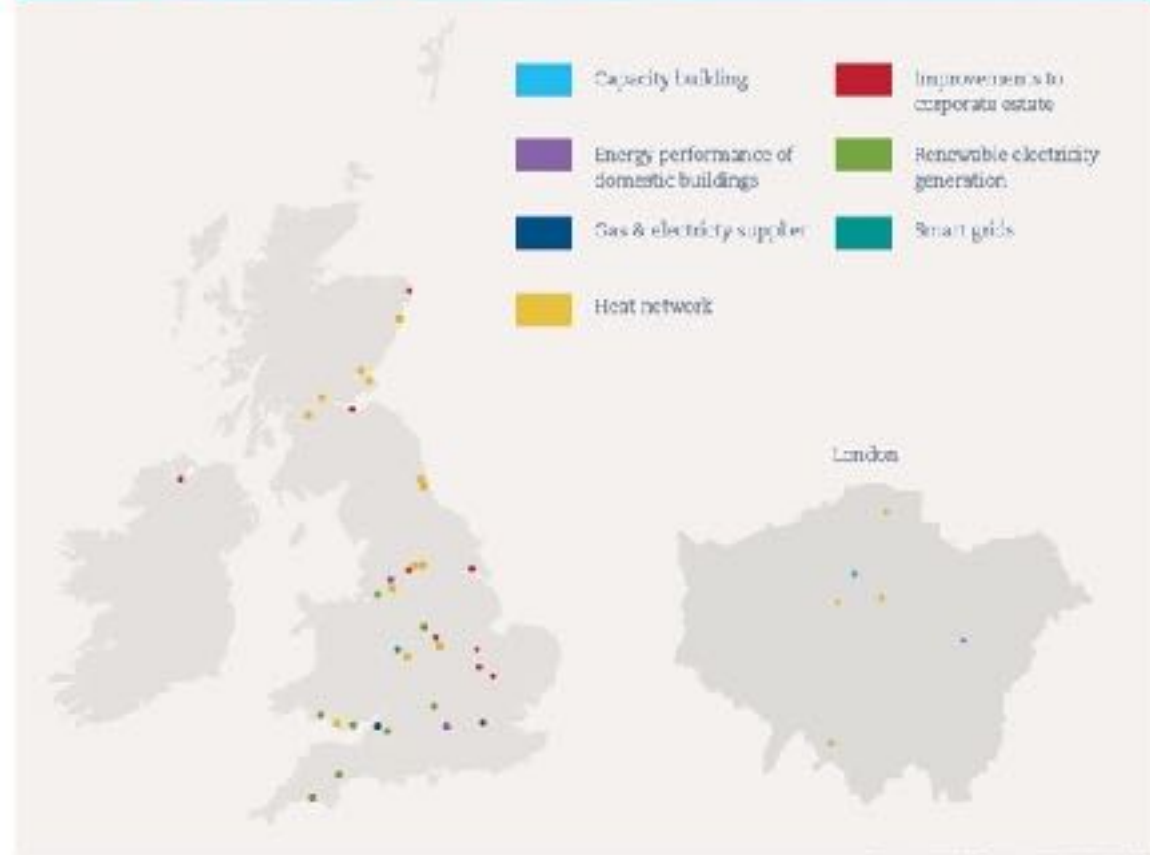
Who owns LA energy initiatives and why?

- operated in-house & via independent business structures
- techno-economic characteristics does not determine ownership model
- similar goals delivered through different ownership & business structures
- customised to local circumstances



- local flexibility?
- reflection of challenges of embedding energy provisions in council structures?

Figure 3: UK Local Authority engagement in energy systems



Source: Wells, Beger and Harker (2017)

Figure 4. The different types of energy initiatives included in the LA case studies

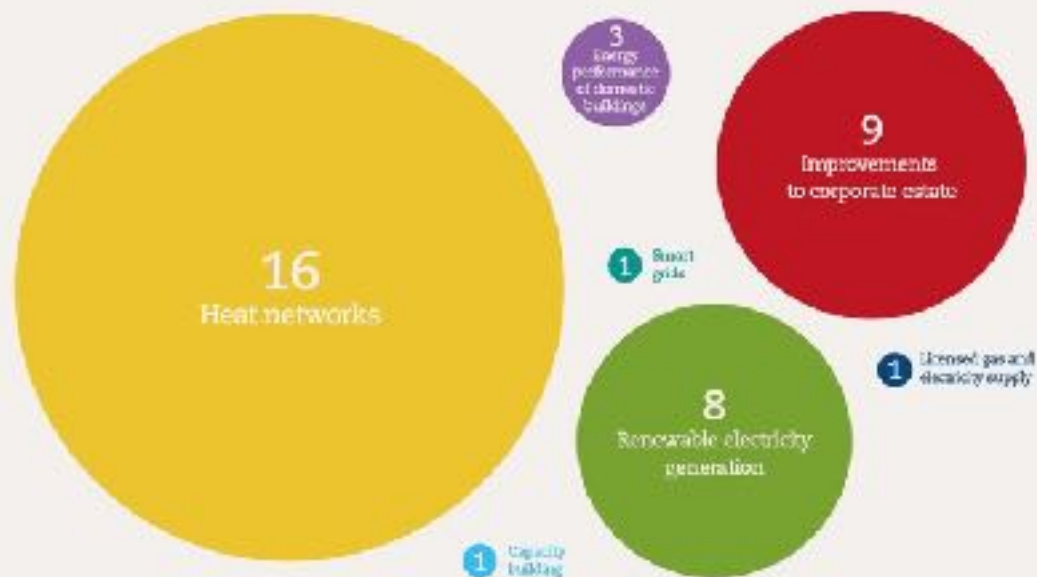
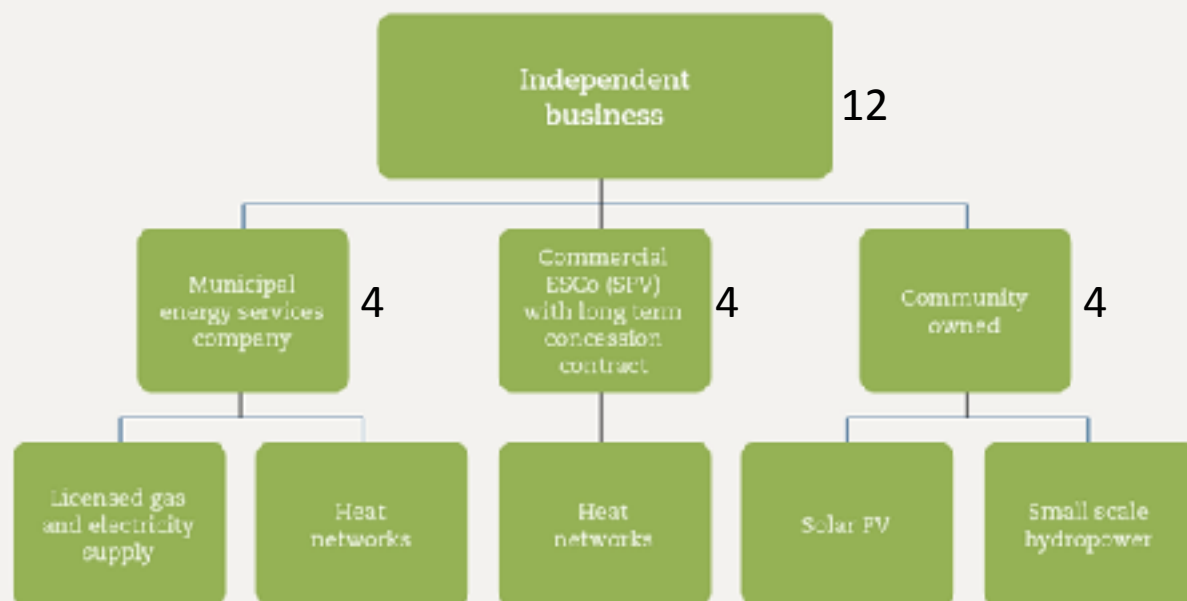
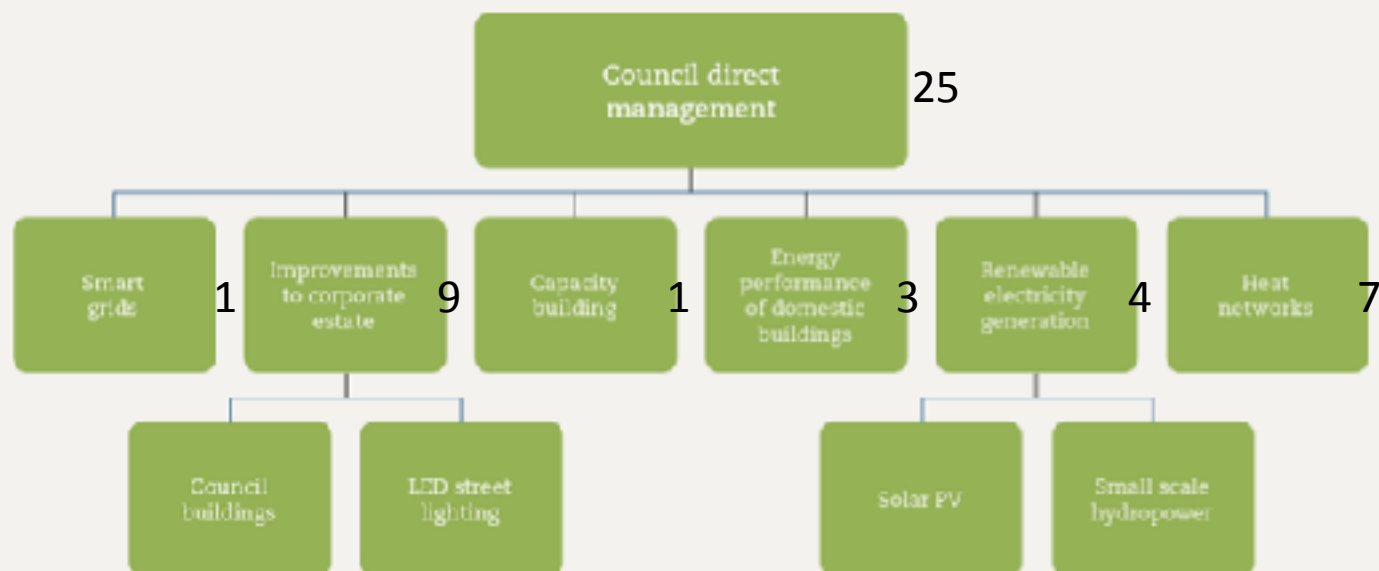


Figure is scaled according to the number of each type of energy initiative

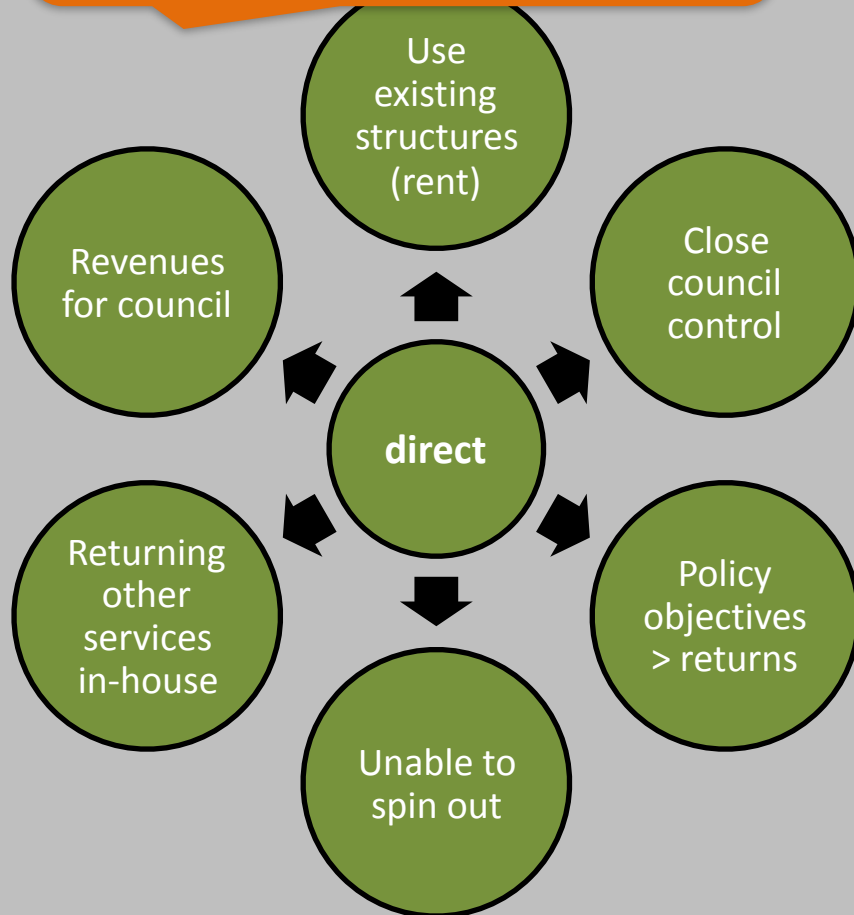
Figure 7. Types of projects according to business structure



Common factors re ownership and business structure

We were trying to deliberately not set up new processes and structures because it works. ... By changing as little as possible, the plan is to keep those processes simple, which de-risks things like bad debt.

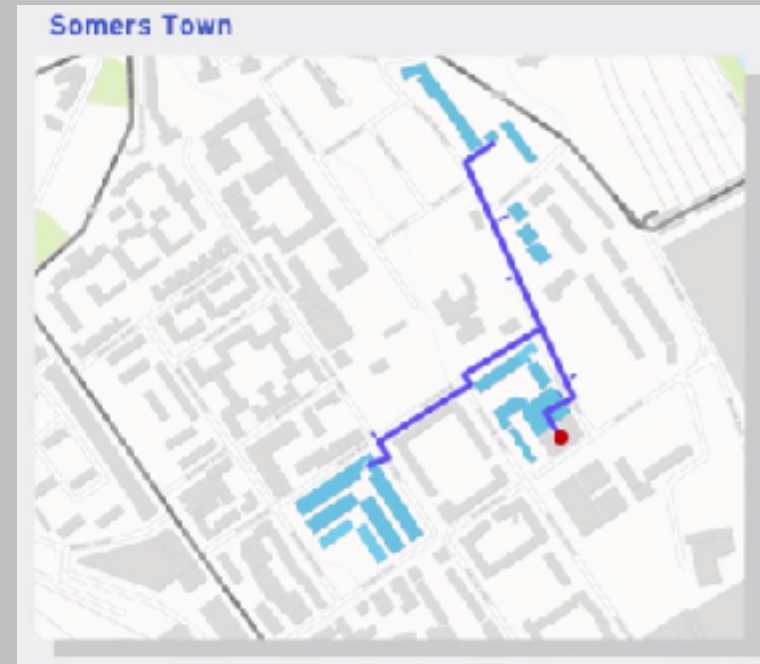
London Borough



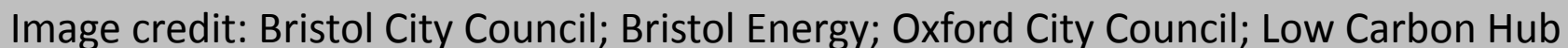
They had a tried and tested very traditional model that ... they knew gave them the returns that they wanted and would achieve what we wanted from the carbon emission reductions. And it is doing that, it does what it says on the tin.

English City Council





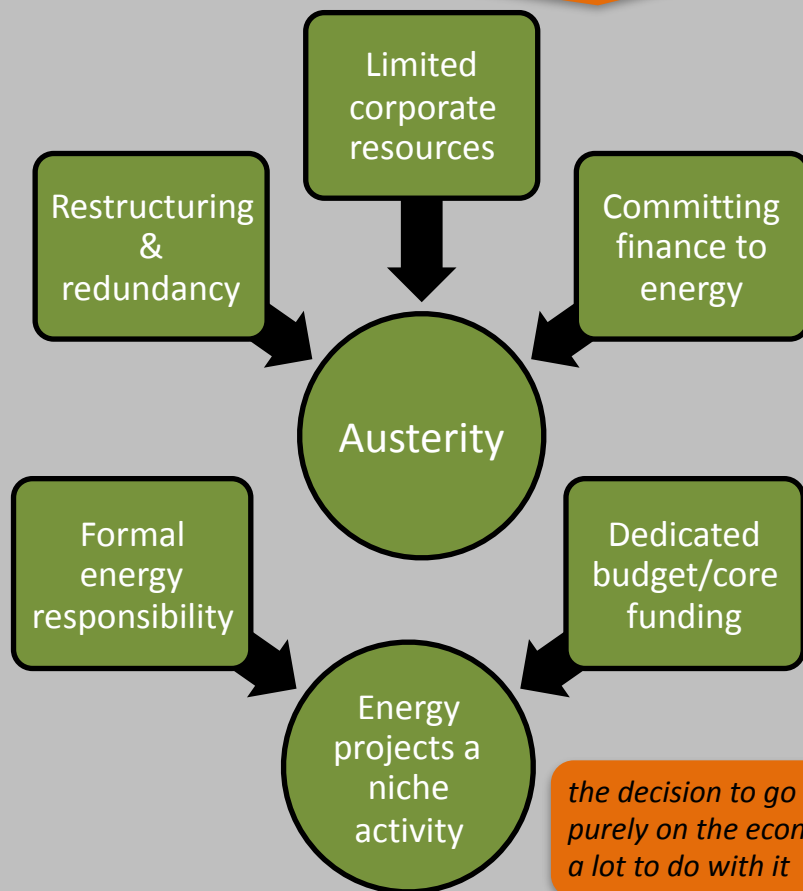




local flexibility / reflection of challenges of embedding energy provisions in council structures?

The first thing [Councillors] think is, 'Right, let's go 100% renewable' ... that's a massive project which will require huge amounts of projects and a whole new staff team. There's no understanding of what that change would be like.

Metropolitan District

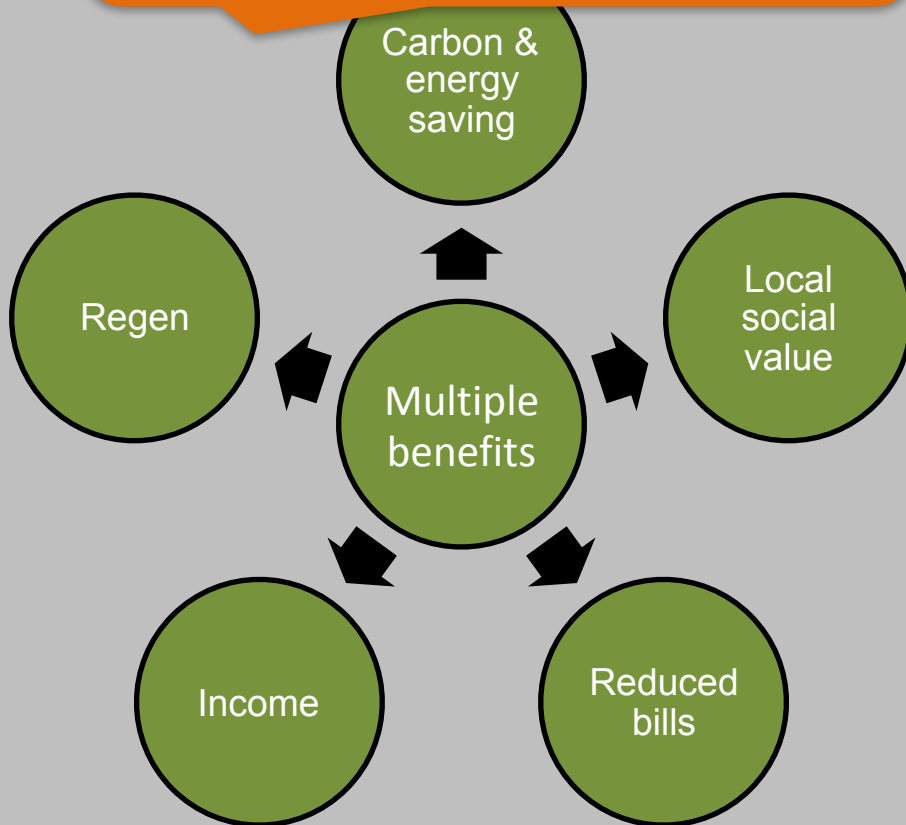


the decision to go ahead with the project was based purely on the economics of it. The carbon didn't have a lot to do with it

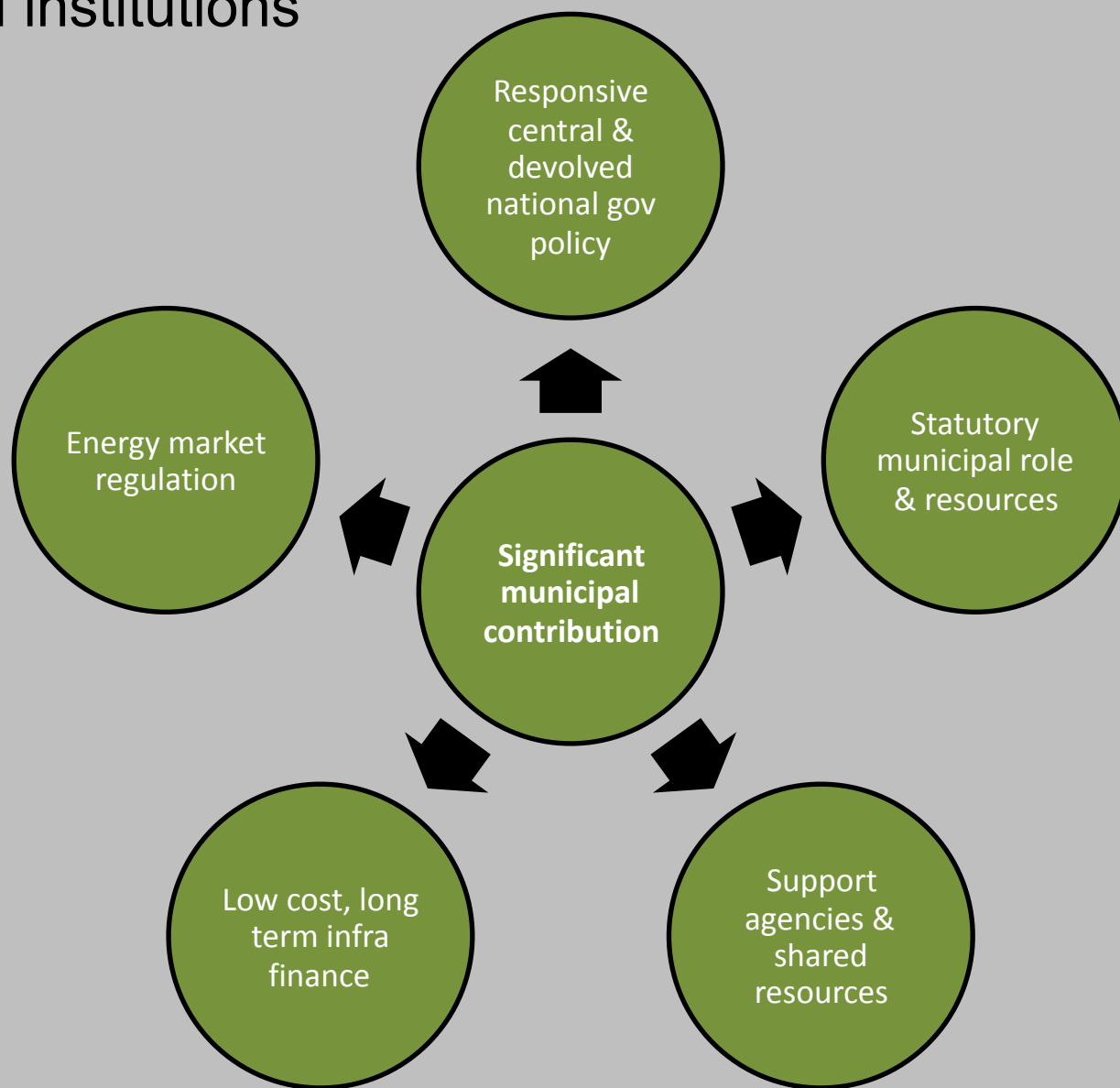
English City Council

We have a big role to play in this [energy] agenda... There's obviously a big transformation of local government underway, and we must work differently ... we see the transformation of Birmingham's energy system, and its interactions with other service areas, as a catalyst for delivering multiple outcomes.

Birmingham City Council



Significant Local Authority contribution needs responsive policy and institutions



Thank you

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 @heatandthecity



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