SUPPLEMENTARY LEGISLATIVE CONSENT MEMORANDUM (MEMORANDUM NO 2)

GREAT BRITISH ENERGY BILL

- This legislative consent memorandum is laid under Standing Order ("SO") 29.2. SO29 prescribes that a legislative consent memorandum must be laid, and a legislative consent motion may be tabled, before Senedd Cymru¹ if a UK Parliamentary Bill makes provision in relation to Wales for any purpose within, or which modifies the legislative competence of the Senedd.
- The Great British Energy Bill ("the Bill") was introduced in the House of Commons on 25 July 2024. The Bill can be found at: <u>Great British Energy</u> <u>Bill - Parliamentary Bills - UK Parliament</u>. The Cabinet Secretary for Economy, Transport and North Wales laid an LCM on 8 August 2024 on the Bill as introduced which includes a summary of the Bill.
- 3. The Bill completed House of Lords Committee Stage on 22 January 2025 and will begin Report Stage on 11 February. This sLCM covers the UK Government amendments laid on 23 January.

Policy Objective

- 4. The UK Government's stated policy objectives are for the company Great British Energy to drive clean energy deployment, create jobs, boost energy independence, and provide value for the UK taxpayer.
- 5. The UK Government state that Great British Energy is also intended to work in partnership with industry and unions, as well as communities, local authorities, and other public sector organisations to invest in and drive the deployment of clean energy. The policy intent is also for Great British Energy to invest in, own, and develop clean energy projects in order to derisk and accelerate the delivery of projects and provide support where there is a market gap.
- 6. In accordance with its objects, which the Bill seeks to establish, Great British Energy is intended to engage in all aspects of clean energy projects, including design, development, construction, commissioning and operation of projects. The policy intent covers supporting infrastructure across the clean energy supply chain, establishing the Local Power Plan, and measures that support the security of supply and energy efficiency.
- The UK Government intend for Great British Energy to be able to provide support to industry, local authorities and community groups through a variety of mechanisms including but not limited to equity, loans, grants,

¹ Please note in accordance with Welsh Government policy we refer to the legislature in Wales as "Senedd Cymru" on first use and "the Senedd" thereafter unless the context stipulates otherwise.

insurance, and guarantees. The UK Government does not intend for Great British Energy to be an energy retail company or to supply energy directly to households.

Summary of the changes to the Bill at Report Stage

- 8. The UK Government has laid one amendment to the Bill and has not accepted any other amendments proposed for the Bill to date.
- 9. Clause 5 ('Strategic priorities and plans') provides for the Secretary of State to make statements of strategic priorities which Great British Energy must provide in its articles of association that it will act in accordance with. In the Bill as introduced Clause 5 stated that before making a statement of strategic priorities, the Secretary of State must consult with the devolved governments to the extent that the statement concerns a subject matter in relation to which the respective devolved legislatures could legislate.
- 10. The UK Government has laid an amendment to Clause 5. The amendment requires that the Secretary of State must not, without the consent of the Welsh Ministers, include in a statement under clause 5 anything which concerns a subject matter provision about which would be within the legislative competence of Senedd Cymru, if contained in an Act of the Senedd.

Welsh Government position on the changes to the Great British Energy Bill following the government amendment of 23 January 2025

- 11. The Cabinet Secretary for Economy, Transport and North Wales laid an LCM for the Bill on 8 August 2024. That LCM noted that the climate emergency is one of the greatest challenges we face, and Welsh Government is supportive of legislation to establish GBE to help facilitate and encourage the development of renewable energy projects. The LCM also stated that we are seeking further engagement with UK Government on the role of the Welsh Ministers and the Senedd with the Bill.
- 12. I have had several discussions with the lead UK Government Minister, the Parliamentary Under-Secretary of State at the Department for Energy Security and Net Zero, Minister Shanks. Those discussions have focussed on Clause 5 ('Strategic priorities and plans') of the Bill, where we have been discussing how this could be strengthened with respect to the role of Welsh Ministers.
- 13. The amendment laid by the UK Government strengthens the Bill in an appropriate way requiring the Secretary of State to seek the consent of Welsh Ministers rather than consulting with Welsh Ministers should the Secretary of State include in a statement under Clause 5 anything which concerns a subject matter provision about which would be within the legislative competence of Senedd Cymru, if contained in an Act of the Senedd

Financial implications

14. There are no financial implications for Wales if the Senedd consents to the provisions applying in Wales.

Conclusion

- 15. The climate emergency is one of the greatest challenges we face, and Welsh Government is supportive of legislation to establish GBE to help facilitate and encourage the development of renewable energy projects.
- 16. The amendment proposed by the UK Government with respect to Clause 5 enables me to recommend to the Senedd to consent to the Great British Energy Bill.

Rebecca Evans MS Cabinet Secretary for Economy, Energy and Planning 24/01/2025