

Members' Library Service Request Form

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Originator	Caroline Rodgers
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Document Title	Affordable Energy Tariff

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REPORT TO: Members' Library Service

MEETING DATE:

BY: Energy Transformation Project Board

SUBJECT: Affordable Energy Tariff

1 PURPOSE

- 1.1 To inform Elected Members of the intention to offer an affordable energy tariff to East Lothian residents, in conjunction with the People's Energy Company (People's Energy).

2 RECOMMENDATIONS

- 2.1 Elected Members are asked to note the report.

3 BACKGROUND

- 3.1 The Energy Transformation Project has procured a two-year contract with People's Energy to offer an affordable energy tariff to East Lothian residents, along with providing support for energy generation.

Affordable Tariff

- 3.2 The provision of an affordable tariff through energy generation is one of the aims of the Energy Transformation Project. The tariff will help combat fuel poverty in East Lothian. Tackling fuel poverty is also an objective of the Council Plan 2017 – 2022.
- 3.3 East Lothian's Climate Change Strategy 2020 – 2025 references the desire to use renewable energy generated by council assets to create an affordable energy tariff for East Lothian residents.
- 3.4 The name of the tariff is likely to be 'East Lothian Energy powered by People's Energy'. The final name is in the process of being agreed.
- 3.5 The tariff will have three offers:
- 3.5.1 A standard variable tariff which will be charged at 2% less than the standard tariff offered by People's Energy to the rest of the market.

- 3.5.2 A fixed rate tariff which will be charged at a 2% reduction on the standard fixed tariff.
- 3.5.3 An affordable tariff for prepayment meters which will offer savings compared with comparison sites.
- 3.6 It is hoped the tariff will start to be offered in June 2020. Launch will be phased starting with credit meters. Prepayment meters will follow within a few months.
- 3.7 The tariff will be open for two years; the duration of the contract; but residents who sign up to the tariff will remain on the affordable rate until they choose to change to a new provider or tariff.
- 3.8 The tariff will not be published on price comparison sites as it is only valid for East Lothian residents. Residents will be made aware of a link on People's Energy's website, they will be able to access the tariff by entering their postcode, and the Council will promote the tariff. A phone number will be available for residents who prefer to contact People's Energy by phone.
- 3.9 Work is underway with the Corporate Communications team to develop appropriate promotional material. People's Energy would also like to issue a welcome pack to each new customer with information on saving energy.
- 3.10 The tariff will be available to all residents and the Council will ensure information is made available to staff and groups who work with vulnerable residents including those known to be or at risk of being in fuel poverty.
- 3.11 Although the pilot is for 2 years, residents who join will remain on the tariff until they choose to switch.

Energy Generation

- 3.12 People's Energy are working with the Council to begin energy generation through solar PV panels on the roofs of council houses, in a pathfinder project.
- 3.13 The project will be linked to a roof replacement programme. People's Energy are producing a specification for the panels, liaising with the Distribution Network Operator (DNO) and working with the Council to optimise the use of the energy generated, which could be used to power stair lighting, door entry systems and/or EV charge points, with any excess sold to People's Energy to further support the affordable tariff.

4 POLICY IMPLICATIONS

- 4.1 The provision of an affordable tariff through energy generation is one of the aims of the Energy Transformation Project in order to help combat fuel poverty in East Lothian.
- 4.2 Tackling fuel poverty is an objective of the Council Plan 2017 – 2022.

- 4.3 East Lothian's Climate Change Strategy 2020 – 2025 references the desire to use renewable energy generated by council assets to create an affordable energy tariff for East Lothian residents. People's Energy uses 100% renewable electricity which further supports delivery of the Council's climate change agenda.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report has been through the Integrated Impact Assessment process. No negative impacts have been identified. The completed assessment can be found on the Council's website: https://www.eastlothian.gov.uk/downloads/download/13330/integrated_impact_assessment_form_-_supporting_good_decisions

6 RESOURCE IMPLICATIONS

- 6.1 Financial - None
6.2 Personnel - None
6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 None

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