

## **Give the people the power they deserve.**

My father was an Area Manager with MANWEB (Merseyside and North Wales Electricity Board). Apart from the five years he spent as an electrical engineering officer in the Royal Navy during WW2 he worked in the electricity supply industry his entire life.

He started off in the pre-war privatised and very embryonic industry and post war helped build the newly nationalised industry effectively from scratch starting first in Cornwall and then in N Wales and Cheshire working closely with the CEGB (Central Electricity Generating Board) and its predecessors in building the grid and of course new generation capacity.

When the then Prime Minister Margaret Thatcher announced in the 80s that the industry was to be privatised and the CEGB broken up and its successor companies sold off he decided to take early retirement. His opposition to privatisation was intense and this surprised me because I knew he had been a Tory voter all his life. But the fact is that all his predictions following privatisation have pretty much come true.

Above all he was concerned that shareholder interests would take precedence over those of the consumer. This meant abandoning the national interest by not implicitly supporting and growing the UK supply chain, stopping, or reducing the support of research and development and generally making profit the priority not the service. He was also concerned that the UK Government was so reluctant to put the national interest concerns above those of the market and the City that privatisation would lead to a rapid increase in foreign ownership of both assets and services and that the supply chain and the white goods industry would suffer as a result.

As it turned out most of his predictions have come true but the thing that really mystifies me is that whilst the UK chose the privatisation path for electricity supply the USA, which is the country most people would consider sits at epicentre of the capitalist world, did not.

It may come as a surprise to Scots that the USA has in fact around 2,000 community owned and controlled public utility electricity companies serving more than 50 million customers in places like Sacramento, Long Island, and the entire state of Nebraska and they all operate on a not for profit basis with any "excess" earnings ploughed back into the company by way of investment in improving their services and developing new ones.

I looked specifically at two smaller public utilities in Washington State not that far from Seattle primarily because they are both demonstrating that publicly owned

doesn't mean dull, lacking ambition, not being innovative or most importantly, expensive. The first is the Douglas Public Utility District (PUD) with 17,000 customers which is based in East Wenatchee and the other is the Orcas Power and Light Cooperative which has a similar number. Both are of a scale that we could equate to towns and villages across Scotland but some like Associated Electric Cooperative in Missouri have 1.5 million. They are also both dependent on the provision of green energy - hydropower in these cases - but it could just as easily be wind, solar or a combination of all three plus others such as tidal energy.

Of course, I prioritised a comparison of electricity prices with ours because here, it's probably our greatest gripe. What I found was that Douglas PUD charges 17 pence per kilowatt hour plus £9.50p per month whereas in Scotland it's 26.35 pence per kWh and about £16 per month. The charges for industrial use are similarly much lower than here. But their charges go up marginally if you use more than 25,000 kilowatt hours and – something I thought really interesting – if you're in the cryptocurrency industry and therefore using lots of energy data mining you'll be charged a higher rate which is close to 19 pence per kilowatt hour.

Orcas Power and Light Cooperative (OPALCO) rates are only slightly higher. They serve all the islands to the Northwest of Seattle which we could equate to Scotland's Western Isles.

According to the American Public Power Association, which is an industry group representing consumer owned utilities, they often have smaller electric bills — on average about \$15 per month compared to privatised owned supply companies. That works for me.

What I also found significant though was that OPALCO are also now working on the development of solar based micro grids with battery storage and have already built a small one capable of feeding 500 homes for roughly 4 hours. It's a good first step in the right direction although that 4 hours could be turned into 4 days or much longer if they adopted hydrogen storage.

Even more exciting though is that in East Wenatchee the Douglas PUD have built a hydrogen production facility that provides hydrogen for transport – mostly public vehicles including the local Sheriff – at a price of £3/kg. That means that you can fill a car for around £20 and it will only take as long as it takes you now with your petrol or diesel car. I asked them if it was subsidised “ Yes – that's the benefit of public power” they said and they're right.

This blows a big hole in the argument that hydrogen for transport isn't feasible but importantly this is an electricity company selling hydrogen for transport whilst the UK electricity companies are all decrying the use of hydrogen with at least one going so far as to buying Chinese EVs to lease to customers so they'll buy even more electricity. What a contrast in approach.

So, the question is, if its cheaper and more flexible in its adoption of new technologies why on earth doesn't Scotland take the same approach and switch away from private sector electricity supply companies to publicly owned ones. The answer to that I think is simply ideology. Energy policy is reserved to Westminster and given the UK Govt lives in awe of the City of London, is completely unconcerned by foreign ownership and has now even appointed the CEO of one of the largest supply companies as a Govt Advisor the chances of them supporting what are effectively not for profit cooperatives would be an anathema to them even though the consumer would benefit.

In an independent Scotland though it would be entirely different. It would then be easier to develop and implement a strategy for the eventual displacement of the privatised electricity companies by cooperatives, owned and run locally. It would take time but based on what I've learnt from the USA it would certainly be worth it and they've been operating public companies since the 1930s.

As Confucius once said, "Life is really simple but we insist on making it complicated." Well, we've certainly made running our electricity industry extremely complicated and it's time to make it nice and simple again. Renewables actually make that much easier to achieve.