

Scottish Affairs Committee

Oral evidence: [GB Energy and the net zero transition - Committees - UK Parliament](#)

Wednesday 19 November 2025

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Watch the meeting

Members present: Patricia Ferguson (Chair); Maureen Burke; Harriet Cross; Dave Doogan; Lillian Jones; Mr Angus MacDonald; Douglas McAllister; Susan Murray; Jack Rankin; Elaine Stewart; Kirsteen Sullivan.

Questions 276 - 337

Witness

[I](#): Dan McGrail, Chief Executive Officer, Great British Energy.

Examination of witness

Witness: Dan McGrail.

Chair: Good morning and welcome to this meeting of the Scottish Affairs Committee. It is a continuation of our inquiry into GB Energy and the net zero transition. We have Dan McGrail from GB Energy with us this morning; you are very welcome, Mr McGrail. Thank you for coming along so early in your role. I will pass to Jack Rankin, who I believe would like to declare an interest.

Jack Rankin: Yes, thank you Madam Chairman. Prior to being a Member of Parliament I was involved in long-term commodities trading and I hold equities from that period of time in Pexapark AG, which is a Swiss advisory company that advises IPPs and funds on its PPA strategies. I also have a small consultancy business called Crocus and Bluebell Ltd, which continues to help funds, IPPs and developers in reaching their corporate financing by structuring CFDs and PPAs, which is relevant to this matter.

Q276 **Chair:** That is noted. Mr McGrail, could I just ask you to say who you are and what you do briefly for the record?

Dan McGrail: Yes. Thank you very much for inviting me to take part this morning. I am the chief executive of Great British Energy. I am very privileged to do this role, which I started in March on an interim basis and the role became permanent in August. My background is in technology. I spent a career of 17 years in Siemens working in various UK and global roles across the energy sector from transmission, renewable energy, thermal energy and small-scale decentralised energy. Prior to this I was the chief executive of RenewableUK, which is a trade association representing the wind industry predominantly.

Q277 **Chair:** As we know, Great British Energy was incorporated as a company in October 2024 and formally established in law in May. What is your assessment of the achievements so far and how long do you expect to remain in this initial start-up phase?

Dan McGrail: First, it is a real privilege to do this role because we are doing something pretty new. It is the first publicly owned energy company at a nationwide level since the CEEB was set up in the '50s, so it is a very significant endeavour.

From an individual perspective, it is a positive idea to give people a stake in the energy transition. From an energy sector professional perspective, I see the benefit of having an activist public investor to work alongside the private sector. Key for us has been to develop a strategy and engage with the market so that we can target how we are additional in our strategy and build it up.

In terms of our first accomplishments over the past year since the company was incorporated, the Bill was passed in May and the Statement



of Strategic Priorities was published in September, so we have made good progress. We have obviously appointed a start-up board and a permanent chief executive and launched the solar roll-out on schools and hospitals. Today we are also announcing—purely coincidentally—our first investment, which is into a floating offshore wind farm off the coast of Caithness in Scotland. We are doing that together with the National Wealth Fund and the Scottish National Investment Bank. This is positive progress.

We have taken a twin-track approach to building the organisation. On one hand there is a lot of focus on the start-up aspects, building the governance; we will no doubt come on to talk about ensuring we get premises, securing talent and pay and reward strategy, all these elements—the internal wiring of the organisation.

The second track has been very much to move into delivery where it can make sense, so getting on with things. We have done a huge amount of market engagement. Over 50 GW of projects have approached us to engage with them, which is a really encouraging sign that the market is receptive to Great British Energy as an actor in the sector. Crucially we have also been mobilising our first investments, of course, which take time. We are really pleased that we have been able to bring an investment forward so early in our journey.

Q278 Chair: Can I just ask you for information what offshore wind project it is that you are investing in?

Dan McGrail: It is called Pentland Floating Offshore Wind Farm. The project sponsor is Copenhagen Infrastructure Partners. It is a 100 MW test and demonstration floating offshore wind farm. No doubt we will come on to it, but it is an example of where Great British Energy can take a strategic view as to how a sector can be catalysed. Test and demonstration projects like that are a good example of how you build growth in a sector that is in its nascent phase.

Q279 Douglas McAllister: Can I ask a supplementary on that announcement please? That announcement was made this morning. Can you give us an idea of how many local, clean jobs it is going to produce for the area and how many homes it will power?

Dan McGrail: It is 100 MW so it will be in the region of 100,000 homes, because it is a relatively small project at this stage. We expect about 600 to 700 jobs in the construction phase, and that will lead on to around 80 jobs in the operational phase from a local perspective. Crucially, we want to use our role as an investor in the project—together with our partners—to try to maximise the amount of UK content that we see in the project. We really want to try to identify ways we can unlock new technologies that are being developed and innovated in Scotland and the wider UK and make sure that the project maximises that value. It is about not just the construction but what happens in the supply chain as well.



Q280 **Chair:** Just on investment in wind turbines in Scotland, there have been reports that the Chinese company, Mingyang Smart Energy, has had discussions with you about co-investment in its planned wind factory in Scotland. Can you clarify whether GB Energy is considering investing in the site?

Dan McGrail: I will address the specific press article, which said there have been extensive commercial discussions that have been ongoing. We have not been in extensive commercial discussions. Ultimately we are talking to a whole range of manufacturers to secure inward investment into the UK. Supply chain is a very significant part of our strategy, so we want to make sure that we maximise that investment, but there is no active dialogue going on with that particular investor.

Q281 **Chair:** More generally, what would your position be about foreign involvement in critical national infrastructure?

Dan McGrail: It is important here that this is a matter for Government policy and we will operate within that framework. At the moment, there are generally about four large manufacturers of wind turbines: one is Spanish-German, one is Danish, one is Chinese and one is French-American, so they are distributed across various territories. As a market develops, we need to engage across all those manufacturers, but we will follow any decisions made on technology ownership from a Government policy perspective.

Q282 **Elaine Stewart:** GBE has two wide-ranging core objectives. How do you plan to manage those expectations realistically?

Dan McGrail: We are very close to publishing our strategic plan. There are trade-offs within the two objectives that you point towards. Clearly, on one hand we want to maximise UK jobs, but we also need to make sure that we make a return. We want to drive clean energy growth and community impact. There are various ways to do that.

Our strategic plan will be published in the coming weeks—it will go into more detail—but we are broadly thinking about three core areas and one overarching enabler. First, we see local energy as being a really important aspect. It is a market that has been untapped from a UK perspective. There are some great examples of local energy projects around the UK, but the economics—particularly of solar, and increasingly solar combined with batteries and potentially EV charges—is becoming increasingly compelling.

I visited a hospital earlier this year that had built a small solar array on a disused piece of land and was saving £1 million from its energy bills on that hospital alone. Our strategy will be focused on how we do more of that for different types of customer groups; not just hospitals and schools but small businesses, social housing providers, community groups, so on and so forth. It is really trying to look at how we can bring the capital that we have at our disposal to increase the size of this market significantly.



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The second area is unlocking the energy potential of significant public land. We think about 330 sq km of public land would be suitable for renewable energy deployment. It is crucially about putting the right assets in the right places, supporting the modern grid requirements and really looking at how we can tailor investment to the needs of the network. The topics of flexibility and grid stability are going to be crucial areas of growth in the future, particularly as our system becomes more renewables-dominated. Finally, as our investment this morning has indicated, we see an important role for deepwater offshore wind.

Each area has different impacts. In the case of deepwater offshore wind, we think there is an enormously important industrial story that can come on the back of that, particularly around our key industrial clusters—including Aberdeen, Port Talbot in south Wales and places like that—where we see both transition impact but also this opportunity to cluster the new industry. On local, it is more about how we drive savings for consumers or increase local community ownership of energy. We are really trying to target the outcome to the investment, and it will be different depending on how they are.

The final point is that we will have our supply chain initiative, which we are labelling as “energy engineered in the UK”. This is a £1 billion fund—about half of grants and the other half for equity investments—which we are using to really try to grow the domestic supply chain. We will be launching the first tranche of that fund in December.

Q283 Elaine Stewart: Do you think that the company is adequately equipped to deliver the objectives outlined and expected by the Energy Secretary?

Dan McGrail: We are in the start-up phase. I am not exactly sure but I think I was employee number five or six. We have now built a start-up interim team to build the organisation but it is still very much in the growth phase. I envisage that we will be adequately equipped to deliver on this. It will take us a bit more time, but if I were to come back here in a year’s time, I would hope I would be able to answer that definitively yes because by then we would have had a much more enduring recruitment campaign, built our headquarters and be very much into the delivery phase.

Q284 Elaine Stewart: What do you think the company could do better than the Department for Energy Security and Net Zero?

Dan McGrail: I do not think it is about doing things better; it is about being complementary. Clearly there is an important role for Government from a policy development perspective and to establish the market frameworks. We are going to build an organisation of energy sector professionals across a whole range of topics. We are already seeing the benefits of that.

I cannot go into specific details, but we are talking to some inward investors where clearly we have to tailor the right package as a country



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to try to secure that inward investment. By resourcing conversations like that with people who come with years of experience in trying to mobilise major investments, that helps to really understand and talk in the language of the investor. Working with partners across the public finance ecosystem and Government, we can really put UK plc's best offer forward rather than being quite as iterative.

Q285 Kirsteen Sullivan: You mentioned that a key area of focus will be local energy. I am aware of the local power plans. I was just wondering if you could tell me how they fit in with that focus in the strategic plan, when we can expect to see them and the benefits that you expect them to deliver to local communities.

Dan McGrail: The local power plan is a joint DESNZ and GBE document, which will be published early in the new year. If I can characterise it, there is an element of catalytic action that needs to be taken. Some are government policy-related, for example, there are some regulatory measures that will be investigated and some policy-related aspects that are more in the responsibility of the Department. There are also other catalytic measures that need to be taken, for example, growing the capacity and capability within the sector. Developing clean energy projects is not easy for the average community, so it is about having people available who can provide knowledge, expertise, toolkits and contract forms, trying to simplify the process of development. That catalytic action is going to be one part of it.

The other part will be very much our long-term GB Energy business model. We see an opportunity to use our role to bring scale to community energy. A challenge in the sector is that projects are different wherever you go in the country, and that makes technology more expensive and means that private capital is less likely to flow in. We are going to look at building a model where we enable standardisation, or maybe better a simplification and modularity to community energy projects, and then financial products that give people access to being able to raise finance for projects. Those two elements will be detailed in the plan, and as I say we envisage that will be published in the new year.

Q286 Kirsteen Sullivan: Just to follow on from that briefly, part of it will be around building capacity within local communities, from what you said.

Dan McGrail: Yes.

Q287 Kirsteen Sullivan: Does that mean that there will be some engagement, for example, with local climate action networks that are already established in the country?

Dan McGrail: Absolutely. We are already doing a considerable amount of engagement with the likes of Community Energy England. We have been speaking to various community energy groups and will continue to do that. We will consult with people as we develop the strategy and, crucially, as we implement it, because it is one thing to develop the



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strategy, but it will develop and iterate over time as we learn lessons from projects and continuously improve.

Q288 Dave Doogan: I have a question on community energy. You are an energy professional; I am not, so I bow to your knowledge. But actually it would be my assessment that the acquisition of land, the raising of capital and the creation of an energy-generating system at a community level is actually well within the reach of many exercised and informed communities. Where they hit the buffers is bringing that energy to market.

I said right at the outset of GB Energy that it should be like a part of the gig economy as a wholesaler for community energy—only GB Energy would have to do that incredibly unfathomable interface with market that major energy companies do and communities invariably stumble over. Every community project could have just fed into GB Energy, which would—at a cost—have done the spade work with the customer interface in terms of selling that energy. Is that never going to happen?

Dan McGrail: You touch on a good point. Route to market is a big challenge for community energy projects. As you say, the sector is complicated, but ultimately the real value that local energy could provide would be maximised if you could start to access multiple markets—for example, flexibility and response markets, so on and so forth, not just spilling energy on to the grid—and really look at how you optimise that.

An example I always give is schools. Schools are great examples of places where renewable energy could be hosted, and typically they are at the heart of communities, so you can do more to build beyond just the self-consumption to school. But they are closed for 13 weeks a year, every weekend and every night, so the energy—when it is not being consumed—is being put on to the network at a relatively low value, whereas if it could be stored or traded there could be greater value in that. This is very much part of our investigation work and strategy development as to how to provide this type of access.

Something else you said resonated with me, which is the point about scale. You are right in that there are many groups that have access to the capability and the land to do this. There are also many who do not, and by providing scale, hopefully we can lower the cost of it, increase the access to it and generally grow the market. It is very much part of the work we are doing.

Q289 Harriet Cross: Let us turn to jobs. I am Aberdeenshire-based. My friends, neighbours and constituents are losing jobs daily and weekly in the oil and gas sector. Jobs to us is vital, and GB Energy was effectively sold to Aberdeen as something that was going to come and help save our jobs. Job figures that we have seen from GB Energy since it was set up have not kept up with the losses that we have seen at Belmar, Hunting, Wood, Harbour Energy and Well-Safe Solutions—we are losing jobs the whole time. What are the current job numbers at GB Energy? How are



these split across the country, particularly focused on Aberdeen, and when will we see that cranked up?

Dan McGrail: I will maybe just start by setting out a bit of our vision for our Aberdeen headquarters. I will be very clear up front that we are building a headquarters organisation in Aberdeen and are very close to securing some premises in the city centre. I cannot disclose where that is, because there is a commercial negotiation ongoing but we are hoping that it is very soon. The vision is to create a modern, dynamic, agile workplace that is something that people aspire to work in, really leaning into the clean energy opportunity.

We also want to be a really important part of the Aberdeen business community; hence we have set up an Aberdeen taskforce that is bringing together a range of professionals, the vast majority of whom are from the oil and gas industry. From our perspective, there is an important role for us to play as a company in working within that. I want to acknowledge up front the reality of that. Obviously, we have seen news about Mossmorran and various announcements playing out. I come from a city where economic transition was not handled particularly well, and I hope that having GB Energy as part and very focused in Aberdeen is a way of making sure that we learn some lessons from history in that regard.

At the moment, we are very much in the start-up phase, as I say. We only have nine permanent employees; the vast majority of our employees are on loan from other Government Departments or from the Department for Energy Security and Net Zero, of which about 15 are in Aberdeen. We are currently recruiting about 96 roles, of which 92% are in Scotland. Seventy-two per cent of those are 100% Aberdeen based, and there are some which will be broader. A year from now, I expect we will be into more like 100 roles based in Aberdeen. As a Committee, I would like to invite you to come and visit the headquarters and meet some of our people next year once we have it up and running.

The important message here, and the crucial thing I would like to say, is that we want to set targets, and we will set targets, for job creation. It is not just about the jobs that we create ourselves; it is about the jobs that we catalyse in investment.

Q290 **Harriet Cross:** Sorry, if I can just jump in. I understand that completely, but if we just jump back a few questions to what Douglas asked about the Pentland wind farm that is being invested in. That is fantastic: there will be 600 jobs in the construction phase. That is the issue: these jobs are not comparable to ones that are being lost. A construction phase job is great while it lasts, but it is not a full-term job. Are those 80—as you said—that will be the persisting jobs really comparable to the ones that are being lost in the oil and gas sector in terms of conditions and pay? That is the issue: jobs are being presented as comparable, but whether in terms of being full-term, part-time, fixed term or not, or in terms of the pay, conditions or working arrangements, they are completely different.



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GB Energy was presented—or sold—to Aberdeen, Aberdeenshire, north-east Scotland as the alternative: as something that was going to come in and help out when, as we have seen, thousands and thousands of jobs from the oil and gas sector are being lost. They are being lost quicker than they need to be because of policies. I appreciate that policies are not in your wheelhouse. But we were sold the idea that GB Energy was going to come in and set up an HQ in Aberdeen. As you said, that is under way but has not finished yet. You said there are 15 jobs in Aberdeen, but by the sounds of what you said, a lot are not necessarily Aberdeenshire and north-east recruits; they are ones that have come out of Government and been placed in Aberdeen.

Dan McGrail: No, they are.

Q291 **Harriet Cross:** They are from the north-east and have been created in the north-east?

Dan McGrail: Yes.

Q292 **Harriet Cross:** But how does 15 jobs now reflect what has happened even in the past few months up there? What is the medium and long-term solution? We were told there were going to be about 1,000 jobs. I sat in on an Energy Security and Net Zero Committee meeting last year where Juergen Maier spoke, and he reiterated the point that there would be a few hundred jobs in the short term and then we would get up to 1,000 jobs in Aberdeen. That seems to have been dropped now. Is that 1,000 figure still likely?

Dan McGrail: Let me take this directly in terms of the comparability of the jobs. Aberdeen is an exemplar city in the energy sector for supply chain and services. A story that sometimes does not get told is that the energy transition is happening in real time and is having this important effect, but many supply chain companies that are working in oil and gas are also supply chain companies that work in other industries, such as offshore wind. To that extent, that is one reason why our supply chain strategy and our investment in supply chain is so important. Actually the biggest concentration of roles will be very much within those supply chain services and technical engineering jobs that we need to foster and are grounded, enduring and exportable, crucially.

There is the old adage that if you go to any offshore oil and gas project around the world, you will hear a Scottish voice. I was in an offshore wind conference in New Orleans last year where I can reassure you there were also plenty of Scottish voices, because there is expertise and knowledge in subsea engineering that is being used in offshore wind.

I see the potential for many thousands of jobs to be created or sustained in the supply chain. I also see the potential for many thousands of jobs to be created in the operation of offshore and onshore energy technologies. There is a big pumped storage hydro range of projects that could come into operation thanks to the cap and floor regime in Scotland. These jobs are different, but they are decent, well-paid jobs that we are committed



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to unlocking, and will be using our position as an investor to focus on decent, well-paid jobs, particularly in Aberdeen and Scotland.

Q293 Harriet Cross: I have two more brief questions. What is the rationale behind the Glasgow and Edinburgh satellite offices? Aberdeen is the HQ but is still quite small and does not exist yet. What is their role?

Dan McGrail: At the moment, our sole focus is on establishing ourselves in Aberdeen. We have no other activities to explore—

Harriet Cross: There are staff already in those locations.

Dan McGrail: There are some people working in the Edinburgh location, but that is working in a government office. We have not started any property searches to open other offices. Something about Scotland as an energy powerhouse in general is that Scotland has a range of skills. As I said earlier, Aberdeen is exemplary in supply chain, engineering, services and corporate headquarters operation, Edinburgh has strengths in professional services, financial services and the independent renewable energy development market, and Glasgow has a real strength in innovation and clean energy. Some of the academic network in Glasgow is exemplary in that regard. The intention of talking about satellite offices is to be able to harness some of those capabilities and put them to use within GB Energy, but at the moment our sole focus is on establishing in Aberdeen.

Q294 Harriet Cross. A final, really quick one. Just to clarify, will GB Energy—not the supply chain—be employing 1,000 people in Aberdeen?

Dan McGrail: We have been clear on this: our plan envisages about 300 people by 2030 in our Aberdeen headquarters.

Q295 Dave Doogan: I do not think that was clear, Mr McGrail. It certainly was not clear to the people of the north-east ahead of the election last year; that is not your wheelhouse either. We were told that there would be 1,000 jobs in GB Energy coming to our area. This Committee was told that 1,000 jobs would happen, and it would take up to five years for 200 and 20 for 1,000. That is how the message of 1,000 jobs was remodelled just a few months ago.

Just a couple of weeks ago, the Secretary of State echoed what you have just said, which is, “We didn’t actually outline 1,000 GB Energy jobs at a GB Energy headquarters in Scotland; we’re talking about creating as many jobs as possible in the energy sector.” I wonder if you understand why people are so frustrated in the north-east of Scotland—because they are not daft; they know what was said and that what is being said now is a totally different thing. They were not told that there will be as many jobs as possible formed in an organic way to an indeterminate number at an indeterminate time in the future; that is not what we were promised. We were promised a headquarters with 1,000 people working in Aberdeen. I think you are saying we are not going to get that.



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Dan McGrail: I am saying based on our plans that that is where we are going by 2030, and probably sooner than that as we build up, frankly. But our focus—the thing I want to be measured on and I want you to hold me to account for—is the jobs that we catalyse. Many multiples of that number can be unlocked if we invest wisely and unlock jobs in the supply chain. That is the prize on offer.

Q296 **Dave Doogan:** I want to see that too; we all do. We all want to see as many well-paid, good jobs in the energy sector as possible but we are disappointed and disillusioned that the very explicit prospectus is now being backtracked on.

Dan McGrail: I have taken a strategic approach to building the workforce and understanding what we need. We are making a projection at this stage, but that projection is a projection that we think is accurate and deliverable. Our strategic plan will be published in a couple of weeks and will have firm commitments in it as to the number of jobs that we think we can catalyse as a result of our investment, of which there will be a significant proportion in the north-east of Scotland due to the centrality of the energy sector.

Q297 **Dave Doogan:** The workforce plan within your strategic plan will have a workforce in GB Energy in Aberdeen of how many?

Dan McGrail: I have just said the number: we are predicting around 300 people by 2030.

Q298 **Kirsteen Sullivan:** You have been very clear about the expertise that exists around the Glasgow and Edinburgh areas, but do you envisage job opportunities potentially arising across the central belt from supply chains that could potentially support the skilled workforce in and around the industrial cluster at Grangemouth?

Dan McGrail: Absolutely. In a couple of weeks' time I am going to visit a company in Bathgate that is making flow batteries, which are really innovative, long-duration storage technology. I talked before about innovation particularly in the central belt and around Glasgow, but there is a huge amount of opportunities across the whole of Scotland frankly because of the legacy technologies and skills that exist.

Frankly, there is this language sometimes that Scotland is the UK's battery. So much of the renewable energy resource is in Scotland, and so much of the innovation, academic thinking and thought leadership is coming from Scotland. There are great opportunities across the supply chain and the service and digital sectors to be exploited, and we are going to be focused on that.

Q299 **Susan Murray:** You started to talk a little about what your success would look like. The Government have set a target for Great British Energy to start making returns on its commercial activities and have a plan to become self-financing by 2030. Is that realistic? If it is, how do you think that that will be met?



Dan McGrail: We will be clear. I talked before about the three areas of focus. If we think about local energy business, I would anticipate that by 2030 we are operating a successful enterprise in that space. Onshore energy and investing in new renewable energy assets in public land is probably a slightly longer-term investment, because if we did an onshore wind farm, development time would be two to three years and the construction period to be a little longer, although we may come into projects that are already in flight that may enable that. Offshore energy investments like the one we have announced today are in the longer term.

The portfolio is intentionally balanced in a way that allows us to manage those competing trade-offs of investing in things that deliver industries but also things that can deliver impact in the shorter term. Trying to balance across those trade-offs within the portfolio is important. I expect that will be genuine income, and the language that we are using is very much on a pathway to profit by 2030. At an enterprise level, it is quite ambitious to think that starting today in 2025, we would be a wholly profitable enterprise by then, but we will be very much on the pathway, and I expect areas of the business to be showing really positive progress.

Q300 **Susan Murray:** How will Great British Energy balance operational independence with accountability for public money?

Dan McGrail: We obviously have a board on which our shareholder is represented. We are going through a process of establishing our public finance institution status. We are working with colleagues in Treasury and the Department to ensure that we have appropriate governance and equally appropriate delegations that enable us to be able to take decisions in an agile manner and ensure that there is accountability. We will of course publish annual reports as you would expect and have an impact framework.

At the moment, we are working to develop our impact framework, which will be published shortly after our strategic plan. It will make the indicators and outcomes that we are trying to effect very transparent and monitor in real time how we are progressing on those. We want to be held to account for the very significant investments that we are going to be making, not only in terms of the returns but also in terms of the impact.

Q301 **Suan Murray:** You mentioned earlier that the finance would go in as a combination between investment and grants. Will GB Energy build up a holding in energy companies as time goes by?

Dan McGrail: Potentially. We are looking at various models of investments. Grants will be operated slightly outside, because it is a non-commercial activity from a corporate structure perspective, but our equity investments could indeed include investing in holding companies or projects.



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Q302 Lillian Jones: In terms of investments so far, which specific criteria are used to determine the distribution of GB Energy spend across the UK? Has devolution created any complexity in the delivery of GB Energy's investment promises? If so, how?

Dan McGrail: As we build our operational independence, we will obviously invest against a criterion for investment. We will not be setting individual targets to say, "We will invest x amount in one country or another;" we will obviously be looking at projects and investments on a case-by-case basis. However, we will monitor it and make sure that we are focusing our activities in a way which is inclusive across the country.

With particular respect to Scotland, if you look at our pipeline at the moment, over 50% of the projects that have approached us are located in Scotland, so there is a high level of representation of energy sector activity in Scotland. From an overall strategic perspective, I would expect that a disproportionate amount of our investment activity will also be in Scotland just as a result of the way that the energy sector is structured in the UK.

Q303 Lillian Jones: Do you feel that devolution has created any complexity in the delivery of GB Energy's investment promises?

Dan McGrail: We have a partnership agreement with the Scottish Government that was established early on. We are working closely with entities such as CARES in Scotland where 46 projects were awarded funding recently. Part of the funding for that came from GB Energy, which was administered via CARES. We will look to continue to work with partners in Scottish Government to deliver and complement the work that they are doing and help if we can accelerate it.

Q304 Douglas McAllister: It was announced on Monday of this week, I believe, that 250 schools are set to benefit from Great British Energy with respect to the solar programme—including specifically areas of deprivation—but not Scotland. You talked about that partnership agreement. Did GB Energy have discussions with the Scottish Government to try to develop and roll that out in Scotland? Because it will not just be schools; it will soon be hospitals benefiting from that solar programme.

Dan McGrail: In the case of that solar programme, there was a portion of funding that was directed to the Scottish and Welsh Governments as part of that initiative, and this is to do with the devolved nature of hospitals and schools. That is why that funding was allocated in a different way.

Q305 Douglas McAllister: How much has been allocated?

Dan McGrail: I think it was £4.6 million or £4.7 million.

Q306 Douglas McAllister: To the Scottish Government?

Dan McGrail: To the Scottish Government.



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Q307 **Douglas McAllister:** For solar panels in our schools and hospitals?

Dan McGrail: It was not necessarily dedicated to schools and hospitals, but it was administered via CARES.

Q308 **Douglas McAllister:** Have the Scottish Government given you an indication as to what they are likely to do with that additional funding?

Dan McGrail: As I say, there was an announcement relatively recently about 46 projects that have been funded as a result of that scheme, including a community wind turbine in Aberdeenshire and a scheme in the central belt.

Q309 **Douglas McAllister:** The reason why I ask is that my constituency of West Dunbartonshire has areas of high deprivation. Will schools in my areas of deprivation in West Dunbartonshire benefit from this GB Energy investment the way they will in England?

Dan McGrail: I would like to take that away, investigate specifically how we can work together on that and then write to you. In my view, there is a huge opportunity for deploying solar in schools, hospitals, community assets, leisure centres, libraries and so on and so forth, and I want to make sure that we maximise that opportunity across all sources.

In our long-term view, we want to build a sustainable model around that. Some early investments have been concessional finance. I would like to think about how we do this. Because the economics are so compelling already, we should look to find a way that that can drive this out at a larger scale and in a sustainable way.

Q310 **Chair:** Just on the issue of solar and using public buildings and others for arrays, are car parks being looked at for that? It has been suggested to me that car parks are an ideal location.

Dan McGrail: We are open-minded to this. There are various scenarios. That is why I think schools are so compelling. You have to look at the security and how you do this well. Schools are in the centre of a community. I visited a school in Sheffield recently where they were employing an additional teacher as a result of the solar scheme. As I said earlier, it occurred to me that schools are closed a lot of the time, particularly in the summer when the solar panels are at their most productive.

But then you look beyond the school itself and see there are lots of homes without any off-street parking. Ten years from now, we will need to be driving electric vehicles, and if they do not have access to low-cost energy then they will be driven into the high cost of a forecourt. I do not necessarily have an answer to this, but could you use that community asset of a school—with the right security and protection—but then ensure that you are going to share the value of that energy with a community for something like lower-cost EV charging? These are the types of models we



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are exploring, looking to put together as packages, and then trying to roll them out at scale.

Q311 Maureen Burke: How do you plan to grow the community-owned renewable energy sector in Scotland?

Dan McGrail: As we have been saying, community ownership is a huge opportunity. We have seen some really good schemes across the country but there is scope to do a huge amount more. Our model as we are developing it is to work first in lockstep with existing organisations such as CARES in Scotland but also to build models that are accessible and standardised for wider communities. We aim to build capability and capacity so that the communities can gain simple access to development expertise: understanding financial models, how to pull together a supply chain technology and so on and so forth.

Across Scotland, we see huge potential for this, not just in solar; we have seen great examples of small hydroelectric schemes, and we would like to see much more of it. We will be setting targets for ourselves as to how many community projects we would like to support during the first phase of our initiative, and a good degree of that will be in Scotland.

Q312 Maureen Burke: Do you think that there is duplication or even confusion when the Scottish Government are already delivering advice and funding for community-owned energy in Scotland?

Dan McGrail: We need to work to ensure that there is no confusion or duplication. Our intention is to complement and work alongside existing initiatives to make them more powerful, but also as a business to be additive to the market and have a clear role alongside Scottish Government initiatives. It is important in that regard to remember that we will be building an enduring business that will work in tandem with these schemes.

Q313 Jack Rankin: I wanted to return to the jobs point that we discussed a little earlier. I do not blame you too much for this, but this might have been oversold by politicians. Harriet and Dave referred to oil and gas jobs in Aberdeenshire earlier. I think I am right to say there is something in the region of 84,000 jobs in oil and gas in Aberdeenshire. There has been this 1,000 jobs that has been mooted before. You have moderated expectations down here in your comments to talk about a few hundred jobs directly over the coming years in Aberdeenshire.

I just want to explore what your wider job is. You used the word "catalyst". I certainly see a role that you have described as an activist public investor on the community energy side of things; you have articulated that well. Might I suggest to you that, in terms of jobs, while those projects might be important for local communities, it might be relatively small beer and the bigger jobs are coming from much bigger scale developments, whether onshore or offshore? You have been committed 8 billion quid over the Parliament; that is quite small beer in terms of the tens of billions needed, is it not? Even as a smart activist



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public investors catalyst, how realistic is it that you are going to significantly contribute to anything close to the 84,000 jobs?

Dan McGrail: There is a crucial point that we are making here: we want to develop ourselves as an energy company with an initial focus on development, so we need to build a development capability. Clearly, the ticket size of a large, multi-gigawatt offshore wind farm is significant. If you look at recent offshore wind farms, some could be £8 billion in and of themselves.

I understand the basis of the question. In these types of large infrastructure projects—be that pumped storage hydro or in large floating offshore wind projects—we will take more of a minority stake. We will take positions in development phase of projects. As you have seen as an example with our Pentland investment today, that is a relatively small investment in terms of ticket size today, but we are entering the project early. As that project develops, we will take a decision as to whether we continue with a final investment decision in that. Those decisions will be taken on the commercial basis.

Q314 **Jack Rankin:** Just on Pentland, you are in it at the development phase. You have a decision at FID whether to go into the construction phase. Are you effectively saying that without your development capital, the cost of capital would be higher and/or the risk involved for CIP would be such that it might not proceed, so your job as an activist public investor is to try to catalyse investment there?

Dan McGrail: Exactly. This is why we have seen such a high level of inbound appetite from the market. The signal that we send as an investor in the development phase is that there is long-term confidence in the project and the market, and that long-term confidence materialises in increased appetite for supporting the capital to finance the projects either in the development phase or at FID. That signal itself is of value to companies like the one that you mentioned but right across the industry. The catalytic nature is that by taking that position in the early stage, you are sending a confidence boost that then materialises into increased activity.

Q315 **Jack Rankin:** There is a reason development capital is expensive, isn't there? It is risky.

Dan McGrail: Of course. It is more expensive because it is risky but by being a targeted investor and taking sensible positions with good guardrails around how we invest, we expect to be successful in as many cases. Clearly there will be projects that you invest in as a developer that do not materialise or do not materialise at the pace that you hope. That is part of the reality of development, and our job is to make sure that our investments are the right ones.

Q316 **Jack Rankin:** You have come in as development capital to help catalyse projects that might not otherwise happen, and one of your missions is to create high-quality jobs. In that instance—let us take Pentland as an



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example—in your investment, do you try to ensure that any of those clean energy jobs are based in the UK or Scotland? As you say, wind turbines are not manufactured in the UK, are they? Is this actually helping clean energy jobs in the UK or Scotland? Are there any stipulations on that?

Dan McGrail: We are taking a seat on the board of the company, so we have a voice in the decisions that are made together with our partners. We have already been able to influence location decision supports. As I have just said in the previous answer, there is value in having an activist public investor in the development phase of a project. We are looking to use our influence to make sure that we onshore as many jobs as possible.

Equally—this is why our supply chain strategy is also so important—you are complementary in taking the strategic actions to try to land more of those jobs in the UK in the long term, so it is about working the two things in parallel. The most important thing there is using our influence as we enter into projects to ensure that we get as much value for the UK as possible.

Q317 **Mr MacDonald:** I was on the Highland council planning applications committee, and one after the other at every single planning meeting there were all the wind farm proposals. Invariably, they would say 25 jobs, 30 jobs, and it became a laugh—all the planning committee would laugh—because we knew that those jobs would not be there.

Glen Ullinish wind farm came to me the other day about a plan in Skye for 45 full-time jobs. I said, “I know a lot about this business. Can you break down those 45 jobs? I want to know.” Answers, there are none. It employs Deutsche Windtechnik—or a company like that—to service it. It is erected by, say, Balfour Beatty, manufactured by Siemens and owned by RWE, EDF or E.ON. It is not bringing jobs to the Isle of Skye or indeed the Highlands. I am desperately worried that this transition—this Saudi Arabia of renewables—is going to pass us by without actually making any change to the benefit of people in rural Scotland.

Dan McGrail: I do not know about the specifics of the project. Take offshore wind, for example: about 50,000 people work in Britain in offshore wind and those are real jobs. I spent four years of my career developing an offshore wind turbine factory that is in Hull, and it makes some of the world’s biggest offshore blades. There are 1,500 people who work in that factory. Part of our supply chain strategy is that we want to do more of that; we have to do more of it.

A challenge of renewable energy that you are alluding to is not only the localised impact but the distributed benefit. A coal-fired power station, for example, had very localised impact but also very localised benefit. I want to make sure that we do more of these supply chain investments—more Hulls around the country—so we get more of this concentrated benefit. That is really such an important aspect of the energy transition.



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It is why I actually think GB Energy is such a powerful vehicle for this. Having had that personal experience, I understand the challenge of localising manufacturing in the UK. It is hard to localise anyway; it is not just about Britain, where we have a great offer. It is about getting strategic. There is a danger that if we do not take action in the next three to four years it could pass us by, because expansion in supply chains for clean energy is happening now, and we need to compete with other countries to make sure that we bring as much of this capacity to the UK as possible and benefit from it.

Q318 Chair: So we might see a wind turbine factory in Scotland in the near future.

Dan McGrail: I would love to see that happen.

Chair: We all would.

Q319 Dave Doogan: I am very sympathetic to Angus MacDonald's view; I see it in my side of the country as well. I wonder what your assessment would be of whether GB Energy and DESNZ—and DBT for that matter—need to make a strategic decision to say, "We have not entirely but substantially missed the boat on onshore wind. But in the UK and in Scotland, we have some of the most cutting-edge technology in deep floating wind and tidal and there are not great paces being made around the world in advance of what we have in and around Scotland." Why is there not an explicit strategic decision to get in the front end of that supply chain, cut the losses on the rest of it, and make sure that when places like Japan are buying deep water floating wind, they are buying it from factories in Scotland?

Dan McGrail: I fully agree. I think—

Q320 Dave Doogan: What is the plan?

Dan McGrail: Our strategic plan is going to be published in a couple of weeks' time. There is a really important role that we can play as GB Energy to invest in development projects and wider projects once they reach FID, particularly in this role of commercialising that technology.

A great opportunity that we have is that with the significant scale of the ScotWind lease and now the Celtic sea lease, this is at the early stage of the proving out of that technology. If we learn the lessons from the successful deployment of fixed bottom offshore wind—I take your point about the supply chain—that success story was very much about ensuring we built the test and demonstration projects, which we did with the round 1 projects in England. We then did the round 2 projects, which were more about commercialisation, and then you had this round 3 industrial scale of projects, which really then drove the cost reduction.

There is a really important role that we can play in increasing test and demonstration commercialisation activity so that you de-risk projects for the future, drive down the cost, and really harness that technology



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leadership that we can particularly read across from oil and gas. In deepwater offshore wind, looking at all the experience we have built up in offshore oil and gas—making things float, working in harsher territories, working in deeper water and how you marinise technology—this is all very much within the industrial strength of Scotland, and we should absolutely try to go strategic for that.

Q321 Dave Doogan: That sounds like a summary of where we are just now. What I was asking about is how we harness that engineering and academic IP and lock it into a Scottish supply chain. That is the secret, is it not? The UK and Scotland have been creating difficult solutions for generations and then the benefit of it goes offshore—no pun intended. How do we lock it into a Scottish supply chain? I do not know; I am asking you.

Dan McGrail: It is the complementary element. Building supply chains without projects is really difficult, so we have to drive projects and make sure that we are identifying the right projects at the right scale to build out the technology in the industry, but at the same time having a supply chain strategy. That is part of why our supply chain strategy is concessional and about delivering grants and part of it is about investment and being in with companies in the long run. Then it is about bringing together the ecosystem of public finance, but also academia and the wider business community to support this development so that it is coherent and complementary. Project development and deployment to drive volume in the industry, supported by strategic action on supply chain investment; those two things are the secret sauce on this.

Q322 Kirsteen Sullivan: This Committee's report on the future of Scotland's oil and gas industry concluded that the loss of jobs in oil and gas is not being matched by the new jobs coming online. Do you agree with that? Do you recognise that situation?

Dan McGrail: I thought the report was very comprehensive in its findings. There is probably more nuance to that question. There are these clearly very concentrated impacts of the energy transition that are happening in real time; you pointed to the impact close to your constituency. The growth in clean energy jobs is not necessarily as visible because of some big, concentrated investments like I was referring to before, such as wind turbine factories, foundation factories or big port investments.

There are about 50,000 people working in offshore wind in the UK. It is expected to double by 2030 if the sector develops in line with the Government's targets, but it is certainly a very common theme and a very important topic to acknowledge that, as jobs drop off, we need to make sure that there is a clear plan that we will lean into to ensure that jobs are created to offset that impact.

Q323 Kirsteen Sullivan: These job losses are not new; we know that the decline has been happening over many years, with approximately 75,000



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jobs lost between 2016 and 2024. Can you tell me what Great British Energy is going to do now to address this employment gap?

Dan McGrail: I reiterate the previous point. It is about investing in projects to drive activity in the market and really making sure that we get new projects being built, and complementing that with supply chain investment that is strategic in its nature, focuses on Britain's industrial sweet spots, and then has a clear pathway to work through the project investment that we are doing. You have to do both these things. In fact, in many respects, our country has been very good at bringing forward projects but not necessarily doing the industrial policy alongside it. That is one area where we are keen to differentiate through our "energy engineered in the UK" strategy; it is very much about ensuring that we have that complementarity.

Q324 **Lillian Jones:** My question relates to Clean Power 2030. How confident are you that the UK can meet the Government's clean power by 2030 target?

Dan McGrail: It is probably for the Government to comment on that, but having the framework and target is extremely helpful. The target is ambitious. The energy sector is united around the ambition and keen to get on with it. I was talking earlier about supply chain investment, and it sends a really clear signal to the international investor community that the UK is open for business on this topic. I am talking to a number of inward investors about major projects, and people from overseas are seeing that ambition and asking how they can benefit from that ambition. So I think it is a positive thing.

Q325 **Lillian Jones:** How do you respond to concerns that the Government's billion-pound annual budget for the next Contracts for Difference allocation might not be enough to reach its clean power target?

Dan McGrail: Again, that is a question for Government rather than GB Energy. You obviously operate within the market framework that we are in. We have projects that will participate in that auction.

Q326 **Lillian Jones:** In your view, what are the biggest barriers to achieving clean power by 2030?

Dan McGrail: The barriers have been the same for several years and are common to other countries. They are supply chain availability, skills transfer and planning and networks. We probably have the most comprehensive programme across all those areas that we have seen for many years. You may have seen SSE's announcements around network, infrastructure and investment on one hand. On skills, obviously the Government have established the Office for Clean Energy Jobs, but there is a very strong supply of skills in the UK. We will see some challenges around electrical technology and some crunch professions that will be harder to secure, but those topics are known. Planning has always been a key challenge for deploying renewable energy technology, and in many



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respects that is becoming clearer over time, hence the fact that our supply chain strategy is so important to us.

Q327 Jack Rankin: With the CFD, obviously the way that works is we socialise the market price risk of energy on to the billpayer. We take the profile risk, cannibalisation risk and credit risk, so the only thing left on the route to market for these large-scale renewables that sits with the developer is the balancing risk. As we build out significant amounts of renewables, because of the way our grid is designed, the intermittency that is thrown into the grid—whether that is the need for the capacity market, inertia changes or frequency changes—is effectively socialised in grid costs, which flows to billpayers.

Now with Great British Energy, we are starting to take development and construction risk—that is planning and supply chain risk—and socialising that to taxpayers. Taking the CFD and this activist public investor together, we are effectively putting all this risk with our constituents, whether as the billpayer or the taxpayer. What we seem to be doing, Chairman, is jacking in the 80,000 good jobs in Aberdeenshire for—as we have heard today—jobs that will not be in that same kind of number, and certainly will not be here in time for those jobs to be replaced. At the same time, all we are doing is increasing our British energy costs. Our industrial energy costs are four times those of the Americans, while the United Kingdom is 1% of global carbon emissions. All this is crazy, is it not?

Dan McGrail: No. The CFD has been a UK policy export since 2014 and in the decade since has been emulated in countries around Europe as the way of driving competitiveness. Pretty much every country around Europe has implemented two-sided CFDs. I should also point out that when the CFD was introduced, the price of offshore wind between allocation rounds 1 and 6 has at least halved.

Q328 Jack Rankin: That has changed significantly in the last few years, has it not?

Dan McGrail: We do not know, because allocation round 7 has not happened yet. But that element of market design has been a huge British success story and has been emulated around the world.

In terms of your point around development risk from GB Energy, what we would like to socialise is the benefit. Part of the motivation behind the strategy is about how we invest in a way that socialises the benefit of clean energy investment. That is a motivation that is very much driving me and my team.

Mr MacDonald: This is my favourite subject of community benefit.

Dan McGrail: I think I know what this is.

Q329 Mr MacDonald: Scotland as a whole last year got less than £30 million of community benefits, and the Highlands got £7 million. This is from a



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multibillion-pound industry. It is onshore wind alone, and it is due to Scottish Government guidance put forward in 2014. If you were to apply that figure of £5,000 today for onshore, you would still be paying out £5,000. The Price of electricity is two and a half times higher, so that would be £12,500 today.

We have the highest level of fuel poverty in Britain. You can be opening your curtains in the morning and looking out to wind turbines, and you are paying four times as much for your energy as if you were on mains gas in a city due to the environmental tariffs. Both the Scottish Government and the Westminster Government—DESNZ—have completed a consultation on community benefits and proposed a figure of £5,000, which is very much a figure long overdue to be corrected.

There was a community council convention in Beaulieu in the Highlands in June. Over 200 community councils were there. It was a very difficult meeting for those of us who are pro-renewables. The mood basically was that it is being done to us: no jobs, little money, high energy costs. I wonder if you could give me what you believe is GB Energy's ambitions on community benefits and whether you can help us get a fair deal for people in rural Britain who are generating the renewables of today.

Dan McGrail: Thank you for the question. Community benefits and community impact are really important aspects of what we want to do and how we want to be an exemplar. Returns are important but also making sure that your returns are delivered with a series of complementary impacts is absolutely vital and part of the purpose of having a publicly owned energy company. As you say, the community benefit codes of practice and guidance have existed in onshore wind for some time. The solar industry is starting to introduce these, and network infrastructure is also becoming an increasingly important aspect.

It is important here that industry acts in a coherent way, because a danger is that if one company offers a better community benefit payment, then someone else has to compete, and then you end up rising. That might sound good, but bear in mind—as we have just been talking about—those costs would end up in the cost of the CFD for a new project. We have to be careful that we do not overprice or push up the cost of electricity as a result of that.

However, I do think it is an area for continuous improvement and dialogue. I would say what is important is we work together as an industry with you and your concern. It is important that we work collectively to solve it rather than have different companies trying to compete with each other on it, which would not be a good solution.

Q330 **Kirsteen Sullivan:** GB Energy's mission includes both accelerating clean energy deployment and reducing bills for consumers. How realistic is it that you can achieve both those objectives simultaneously?

Dan McGrail: In terms of driving down bills and driving deployment, a really good area where we can do this is in the whole area of local and



community energy. As I said earlier, the economics of solar in particular are very compelling. I gave the example of a hospital saving £1 million a year, and the question is: how do we get more of that? An obstacle to it being scaled beyond what has already been done is really availability of capital, focus and capability. A hospital would rightly look at investment in core technology, MRI scanners, resourcing—all these things—as a priority.

As GB Energy, our core role is deploying the clean energy, but the outcome of that investment is the most important thing. If we can save operational costs for a school, hospital or leisure centre, that then turns into better community, healthcare and educational outcomes. That is the real power of driving the investment. It is not just about megawatts; it is about the consequential outcomes that we try to drive.

Q331 Kirsteen Sullivan: I completely appreciate the initiatives around hospitals, schools and even leisure centres, which are very energy intensive, particularly when they have swimming pools, but what about for consumers, the domestic user? How will bills be brought down for good, which is a commitment in the mission?

Dan McGrail: Reducing bills is a national endeavour. From a technology perspective, a unit of electricity from a wind, gas or steam turbine is more or less the same whether that is installed in the UK, Germany or Poland. The technology is broadly the same. There are differences, and there will be slight local factors, but overall the technologies and mix of technologies are not necessarily the core driver of the cost.

The aspects that are driving the cost are wider. You need to look at how we pay for networks, wider initiatives within the industry, policies, and market design questions. One actor like GB Energy cannot solve a problem. What we can do is make sure that our investments are complementary to the mission. As I said earlier, if we invest in local and community energy projects, there is a direct benefit to those local communities. But an indirect benefit that is less talked about is that by building more production of energy close to consumption, we can reduce the amount of future investment that is required into our networks and our network reinforcement, which will then have a benefit that is passed on to consumers in the long run.

The other example, which I talked about, is unlocking the energy value of public land. Again, in those examples, it is about making sure that what you invest in on that public land is complementary to the needs of your work. As the network develops, that can help lower the cost of operating the network and the whole system, which will flow through to energy bill savings.

Q332 Kirsteen Sullivan: The Government have said that they aim to cut energy bills by up to £300 by 2030. Are you confident that can be delivered?



Dan McGrail: As I say, it is a much wider programme. Big parts of that are down to wider Government policy, and it is not for me to comment on. What I can say is that GB Energy's activities will work to have an impact in the areas that I have already outlined.

Q333 **Mr MacDonald:** You seem to be getting all the grief here as if you were with DESNZ. The standing charges were set up because basically you were taking electricity from the major coal-fired power stations into the rural areas, so you still pay a much higher charge if you are in rural Britain than if you are in urban Britain. The second thing is environmental tariffs are on the electricity, even though electricity is renewable and UK-produced, and not on the mains gas, which is imported carbon fuel. That is clearly very wrong. The third thing is that the energy price is fixed on gas, because it is the highest level of wholesale. These things seem to me to be fairly easily addressed. Is it a responsibility of GB Energy, or do you just carry out the basic jobs?

Dan McGrail: These are all fundamental questions of market design and Government policy and should be directed to policymakers. GB Energy will be a market actor in the end; obviously we are publicly owned. Something we will be able to do is give real, live feedback to policymakers and our shareholder, as other market participants do, but those specific topics are matters to address with regulator and policymaker.

Q334 **Elaine Stewart:** You will be glad that we are nearly at the end. In October 2024, a vision statement was signed by both the UK and Scottish Governments to work with public bodies. What progress has been made in that? How do we ensure that there is no duplication of existing work with clean energy?

Dan McGrail: The question was specifically about the partnership agreement with Scottish Government?

Elaine Stewart: Yes.

Dan McGrail: Myself and the chair met with the Deputy First Minister earlier this year and the chair met with the First Minister recently, so dialogue is continuing, and very constructive. Obviously, the real test of this is about how we invest. We are working on and developing our relationship through our local team with the CARES programme. It is really important that that works in lockstep.

I cannot speak specifically about them but we also have some examples where we are looking at investments with publicly owned partners in Scotland and exploring further, deeper MOUs and partnership agreements to look at how we utilise public land in Scotland as part of our wider public land strategy. Having those two things is really crucial.

Finally, in the world of offshore energy there is a huge alignment between the conversations we have been having here in terms of how to build the



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future of that industry, making sure that it is built around an industrial cluster and the ambitions of Scotland from a wider political perspective.

Q335 **Elaine Stewart:** So conversations are being had so that we are not duplicating any existing work that is going on with public sector bodies at this moment in time?

Dan McGrail: No, and we are ensuring that there is no duplication. In the end, the biggest area where we need to make sure that duplication does not happen is with our community and local activities.

Q336 **Elaine Stewart:** Great British Energy has partnered with the Crown Estate, which operates across England, Wales and Northern Ireland. How does this compare to relationships with the Crown Estate in Scotland?

Dan McGrail: We have a very positive relationship with the Crown Estate in Scotland and speak regularly. There is obviously a slightly different constitutional nature of the Crown Estate in Scotland. Crucially, with our investment in Pentland, we are entering into a lease where Crown Estate Scotland is effectively our landlord, so we have to manage that is really important that we have a cordial relationship, both in terms of that role as a market participant but also looking at how we collectively develop the industry in the future. It is not as structured as the Crown Estate partnership, but it is very positive.

Q337 **Chair:** Is the partnership with the Crown Estate something that you think could be helpful in the longer run in terms of producing extra jobs, energy, and all the issues that come under your remit?

Dan McGrail: Absolutely, it is part of the purpose. The Crown Estate has comparable objectives in terms of seeing the growth of clean energy deployment and the importance of unlocking supply chains. The Crown Estate's new borrowing powers mean that we are working closely together as it is part of the public finance ecosystem. Where we have opportunities for inward investment, it is important that we maintain dialogue. We are structuring that around our activities, including the Crown Estate supply chain accelerator initiative and looking at models of leasing and the future of offshore wind investment in the UK. We have a structured partnership exco and board, and we are managing that on a monthly basis.

Chair: We look forward to seeing your strategy when it is published, and Mr McAllister particularly will be looking forward to the letter you are going to send to the Committee with the follow-up. Thank you very much for coming along this morning and for giving us so much of your time and so much information, too. We look forward to seeing you again, relatively soon perhaps.

Dan McGrail: Hopefully at our Aberdeen headquarters.

Chair: That would be even better—I am sure we would all very much appreciate that—but we certainly look forward to seeing you again, I



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suspect toward the end of our inquiry. Thank you very much for today.