



Department for
Energy Security
& Net Zero

Jeremy Pocklington CB
Permanent Secretary
Department for Energy Security
& Net Zero
55 Whitehall
London
SW1A 2HP

www.gov.uk/desnz

Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

09 May 2024

Dear Dame Meg,

Bulb Energy Limited: Energy Supply Company Special Administration Regime.

Following my letter to the committee on 27 February 2024 I would like to provide an update of the shortfall amount concerning Bulb Energy Limited in energy supply company administration (Bulb SAR).

The latest forecast, as of March 2024, of the amount outstanding to HMG following Octopus Energy's payment to Bulb SAR, is estimated by Bulb's joint energy administrators (JEAs) to be c. £6.1 million. This represents an approximately 99% plus recovery of amounts owed to HMG. This is a significant decrease from the £19.6m figure cited in February and is due to refinements in the JEAs' forecasts as remaining issues are settled, and there is more clarity around future cash flows. As highlighted previously, there are still a number of uncertainties to work through and the final quantum of any shortfall will not be known until the end of the SAR period in 2025.

We have now received confirmation that the payment deferral conditions have not been met and as such Octopus is required to commence payments to Bulb SAR as scheduled this summer. It is envisaged these payments will now be completed by end of September 2024, with funds being distributed back to the department by Bulb's JEAs shortly after receipt from Octopus. Our commitment to updating the committee by the end of October 2024 on whether full repayment has been received from Octopus still stands.

I am copying this letter to Angus MacNeil MP as Chair of the Energy Security and Net Zero Select Committee, Dame Harriett Baldwin MP as Chair of the Treasury Select Committee and Gareth Davies, Comptroller and Auditor General.

Yours sincerely,

Jeremy Pocklington CB
Permanent Secretary for Energy Security and Net Zero