

Great British Energy can become a major power generator, says its chair



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The Guardian (London)

October 16, 2024 Wednesday 7:39 PM GMT

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theguardian

Section: BUSINESS; Version:4

Length: 816 words

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Highlight: Jürgen Maier's vision for company includes the potential to borrow its own money in order to rival multinationals

Body

Britain's new national energy company will eventually become a major power generator, running its own [windfarms](#), tidal power and carbon capture schemes and potentially borrowing its own money, according to its new chair.

[Jürgen Maier](#), the chair of [Great British Energy](#) (GBE), told the Guardian in an interview that his vision for the company far outstrips its current scope and would put it on a par with multinational firms such as Denmark's [Ørsted](#) or Sweden's Vattenfall.

Government sources have indicated the chancellor, Rachel Reeves, aims to make [£40bn in tax rises and spending cuts](#) in the upcoming budget. Maier made a last-minute plea to keep his company's spending off the public balance sheet, which would allow it to borrow more in the long term.

Maier told the Guardian: "Great Britain deserves a national champion, like an [Ørsted](#).

"What we want to do [now] is to invest and play in some of the less mature markets and then ultimately we would become a longer-term operator in some of those areas, such as floating offshore wind, etc. But that's going to take a much longer period of time."

Officials say the company could eventually become an operator in offshore wind, tidal power, carbon capture and hydrogen power.

He added: "These journeys always start with a vision and with an idea. And that's exactly where [Ørsted](#) and Vattenfall started. We now have five years to build this company to co-invest. We will no doubt own some energy assets in that time.

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“But ultimately, if you take the next five years beyond that, of course we want to become a larger energy company. There is a long-term vision, and there’s a pragmatic step-by-step approach of getting there.”

Ørsted, formerly known as Dong Energy, is the world’s largest offshore wind developer, with a valuation of about £20bn. Vattenfall, which is solely owned by the Swedish government, owns some of the largest windfarms across northern Europe.

GBE has been promised £8.3bn to spend on energy schemes over the next five years, concentrating on offshore wind, hydrogen power, carbon capture and [nuclear power](#). The company will begin by taking minority stakes in new projects, but will not immediately own or operate any itself.

Reeves had originally intended to invest £28bn a year on green schemes but those plans [were halved](#) this year, leaving GBE at the heart of the government’s green industrial strategy alongside the £7.3bn National Wealth Fund.

Maier and the energy secretary, Ed Miliband, will travel on Thursday to Aberdeen, GBE’s planned headquarters, where they will announce a deal to develop windfarms on land owned by the crown estate in Scotland. The deal mirrors a [similar one](#) struck in England, which officials say will allow GBE to develop enough offshore wind turbines to power 20m homes.

Miliband said: “Unlike in the past we’re working closely with the Scottish government with a new agreement to ensure our publicly owned company Great British Energy is primed to accelerate clean energy investment in Scotland.”

Reeves has warned cabinet colleagues she faces a bigger funding gap than previously thought because of her desire to increase departmental budgets by more than was assumed under Conservative spending plans.

She is drawing up plans to find £40bn to avoid the real-terms cuts to departments that had been baked in under the previous government’s plans.

Her attempts to fix the shortfall are causing angst in Whitehall, where ministers are complaining that they are being asked to cut major spending programmes, even though the government had promised an end to austerity.

Cabinet ministers have pushed back against some of the cuts, in particular to [in-year capital spending](#). Several have written to Keir Starmer to contest them.

In the long term, Reeves is looking to buy herself more fiscal headroom by rewriting the official government definition of debt to allow her to borrow billions more for critical infrastructure.

Asked whether he thought GBE should also be kept out of the debt figures, Maier, a former chief executive of Siemens UK, replied: “Correct.”

He added: “It’s a huge investment. I’ve been in this industry for 30 years in the UK and I’ve always felt that we have somewhat underinvested in our infrastructure. I’m massively excited by the opportunity to be an investor [and] to really reaccelerate our journey to clean power in the United Kingdom.”

Maier said he wanted ministers to remain open to the idea of allowing GBE to borrow its own money – a provision that industry experts consider essential if it is to reach the kind of scale he would like.

“I’m delighted that crown estate is able to borrow and therefore invest with us,” he said. “Whether in the future we can borrow or not, I think is a discussion for later on.”

This article was amended on 17 October 2024. An earlier version misdescribed Jürgen Maier as the chief executive, rather than chair, of Great British Energy.

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