

Why is taxpayer footing bill for Bulb bailout?



GMB, the energy union, today asks why the taxpayer is footing the bill to save failed energy company Bulb when the Government had other options on the table.

At least two energy suppliers are thought to have offered rival plans to Bulb's Government bailout

Instead, Ministers decided to invoke the supplier of last resort option at a cost of £1.7 billion to the public purse.

Bulb energy, which went into administration last week, had 1.6 million customers and was the 26th energy company to go into administration since August while struggling with high gas prices.



Andy Prendergast, GMB National Secretary, said:

“If the Government ignored industry offers to help without costs to the public, it raises serious questions.

“We firmly believe energy is a crucial resource that should be supported by the public purse to ensure that it is paid for progressively. But this bail out seems like the latest in a long line of knee jerk reactions in response to a growing crisis.

“Customers and businesses need to be protected from the consequences of an arm’s length policy that have left us without sufficient gas storage to cope with price rises.

“Rather than respond with a logical and coherent plan that would provide for a long-term stability, Ministers lurch from crisis after crisis without any clear understanding of the underlying issues.

“If they are going to give confidence to consumers struggling with high energy bills, we need to see that they have both an understanding of the problems and a solution which isn’t simply throwing money at a problem that won’t go away.”

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