

# Environmental Audit Committee

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Nick Hurd MP

Minister of State for Climate Change and Industry

26<sup>th</sup> January 2017

Dear Nick,

Thank you for your response to my letter regarding the impending sale of the Green Investment Bank. We note your offer to appear before the Committee, however we are disappointed at the Department's view that such a hearing would be "inappropriate" at this time. Stories about the sale process are appearing in the press on a daily basis whilst Parliament appears to be kept in the dark.

Between November and December 2016 the Green Investment Bank created and incorporated twelve new Special Purpose Vehicles (SPV's) at Companies House. The Committee is concerned that the names of some of these SPV's correspond with three of the GIB's biggest assets: the Galloper, Rampion and Westernmost Rough offshore windfarms.

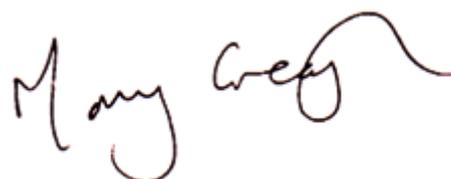
The Committee would like to know why this restructuring has taken place and whether there are implications for the Bank's Green Purposes. In particular, the Committee would like to ask how the creation of these SPV's stands to facilitate the injection of private capital into GIB's offshore wind assets? Will actions taken by those SPV's in future have to comply with the green purposes set out in the Bank's articles of association? Will the holders of the special share have any say in the transfer of assets between the GIB and these SPV's or with what is done with those assets afterwards?

Was this restructuring action taken at the request of UK Government Investments, who are overseeing the sale? If so, what is the intention of the restructuring? You will be aware of our concerns that this was done to facilitate an easier asset sale when and if the Bank is acquired by Macquarie.

The Committee will look to hold a hearing as soon as possible after a sale or other course of action is announced and will continue to scrutinise the sale process.

Please be aware that the Committee may choose to publish this letter and your response.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Mary Creagh". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

**Mary Creagh MP**

**Chair of the Environmental Audit Committee**