The Department for Business Energy & Industrial Strategy 1 Victoria St London SW1H 0ET

Friday 24 September 2021

Dear Rt Hon Kwasi Kwarteng MP,

UK Global Leadership on Clean Power Ahead of COP26

We, the undersigned, are writing to urge the Government to follow the Sixth Carbon Budget's advice by committing to the full decarbonisation of UK electricity generation by 2035.1

For more than a decade, UK actions to address the climate crisis have made it a world leader; being the first major economy in the world to legislate to end its contribution to global warming by 2050, and the first to legislate for a phase out of unabated coal generation. The UK now ranks² as one of the most attractive countries worldwide for renewable energy investment and, earlier this year, reached the milestone of more than halving its annual greenhouse gas emissions compared to 1990 levels.

As COP26 approaches, we believe the time is right for the UK to signal an end to the use of unabated fossil fuels in the power sector, claiming another historic first. There is now a clear pathway to delivering emissions-free electricity, as analysis by the Climate Change Committee³ and the IEA⁴ shows. This pathway must be one that does not rely on expensive technologies but will instead leave both consumers and the taxpayer better off while supporting skilled employment in all parts of the country as we build a new zero emissions power sector.

This decision will raise confidence in the Government's net-zero vision for the UK in the crucial years ahead, ensuring that every pound invested in the country's electricity sector contributes to building a low-cost, sustainable, and resilient energy system based on renewable technologies. Moreover, by setting this target, Ministers can leverage the UK's ambition and international standing on climate change at COP26 while strengthening transatlantic ties with the Biden Administration which recently published its own plans to deliver a carbon pollution-free electricity sector by 2035.

We stand ready to play our part in delivering fully decarbonised electricity by 2035. Meeting this target will be challenging, 6 requiring new investments in renewable energy of up to £14bn 7 each year - a significantly greater level of investment than has been possible to date. However, with a commitment from the Government to deliver a fully decarbonised power system by 2035, we are confident this ambition can be achieved.

¹ The call to decarbonise the energy system follows the advice of The Committee on Climate Change's 6th Carbon Budget, which recommends the phase-out of unabated gas by 2035. There are many pathways to achieving a fully decarbonised grid, all of these must focus on a major expansion in ambition on the roll-out of onshore and offshore renewables over the next decade.

² https://transform.iema.net/article/uk-ranked-fourth-most-attractive-country-renewable-energy-investment

³ https://www.theccc.org.uk/wp-content/uploads/2020/12/The-Sixth-Carbon-Budget-The-UKs-path-to-Net-Zero.pdf

⁴ https://iea.blob.core.windows.net/assets/20959e2e-7ab8-4f2a-b1c6-4e63387f03a1/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf

⁵ <u>https://www.goodenergy.co.uk/business/exclusive/renewable-nation</u>

⁶ https://www.imperial.ac.uk/energy-futures-lab/reports/white-papers/net-zero-gb-electricity/

⁷ https://www.powerengineeringint.com/renewables/uks-2050-goal-requires-14bn-in-additional-renewables-per-annum-net-zero/

Yours sincerely,

Sue Riddlestone OBE, Founder and Chief Executive, Bioregional

Andy Wales, Chief Digital Impact and Sustainability Officer, BT Group

Rick Wilmott, Group Chief Executive, Wilmott Dixon

Ray Upjohn, CEO, Chapmanbdsp

Bevis Watts, CEO, Triodos Bank

Pradyumna Pandit, Managing Director Sustainability and Energy Services, Mitie

Stefano Agostini, CEO, Nestlé UK&I

Iain Patton, CEO, EAUC

Jo Whitfield CBE, Chief Executive, Co-Op Food

Peter Simpson, CEO, Anglian Water

George Mayhew, Corporate Affairs and Sustainability Director, Thames Water

Mark Hurley, Managing Director for the Water, Energy and Industry, WSP

Jennie Colville, Head of ESG and Sustainability, Landsec

Greg Jackson, CEO, Octopus Energy

CC The Prime Minister, the Chancellor of the Exchequer, COP26 President Designate, , BEIS Select Committee, Environment Audit Committee



























