

The UK Government Consults on Lower Emissions for Power Plants January 13, 2023



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On January 9, the UK's Department of Business, Energy & Industry Strategy (BEIS) launched a **consultation** aimed at better aligning the UK's electricity generation market with the UK government's net zero targets, including a transition to a decarbonized electricity network by 2035, while also "[s]trengthening security" of the electricity supply. BEIS has proposed, among other things, lowering emission limits for new UK oil and gas plants beginning on October 1, 2034 and altering the frequency with which emissions are disclosed. BEIS also seeks to incentivize increased participation of low carbon technology in the capacity market auctions that ensure there is enough reliable capacity to meet the UK's electricity demands. To better ensure supply, particularly during times of stress on the electricity system, the consultation proposes strengthening the penalty regime for non-delivery of supply. The consultation contemplates soliciting stakeholder views on barriers to decarbonization and evaluating the relationship between the UK capacity market and government support for large-scale long-duration electricity storage. The government said it plans to publish a response in Spring 2023, outlining the proposals the government will implement.

In response to the announcement, Dan McGrail, chief executive of trade body RenewableUK, stated that "[i]t's vital that we decarbonise our electricity system completely by 2035, so this consultation represents an important step forward in that process," and "[w]e need to incentivise more investment in new low carbon flexibility in our modern energy system based on renewable technologies including wind, solar, tidal stream and green hydrogen."

Taking the Temperature: The launch of this consultation indicates that slow but steady progress is being made to address the twin aims of improving the UK's energy security while reducing power plant emissions. Critics will highlight the long timeframes outlined in the consultation and argue that these are incompatible with the goals of the Paris Agreement. But energy security is a key political priority in the UK and Europe, due in part to impacts caused by the ongoing war in Ukraine, and this initiative has the potential to positively impact emissions reduction targets and the transition to a low-

carbon economy. Managing energy supply while cutting emissions is a significant challenge, but as with other climate-related government initiatives the participation of private industry in the process of formulating plans is welcome and crucial.