Lesley Griffiths AC/AM Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs



Eich cyf/Your ref Ein cyf/Our ref MA/P/LG/2181/20

Rt Hon Kwasi Kwarteng MP Minister of State for Business & Energy Department for Business, Energy & Industrial Strategy 1 Victoria Street London SW1H 0ET

cabinetcommittees@beis.gov.uk

14 July 2020

Dear Minister

I am writing in response to the current consultation on future support for low carbon heat. I previously wrote to you in April to confirm I was content for the consultations to be taken forward on behalf of Welsh Government and for the proposals to cover support for households and businesses in Wales.

Welsh Government is broadly supportive of the actions you are taking to deliver on our collective decarbonisation goals. Particularly in light of the current Covid 19 crisis, we agree the need to protect the developing supply chain for low carbon heat.

However, in my view, the focus on value for money in the future scheme risks being at the expense of sufficient consideration of the impacts on fuel poverty. We would prefer a longer term approach with a broader range of technologies, which would help build a sustainable market for the wide range of low carbon heat technologies we will need to deliver our decarbonisation targets.

We have repeatedly made clear our strong preference for hybrid heat pumps to be included in the future scheme. I note the recently published advice from the Committee on Climate Change also included the recommendation to support hybrid heat pumps. I have previously acknowledged the limited evidence available for hybrids. I hope this consultation will bring forward additional evidence, which will lead you to reconsider the inclusion of hybrids in a future scheme.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I have previously outlined my aim to secure maximum value for Wales through the existing and future renewable heat schemes, particularly for those in or at risk of fuel poverty. In order to do so we would like to ensure the Clean Heat Grant scheme regulations enable it to be used in conjunction with our existing Welsh Government programmes. We will also want to ensure the delivery mechanisms for the schemes under the Welsh Government Warm Homes programme umbrella and the Clean Heat Grant complement each other, so that households can benefit from both the Clean Heat Grant and additional Welsh Government support.

Your officials have continued to work with mine to ensure we are sighted on development of these proposals. My officials will be providing a detailed response to the questions in the consultation document. I look forward to continued collaboration in relation to the detailed design and establishment of the scheme rules.

I am copying this letter to the Secretary of State for Wales.

Yours sincerely

Lesley Griffiths AC/AM

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