

14/09/17

Attn: Financial Times

Dear Editor,

Your story ('EU makes contingency plans to protect carbon market from Brexit' FT 10/09/17) underlines the need for immediate clarity on the UK's future involvement in the Emissions Trading System.

The prospect of UK carbon allowances becoming void from the start of 2018 has added even more urgency to this issue. That is why we have written again on behalf of the UK energy industry seeking to meet with DXEU Secretary David Davis so that we can agree the way forward without further damaging delay.

The UK's energy sector is the largest covered by the ETS and supports staying in the system. A sudden exit from the ETS at the same time as the UK departs the EU would come part-way through the current trading phase. That could cause chaos for all those countries involved and the consequences of the carbon price crashing could see millions of pounds of UK consumers' money wasted and undermine long standing efforts to reduce CO2 emissions.

The current uncertainty carries a high price. A commitment to staying in the ETS would provide stability in this vitally important area at a time of inevitable change and ensure that the industry can continue its notable success in tackling climate change.

Yours sincerely

Lawrence Slade
Chief Executive, Energy UK