



Julie James MS
Minister for Climate Change
Welsh Government
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Dear Minister James

Placing a Net Zero Duty on Environmental Regulators

We are writing to you as the Minister for Climate Change with responsibility for Natural Resources Wales (NRW). The Welsh energy industry wholeheartedly support the Welsh Government's ambition towards a Net Zero economy by 2050. To achieve this target it is essential that NRW carries out its functions and regulatory decision making in a way that supports the delivery of Net Zero. To do this we are asking you to consider placing a new primary duty on environmental regulators in Wales to take into account the Net Zero targets.

There is no statutory obligation on NRW to take climate change mitigation and the delivery of Net Zero into its decision-making process. This means that low carbon generation projects (and associated developments) face challenges in gaining consents and positive statutory advice, as there is no legal priority for climate change regulation over other environmental areas. Regulatory challenges can also be experienced when companies seek to upgrade or maintain existing low carbon generation assets. This can lead to a lack of proportionality in decision making (e.g. a relatively small residual environmental impact could be judged to outweigh the large climate change benefits of a low carbon generation project).

In the current absence of a statutory duty, it would be prudent to require NRW to state clearly how its procedures, decision-making and advice will ensure alignment with the UK's binding target under the Environment (Wales) Act 2016 to reduce net emissions of greenhouse gases to zero by 2050.

Such an approach should take account of the full range of technologies, both existing and new, that will need to be deployed, upgraded and maintained during the transition to Net Zero.

Subsequent to this, and as soon as is feasible at the next available legislative opportunity, it is our view that a duty to take the transition to Net Zero into account in exercising their functions should be applied to environmental regulators in Wales.

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A new duty on them would relate primarily to the development and deployment of new low carbon technologies, but would also recognise that existing capacity is an integral part of a feasible, efficient and affordable transition through its contribution to security of electricity supply.

We would be keen to meet with you to discuss the role of environmental regulators in supporting the transition to Net Zero in England, Scotland, Wales and Northern Ireland, and how the UK energy industry is leading this transition. If you wanted a meeting please contact Aradhna Tandon on aradhna.tandon@energy-uk.org.uk.

Yours sincerely



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