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European Union Committee

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25 November 2020

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

Dear Kwasi,

EM COM(2020) 299 final: COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on Powering a climate-neutral economy: An EU Strategy for Energy System Integration

Thank you for your letter dated 14 October 2020 on the above Communication, which was considered by our Environment Sub-Committee on 25 November 2020.

Thank you for your detailed response and, in particular, your analysis of the EU's strategy and comparison with the Government's related policies. Your letter illustrates the amount of ongoing policy activity within this area. We urge the Government to be ambitious in its own strategies that are soon to be published, given the scale of the challenge of reducing greenhouse gas emissions.

Your letter mentions the forthcoming energy White Paper which was due to be published this Autumn. You told the House of Commons Business, Energy and Industrial Strategy Committee that this will be published at the end of November or early December, but this is somewhat dependent on HM Treasury's spending review. We acknowledge the unprecedented challenges presented by COVID-19 but hope that the White Paper will arrive soon.

We are glad that the Government is monitoring the EU's upcoming Offshore Renewable Strategy and its implications for North Sea developments, and the EU Hydrogen Strategy. As you know from our recent letter on the topic, we believe intergovernmental cooperation and coordination will be essential to ensure the cost-effective and efficient development of low-carbon energy, including offshore wind and hydrogen, in the North Sea.

Your letter refers to the Government's positions on electricity trading and carbon pricing in the UK-EU negotiations. We are interested in these matters and will be seeking an update on the outcome of the negotiations as it relates to them in due course.

Thank you for assuring us that arrangements have been prepared to enable trade in electricity over the interconnectors to continue if no UK-EU agreement on energy is reached, and that security of energy supply will be unaffected.

Thank you for confirming that the Government has considered the implications of the Commission's proposals for Northern Ireland.

We are now content to close this correspondence.

I am copying this letter to Sir William Cash, the Chair of the Commons European Scrutiny Committee; Jessica Mulley, Clerk to the Commons Committee; Les Saunders, Cabinet Office; and the BEIS Parliamentary Scrutiny Team.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Kinnoull', with a horizontal line underneath.

Lord Kinnoull
Chair of the European Union Committee