

Rt Hon Grant Shapps MP
Secretary of State
Department for Energy Security and Net Zero
1 Victoria Street
London
SW1H 0ET

22nd June 2023

Dear Mr Shapps,

We are writing as a group of investors, companies, industry associations, and consumer groups to applaud the Government's decision to include a specific net zero and carbon budget objective as part of Ofgem's mandate via the Energy Bill. We are also keen to underline our support for the Government to move quickly to equip Ofgem to deliver on its new mandate, following the approval of the Energy Bill.

To decarbonise our power, heating, and transport systems, Ofgem needs to plan for and incentivise investment in a net zero future. Connections of renewable energy projects to the grid are facing huge delays which threaten the UK's ability to maximise the use of even existing renewables power generation, and the UK's ability to meet its own target of 50GW of offshore wind by 2030, 70GW solar by 2035. By updating Ofgem's mandate to incorporate the UK's net zero target, the Government will empower the regulator to address the interlocking challenges of the climate emergency, the increasing cost of living, and energy security.

In light of the magnitude of the task facing Ofgem, as soon as the Energy Bill comes into force, we would urge the Government to move quickly to ensure that Ofgem has sufficient capacity, resources, and technical expertise to deliver its revised mandate. The simultaneous finalisation of the long-awaited Strategy and Policy Statement for Ofgem would also be welcome.

Ofgem's effective implementation of its net zero mandate will help to unlock vital investment in the low-cost, low-carbon energy system we are all working towards. The sooner the new regulatory system is up and running, the better.

Yours sincerely,

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Ben Westerman	Interim Executive Director	Aldersgate Group
Faith Ward	Chief Responsible Investment Officer	Brunel Pension Partnership
Victoria Tarr	UK Sustainability Officer	Canada Life UK
Tessa Younger	Better Environment Leader	CCLA

Raj Roy	General Counsel & Company Secretary	Centrica plc
Clive Mather	Chairman	Church of England Pensions Board
Matthew Cater	Head of Product and Proposition	Coventry Building Society
Sister Sarah King-Turner	Provincial Treasurer	Daughters of Charity of St. Vincent de Paul
Paolo Camoletto	Chief Operating Officer and Financial Secretary	Diocese of Westminster
Roger Lewis	Head of ESG	Downing LLP
Brian Tilley	Head of External Affairs	E-ON UK
Stew Horne	Head of policy	Energy Saving Trust
Gemma Corrigan	Head of Policy and ESG Integration	Federated Hermes Limited
Nigel Pocklington	Chief Executive Officer	Good Energy
Benjamin Guest	Managing Director, New Energy	Gresham House plc
Chris Davidson	Policy Chair	Ground Source Heat Pump Association
Charlotte Lee	Chief Executive	HPA (Heat Pump Association)
Bean Beanland	Director for Growth & External Affairs	Heat Pump Federation
Faisal Hussain	Chief Executive	HIES
Richard Warren	Director of Public Affairs	The Kensa Group
Cllr Doug McMurdo	Chair	LAPFF (Local Authority Pension Fund Forum)
David Cowdrey	Director of External Affairs	MCS Charitable Foundation
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Chris Anker	Head of Sustainability	Redwheel
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