# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **UK Energy Security Strategy** |
| **DATE** | **08 April 2022** |
| **BY** | **Julie James, MS Minister for Climate Change** |

Yesterday the UK Government published the UK Energy Security Strategy.

The strategy is published during a cost of living crisis and despite repeated calls for the UK Government to take action to support those most at risk from high energy prices, the UK strategy does nothing to support citizens. Instead, the strategy sets out an approach to energy supply that risks locking the UK into continued reliance on fossil fuels and places significant financial burdens on future generations when there are cheaper alternative options for deploying large scale renewable generation.

Years of regressive energy policy at a UK level have left us exposed to global price surges. This strategy has come ten years too late for households and businesses and lacks the breadth of action needed to tackle the cost of living crisis and climate emergency.

Had the UK Government taken bold action to insulate our homes and businesses, upscale and diversify our renewables, and deploy smart technology, we would be well on our way to a secure, clean energy system. At a time when the UK needed to be scaling up renewable energy generation the Conservative led government in London cut subsidies that had been so effective at supporting new technologies, put in place new barriers to onshore wind at a time when the cost of generation was falling and failed to invest in new generation technologies that would have provided the baseload capacity needed when generation from traditional forms of renewables is low.

It is indefensible that in the same week that the Intergovernmental Panel on Climate Change (IPCC) reinforced the need for urgent action to reduce emission levels, the UK Government has committed to expanding the extraction of fossil fuels. No government being honest about their commitment to net zero could look at options to explore new fossil fuel extraction. We will continue to oppose the extraction of fossils fuels in Wales, we will continue to oppose fracking and we will be supporting the transition away from the use of fossil fuels as soon as is practicably possible.

Instead of perpetuating our reliance on fossil fuels, the strategy should have been setting the conditions for the expansion of renewables and flexibility on the scale needed to meet net zero.

Here the strategy is again lacking. The UK Government has not taken the opportunity to expand onshore wind generation. With its significant cost advantage compared to most other forms of energy generation, the UK Government has ignored the needs of consumers in the exploration of one of the cheapest sources of green energy and instead focused on the needs of backbench Conservative MPs. Here in Wales we will continue to support new investment in on-shore wind by working with communities to maximise the economic and social value of investment, including ways to use new generation to directly reduce the costs of domestic energy bills.

It is also deeply disappointing that the UK Government has failed to recognise the potential from using our tidal resources to generate predictable renewable energy. The case for the deployment of tidal range technology has already been made, most recently in the 2017 Hendry review. However, the UK Government has failed to set out a clear strategy for supporting this technology that has the potential to generate a significant proportion of our baseload needs when generation from wind and solar is low.

One area where we are in agreement with the UK Government is on offshore wind. We have enormous potential off the Welsh coast and we want to see an approach that supports new generation while also respecting our marine environment. The UK Government needs to recognise our devolved responsibilities through the environmental licensing and permitting regimes and work with us to ensure we balance the needs of both the climate and nature emergency. We also see great potential for the economy and our communities from new investment. We want ports in Wales and Welsh industry to be at the heart of a new industrial revolution and ensure we maximise the local benefit from investment off our coast. I will be pressing the UK Government to develop an offshore wind industrial strategy to maximise the potential opportunities for the economy and our communities in Wales from the investment planned including the opportunities to generate hydrogen alongside off-shore wind.

We also want to work constructively on the economic potential of new nuclear in Wales. Yesterday’s announcement provides some clarity on the future direction for nuclear energy policy and the new funding is welcome to help bring investment proposals forward. We hope that this will provide much needed impetus for potential projects at Wylfa and Trawsfynydd. However, after failed attempts in the past to bring investment to north Wales, the UK Government must rebuild trust with our communities and industry. We successfully established a partnership approach to consider the case for new investment at Wylfa and Cwmni Egino, the development company established by the Welsh Government to develop the Trawsfynydd site, is already well placed to progress small scale nuclear generation. We call on the UK Government to work with us in collaboration with local partners and our established structures to take forward nuclear energy proposals in North Wales.

This statement has been made during recess to respond to a major announcement from the UK Government. Ministers will be happy to provide further statements to the Senedd if required.