

Rt Hon Boris Johnson
Prime Minister
10 Downing Street
London, SW1A2AA

25th May 2020

Dear Prime Minister

A GREENPRINT FOR BUILDING A CLEANER, MORE RESILIENT ECONOMY

The Coronavirus pandemic is a tragedy for our country and on behalf of SSE I would like to offer condolences to all those who have lost loved ones to Covid-19, and to thank the healthcare and emergency service workers who have responded so bravely during the crisis. I am also proud of the contribution in terms of critical work that the energy sector has made to the efforts.

While we rightly continue to prioritise the health impacts of the pandemic, we must also now take the opportunity to deliver a ‘win-win’ for both economy and climate by driving a green economic recovery, based on low-carbon infrastructure investments to meet the UK’s net zero emissions target.

To achieve a green economic recovery we need to do three things: **unlock investment in low-carbon infrastructure, create jobs and build domestic supply chains**. As a UK-listed, FTSE-100 company and developer of low-carbon infrastructure, SSE stands ready to play its part in all three.

Just as SSE’s heritage and the 1943 Hydro Electric Development Act led to the construction of the dams, power plants and electricity networks of Scotland’s hydro revolution and a post war infrastructure boom, we have an opportunity today to embark on a similar UK-wide national effort to create a programme of green infrastructure, jobs and growth.

We want to work with government and other stakeholders to help unlock this investment. That’s why today SSE is launching our ‘greenprint’, which sets out five areas and fifteen practical, deliverable steps Government could take now to rebuild a cleaner and more resilient economy for the future:

1. A net zero power system by 2040

SSE plc

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1. **GREEN FISCAL RULE:** Commit to a net zero power sector by 2040, based on a robust carbon price trajectory that drives negative emissions by 2040
2. **OFFSHORE WIND REVOLUTION:** Deliver 40GW offshore wind by 2030 and target at least 75GW by 2050
3. **BUILDING ON MARKET SUCCESSES:** Build on the success of Contracts for Difference (CfDs) to attract more low-cost investment in new and repowered renewables, life extensions and storage

2. Strategic investment in networks

4. **GREEN-LIGHT SHOVEL-READY TRANSMISSION INVESTMENTS:** Ofgem to finalise T2 price controls to enable the net zero transition
5. **ENABLE ELECTRIFICATION LOCALLY:** Deploy Local Area Energy Plans (LAEPs) to deliver cost-effective and integrated local energy systems, enabling strategic early investments to support rollout of EVs, heat networks and local renewables
6. **OPTIMISE CONNECTIONS:** Ensure Britain's energy interface with Europe is optimised to support the green recovery

3. A clean industrial revolution

7. **FLEXIBLE LOW-CARBON POWER GENERATION:** Attract investment in CCS and hydrogen to provide firm, flexible low-carbon power generation by the mid-2020s
8. **CCS AND HYDROGEN CLUSTERS:** Deploy CCS and hydrogen infrastructure in at least five clusters by 2030
9. **LOW-CARBON AND HOMEGROWN SUPPLY CHAINS:** Incentivise UK supply chains through low-carbon content

4. Leading the charge on electric vehicles

10. **TURBO-CHARGED INFRASTRUCTURE:** Deploy the most extensive and efficient EV charging infrastructure in the world by 2025
11. **ACCELERATE EVs:** Accelerate decarbonisation of transport and increase EV take-up by ending the sale of petrol and diesel cars and vans by 2030
12. **CLEAN CORPORATE FLEETS:** Work towards full decarbonisation of corporate fleets by 2030

5. Green buildings for green jobs

13. **HOME IMPROVEMENT STIMULUS:** Create sustainable, skilled jobs by bringing forward funding commitments in 'no regrets' options such as heat networks and signalling the end of gas boilers
14. **LOW-CARBON HEAT INCENTIVES:** Interest-free home renovation loans for consumers and SMEs, combined with incentives and regulatory drivers to encourage uptake
15. **HEAT DECARBONISATION PATHWAY:** Deploy full decarbonisation trials at scale

With the imperative of tackling climate change, the UK's net zero commitment and preparations for COP26, I believe we can unite the country behind an ambitious programme of investment which will stimulate economic growth, support many thousands of jobs in all regions of the country, and build stronger, sustainable domestic supply chains that increase our self-sufficiency and security. We will be expanding on each of these issues in the coming weeks and look forward to working with your Government in further detail as we consider how to build a cleaner, more resilient economy.

Kind regards



Alistair Phillips-Davies, Chief Executive