

Bill Esterson MP
Chairman, Energy Security and Net Zero Select Committee

Sent by email to bill.esterson.mp@parliament.uk

4 December 2024

Dear Mr Esterson MP

Electrifying British industry inquiry

We welcome you to your role as Chairman of the Energy Security and Net Zero Select Committee. As part of the committee's work during this Parliament, we recommend prioritising an inquiry into decarbonising British industry through electrification. This is a joint recommendation that reflects the mission-led approach set out at different points by, among others, the Secretary of State for Energy, the Chancellor of the Exchequer, and the Prime Minister.

There are today more than 100,000 manufacturers in Britain, many using fossil fuels such as gas for both low temperature and high heat industrial processes. The previous government gave significant verbal and financial support to sectors such as carbon capture and hydrogen. This has given many British manufacturers - particularly those outside industrial clusters - the impression that they can only decarbonise through carbon capture or hydrogen. To keep great careers and skills in the UK, these companies should now be exploring the role of technologies such as heat batteries, heat pumps and electric boilers to electrify their processes.

Electrifying industry can provide benefits to the wider electricity grid, enhancing overall system flexibility, maximising the use of renewables and minimising the need for expensive and wasteful curtailment. This benefit is only enhanced if the energy system properly values flexibility through the right price signals, particularly when electricity is used. This industrial flexibility can support the UK government's Clean Power mission by 2030, making better use of renewables and embedding flexibility into the electricity network on an enduring basis.

We would welcome the Energy Security and Net Zero Select Committee exploring the opportunities and barriers to electrifying industry. If your Committee were to launch such an inquiry, we would seek to assist with evidence that goes to the heart of the opportunity available to the UK. We want to ensure that the UK does not miss out on nationally strategic gains and decarbonisation opportunities because of inaction on enabling policy options.

Yours sincerely

Signatories listed on next page

