Dear Member,

Re: The Cost of a Net Zero Emissions Target

As you will know, the Government has introduced legislation to amend the target of the Climate Change Act from an 80% reduction in greenhouse gas emissions by 2050, to a 100% reduction.

The Committee on Climate Change (CCC), has produced a report entitled Net Zero - The UK's contribution to stopping global warming, to advise MPs and Peers on what the likely impact of such a target would be.

Parliament has every right to expect the Committee to give accurate and reliable advice, and to consider the best available evidence. However, in this case it is clear that this has not happened.

The CCC claim that the likely cost would be an annual bill of £50bn by 2050, but the Department for Business, Energy and Industrial Strategy (BEIS) put the cost at 40% higher, at £70bn per annum. Both estimates suggest that the overall cost will be well in excess of £1 trillion. Furthermore, because these are resource cost estimates, they do not capture the full extent of the liability that may be passed on to taxpayers and energy consumers, for example through continuously rising carbon taxes and energy subsidies.

The true cost could be much higher that £1 trillion. Retrofitting the entire UK housing stock, which the CCC say is necessary to achieve net zero emissions, could be as expensive as £2 trillion, according to the Energy Technologies Institute. Extraordinarily, the Government does not believe an impact assessment is required for this piece of legislation.

The overall cost burden of Net Zero is also dependent on the rest of the world following Britain’s example. But the reality is that since the Climate Change Act was passed, global carbon dioxide emissions from fuel combustion rose from 29,203 million tonnes in 2008 to 32,314 million tonnes in 2016 – an increase of 10.65% in eight years. The International Energy Agency has predicted that in 2040, fossil fuels will still make up
74% of global primary energy. Rather than base their report on realistic estimates, the CCC present wholly improbable forecasts of sharply falling global CO2 emissions.

The full economic impact cannot be understated, and yet ministers want to push this amendment through with little to no real scrutiny, in the form of a statutory instrument. Regardless of how you feel about the merits of decarbonisation, it is essential that Parliament has time to scrutinise new laws that are likely to result in astronomical costs.

I urge you to delay this measure until the Treasury has produced its impact assessment and there has been enough Parliamentary time to debate it properly.

Yours sincerely,