3 October

Public Bill Committee
House of Commons
London
SW1A 0AA

Dear Members of the Public Bill Committee,

Subject: Recommended Amendments to the GB Energy Bill

We, the undersigned, representing Hydrogen UK and the Carbon Capture and Storage Association (CCSA), write to express our concerns regarding the current definition of "clean energy" in the proposed GB Energy Bill.

We welcome the Secretary of State for Energy Security and Net Zero's remarks in his opening speech during the Second Reading, stating that Great British Energy "will support project development...to help speed up the rollout of offshore wind and other technologies, such as CCUS, wave, tidal, and hydrogen."

However, we believe that the narrow definition provided in the current draft of the Bill could inadvertently limit the scope of GB Energy's investments, reducing the potential for private-public projects, and in so doing hinder the UK's ability to meet its net-zero targets and achieve clean power by 2030, as well as reducing the potential for clean energy to be a driver of wider economic growth.

The current definition of "clean energy" as "energy produced from sources other than fossil fuels" does not encompass the full range of low-carbon technologies and energy production methods that are essential for a sustainable energy future.

To address this issue, our members have collectively agreed and collectively would like to propose the following amendments to the Bill:

> **3 Objects**
>
> (1) Great British Energy must secure that its articles of association contain a statement of its objects.

(2) The statement must provide that Great British Energy's objects are restricted to facilitating, encouraging investment in, and participating in one or more of—

(a) the production, distribution, storage, and supply of clean energy;
(b) the reduction, directly or indirectly, of greenhouse gas emissions from energy derived ~~produced~~ from fossil fuels;
(c) improvements in energy efficiency; and
(d) measures for ensuring, directly or indirectly, in whole or in part, the security of the supply of energy.

(3) In this section—

"clean energy" means energy and molecules produced from sources other than unabated fossil fuels;
"distribution", in relation to clean energy, includes its conveyance and transmission;
"fossil fuel" has the meaning given by section 32M of the Electricity Act 1989;
"greenhouse gas" has the same meaning as in the Climate Change Act 2008 (see section 92 of that Act);

As you know the Climate Change Committee's 2024 report emphasises the importance of carbon capture, energy from waste, and CCUS-enabled hydrogen and its derivatives as critical low-carbon technologies to meet Net Zero targets for several reasons:

1. **Carbon Capture and Storage:** CCS is essential for reducing emissions in hard-to-decarbonize sectors such as heavy industry and for enabling the use of low-carbon hydrogen. The CCC report highlights that rapid initial deployment and scale-up of CCS are required to meet the government's target of capturing 20-30 MtCO2 per year by 2030.

2. **Energy from Waste:** EfW facilities generate electricity and/or heat by burning unrecyclable waste that would otherwise go to landfill, resulting in significant direct and indirect reductions in Greenhouse Gas emissions. Given half of the waste processed by UK EfW sites is biogenic, the application of CCS to EfW will not only decarbonise these facilities but will generate carbon removals and carbon negative power. The CCC report points out that the inclusion of EfW in the UK Emissions Trading Scheme (ETS) could encourage the installation of CCS at these facilities, which is necessary for reducing emissions from waste.

3. **CCUS-enabled Hydrogen:** This hydrogen is produced from natural gas, with the associated carbon emissions being captured and stored using CCS. The CCC report considers CCUS-enabled hydrogen as part of the transition to a low-carbon energy system, especially for sectors where electrification is challenging.

Furthermore, from the Hydrogen UK Economic Impact Study launched this year, this production method will support over 45,000 cumulative jobs by 2030, and an annual GVA of over £1 billion in the same time period.

We believe that these amendments will provide a more comprehensive and inclusive definition of clean energy, ensuring there is clarity and that GB Energy can and will invest in a broader range of low-carbon technologies, as set out in the founding statement. This, in turn, will support the UK's efforts to achieve its net-zero targets and ensure a secure, affordable and sustainable energy future.

We urge the Public Bill Committee to consider these amendments and ensure that the GB Energy Bill does not inadvertently limit the potential for innovation and investment in the clean energy sector.

Thank you for your attention to this important matter.

Yours sincerely,

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