



The role of the state in the GB energy market

BIEE webinar

27 11 2024



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Overview of our report

We identified three overarching problem statements that underpin the vision for the role of the state



Scope

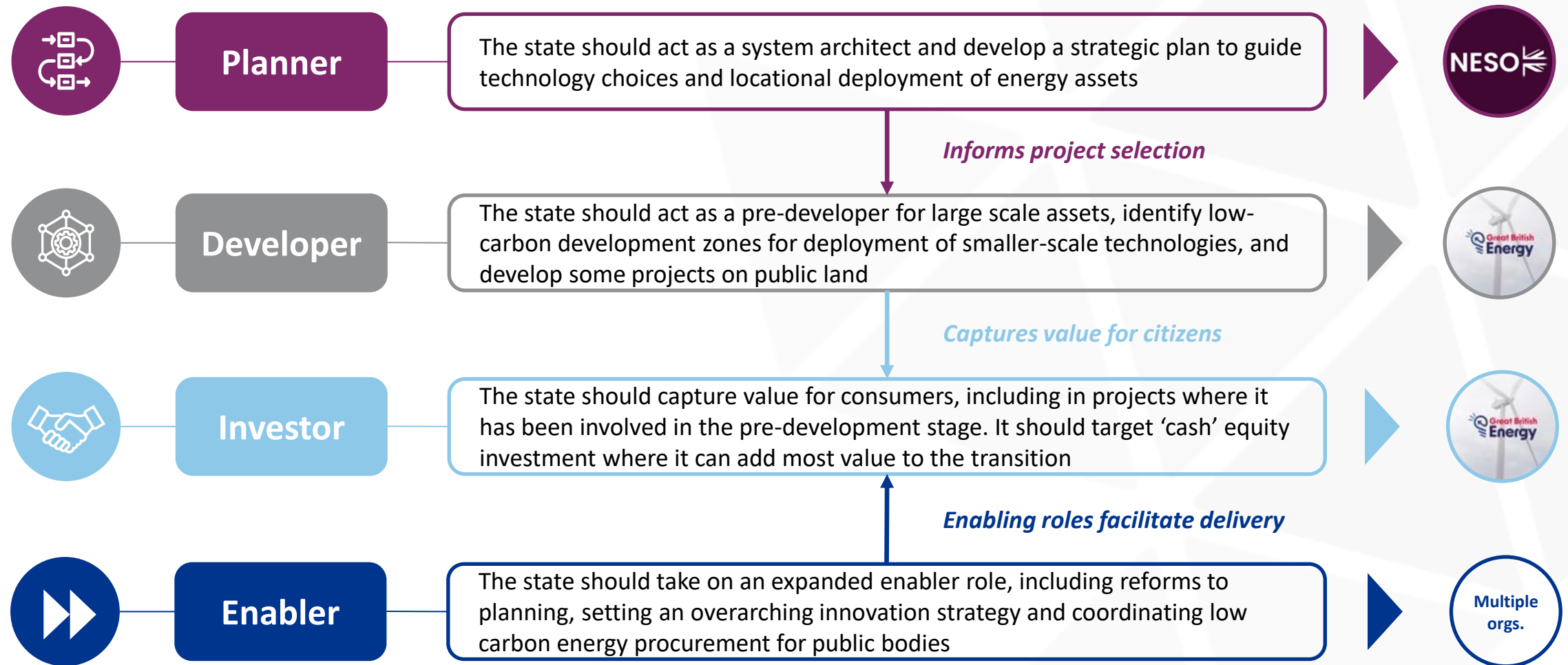
-  Established low carbon technologies (e.g. wind, solar)
-  Emerging low carbon technologies (e.g. H2, CCUS, SMR)
-  Transmission and distribution networks

Overarching problem statements

- 1 We need greater coordination and certainty
- 2 We need to pick up the pace of infrastructure delivery
- 3 We need to deliver good value for citizens

Our proposals

We proposed four overarching roles for the state, each of which are complementary and inter-related



Headline messages from engagement with the industry on our proposals

Cautiously positive but concerned about reach, impacts on competition, and capabilities

General sentiment

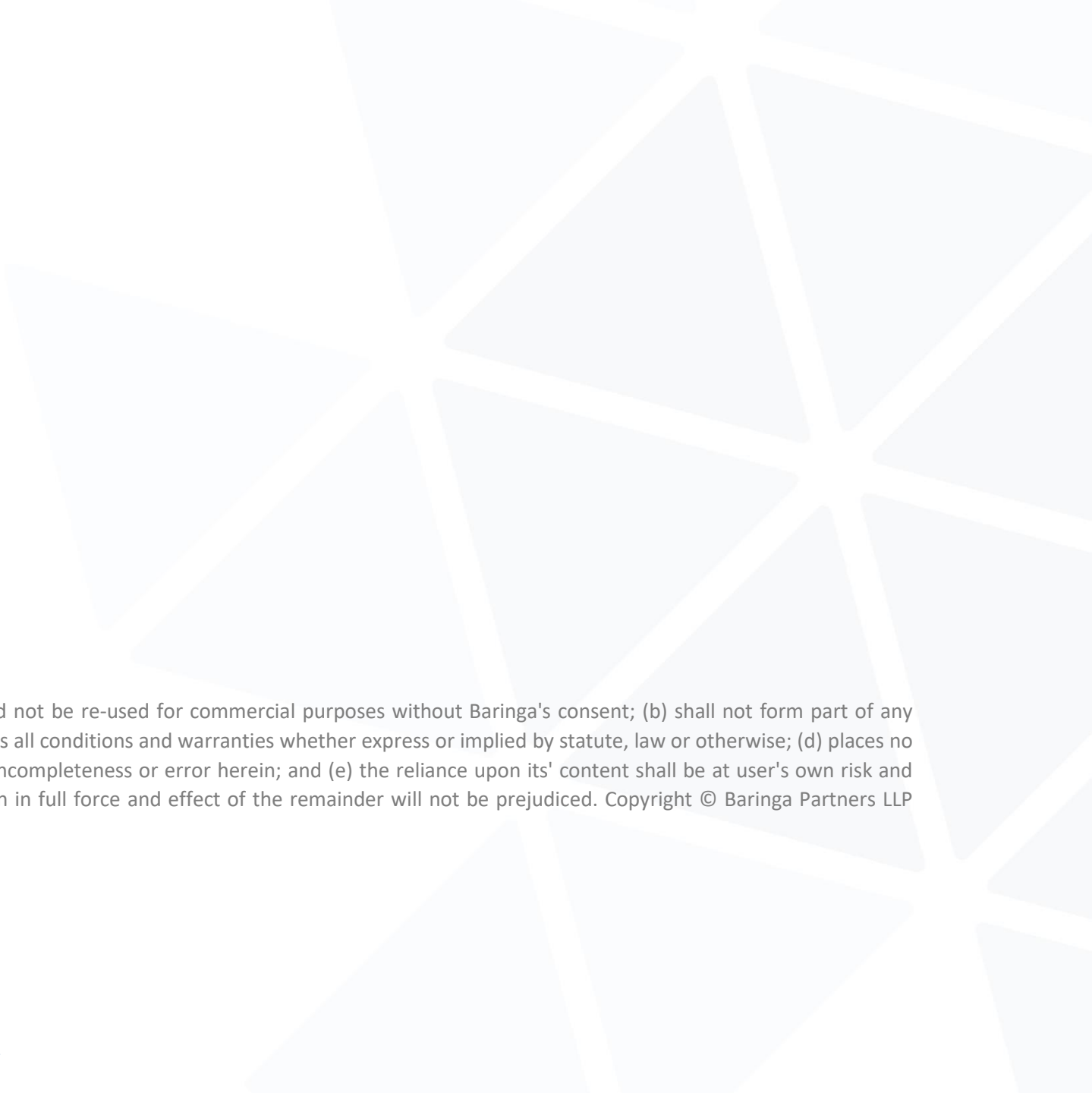
- ▶ Generally positive feedback that a stronger role of the state **could** support accelerated decarbonisation
- ▶ **Four roles** (Planner, Developer, Investor, Enabler) have resonated across the market
- ▶ BUT – **role should be carefully defined** to aid rather than hinder the transition
- ▶ Industry is sceptical about the **state's ability to develop necessary skills and capabilities**
- ▶ Need to avoid what they see as **pitfalls of REMA** given detailed design questions

Scope and focus

- ▶ Emphasis on complementary nature of the full package of state roles to accelerate project deployment (i.e. planner, developer, investor and enabler). **'The whole is greater than the sum of the parts.'**
- ▶ Believe that **scope for supporting 2030 objectives is limited**. Value in developer and investor role goes beyond 2030 given lead times for project development and investments to pay off

Industry role

- ▶ Recent industry engagement has turned to **questions about detailed design**
- ▶ Industry have lots of knowledge and expertise that could be fed into policy through **industry working groups**
- ▶ Industry are keen to identify **opportunities to partner** with GBE



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