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Rt Hon Kwasi Kwarteng MP Minister of State for Business, Energy and Clean Growth.

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Thank you for your letter dated 9 January to Lord Duncan of Springbank, regarding the future support for heat decarbonisation and your reference to the letter regarding the Economy, Energy and Fair Work Committee inquiry on renewable heat sent to Paul Wheelhouse on 17 December 2019. I am responding as this matter falls within my Ministerial portfolio.

As you noted in your letter, the Renewable Heat Incentive (RHI) has funding confirmed for new deployment of renewable heat technologies up unit 31 March 2021. We are considering a full range of options for successor arrangements to the RHI as a priority. My policy officials are working closely on this with officials in the Scottish Government who work in Heat Decarbonisation Strategy.

Meeting our net-zero target will require virtually all heat in buildings to be decarbonised and heat in industry to be reduced to close to zero carbon emissions and the Government is committed to supporting this transition. The Spring Statement 2019 set out a clear commitment to advance the decarbonisation of our mains gas supply by increasing the proportion of green gas in the grid. The government will consult on the appropriate mechanism to deliver this commitment later this year.

The Government has also committed to phasing out the installation of high carbon fossil fuel heating systems in off gas grid properties. We will consult on options this year for achieving this through regulation. Furthermore, a Future Home Standard, to be introduced by 2025, is currently being consulted on, and will require all new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency. The Government is developing a new roadmap for the long-term future of heat, which we intend to publish in summer this year. This will set out the immediate actions we will take for reducing emissions from buildings, as well as the programme of work required to enable key strategic decisions in the first half of the 2020s on how we achieve mass transition to low carbon heating. My officials will work closely with each of the devolved administrations to develop that strategy.

Thank you for taking the time to write regarding this matter.

Yours sincerely,

RT HON KWASI KWARTENG MP

Minister of State for Business, Energy and Clean Growth