



The next government's first 100 days in office

REA Strategic Pillar: Heat and Cooling

REA Objective: 50% of heat demand to be decarbonised by 2035.

These are the immediate steps the next Government will need to take to achieve this:

1. Accelerate residential decarbonisation through the expansion of the Boiler Upgrade Scheme (BUS).

The next Government should expand the Boiler Upgrade Scheme within the first 100 days. This should ensure all technologies, including biomass and energy efficiency measures, are able to access the new higher grant level of £7,500. The next Government should also consider exploring financing options to pay for the remainder of the installation and reinstate the ambitious phase out dates for fossil fuel boilers.

2. Promote commercial decarbonisation with the introduction of a Fuel Switching Tariff.

The next Government should incentivise non-domestic heat for small and medium-sized enterprises with a fuel switching tariff to enable organisations to switch from fossil fuels to a range of low carbon alternatives including heat pumps, bioenergy fuels, hydrogen and geothermal. The next Government should aim to design and consult on this measure within the first 100 days, with the aim of implementing it by early 2025.

3. Deliver industrial decarbonisation by designing a Heat Contracts for Difference mechanism.

The next Government should incentivise large-scale industrial heat decarbonisation projects through the establishment of a Heat Contracts for Difference (CfD) mechanism, open to all low carbon technologies and all large-



scale industries. This would replicate the success of the power CfD in procuring affordable capacity. This should be consulted on within the first 100 days with the aim of implementing within the first half of 2025.

4. Support delivery of green finance products, working with private lenders to support low carbon heat deployment.

The next Government should work with the finance industry to remove any barriers to the delivery of low carbon heat financial products that promote renewable installations, such as green mortgages.

5. Deliver a Geothermal Development Incentive to kick-start this valuable heat resource in the UK.

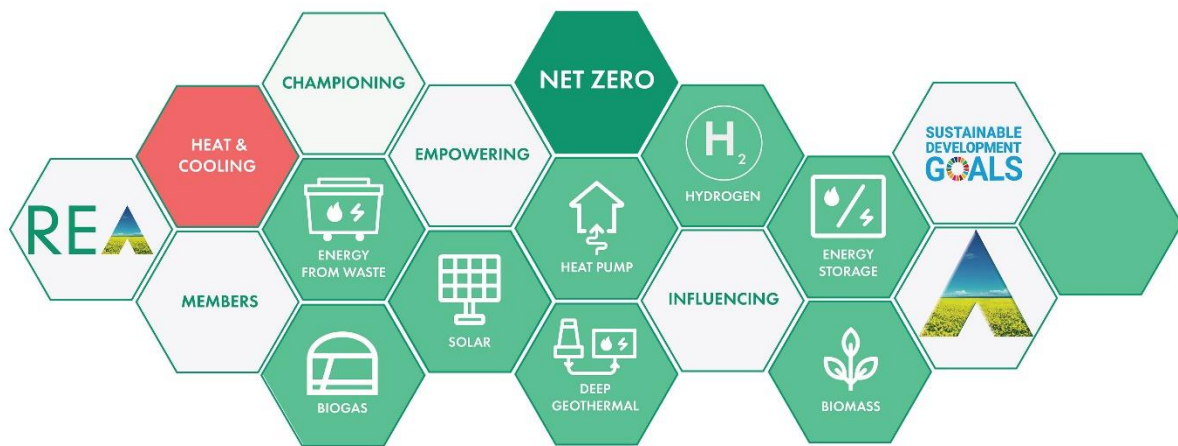
The next Government should design and consult on a Geothermal Development Incentive within the first 100 days, to start by the end of 2025, targeted at shovel-ready geothermal heat projects.

6. Reform Local Area Energy Planning to speed up build out of heat infrastructure.

The next Government should urgently deliver planning reforms to enable Local Area Energy Planning for renewable heat projects such as green gas sites and heat networks.

7. Deliver a strategic plan for gas in the grid.

The next Government should ensure the National Energy System Operator announces how it will deliver its strategic plan by the end of 2025 for gas grid development and map out the transitioning of different green gases and their role in a decarbonised grid.



About the REA

The REA is working towards a future built on renewable energy and clean technology. We represent over 500 member companies from across the renewable energy, recycling, energy storage and electric vehicle sectors. We influence and inform whilst we champion and empower our members; so they are profitable, sustainable commercial businesses. Together we are decarbonising the economy.

Get in touch

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Our manifesto is live. Read it [here](#).