



The next government's first 100 days in office

REA Strategic Pillar: Power & Flexibility

REA Objective: a fully decarbonised, secure, and affordable electricity system by 2032.

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

1. Complete establishment of the National Energy System Operator (NESO), to provide independent advice on delivering an energy system that is fit for the future.

The NESO (formerly, FSO) should be fully established by the end of 2024, as per current timelines and industry expectations. The new Government should ensure the NESO has full independence, and adequate funding, enabling it to get on with designing a decarbonised energy system that meets future demand.

2. Turbocharge work streams to address grid capacity constraints and order an annual Parliamentary progress report.

The biggest barrier to delivering new generation is the time needed to connect to the grid. The Government should task the National Infrastructure Commission, Ofgem, or a similar body with compiling an annual progress report on connection reforms for Parliament and requiring a government response.

3. Finalise options within Review of Electricity Market Arrangements to create a secure, affordable and decarbonised energy market.

The ongoing Review of Electricity Market Arrangements (REMA) must be concluded in a sensible time frame. Earlier this year industry was consulted on range of options, which must be finalised in 2024 to ensure sector confidence and put the market on a sensible timetable for implementation.



4. Establish a rolling timetable & budget for Contract for Difference (CfD) allocation rounds to secure new investment in large scale renewables.

To build investor confidence the next Government should quickly establish a rolling 3-year-ahead timetable for new CfD allocation rounds which deliver affordable contracts for renewable generation. The allocation rounds should include a minimum budget; ring-fenced funding for new technologies such as geothermal; and a separate auction to re-power existing assets.

5. Provide bespoke capital allowances to incentivise renewable investment.

This should aim to be delivered in the first fiscal event of the new Government.

6. Implement a "cap-and-floor" mechanism for long duration energy storage.

The next Government must honour commitments to implement a support mechanism for critical long duration energy storage technologies this year.

7. Deliver pathways for the deployment of bioenergy carbon capture and storage (BECCS) to deliver critical negative emissions by 2030.

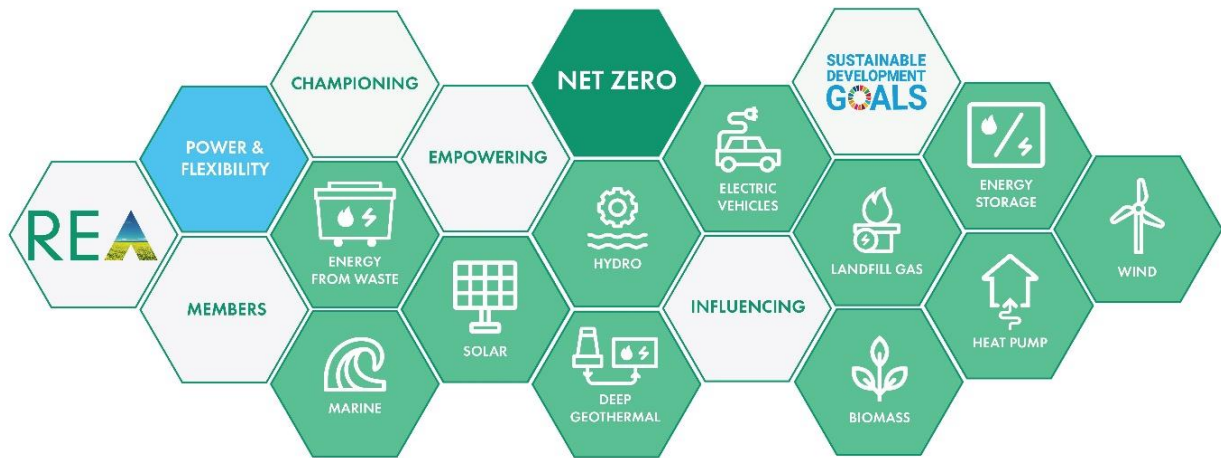
The next Government should finalise all the carbon removal business models and advance the allocation processes by the end of 2024. This includes delivering the bridging mechanism for large-scale power BECCS, while also providing confidence to all low carbon generators starting to come to the end of their existing contracting arrangements under the Renewable Obligation.

8. Reform planning guidance by 2025 to prioritise renewable deployment.

Commit to halve the time taken for planning decisions on renewable assets.

9. Reinvigorate financial incentives to encourage green technology adoption

Reform the Smart Export Guarantee (SEG) and provide interest free loans to install onsite renewables, clean technologies and energy efficiency measures.



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](#).