

## Zemo Partnership's Andy Eastlake

## Stormy Waters need a steady hand (and foot)

Just when we thought things might settle down for a while, there's more stormy policy weather: energy price subsidies of historic proportions, a run on the Pound, likely interest rate rises and general market upheavals.

With an incoming Government at Westminster, we knew it was likely that there would new leadership at ministerial level, of course; Anne-Marie Trevelyan (replacing Grant Shapps) is the new Transport Secretary and Lucy Frazer (replacing Trudy Harrison) is the new minister responsible for transport decarbonisation at the DfT.

Then we have <u>a review of the UK's net zero strategy</u>. While the incoming Government reaffirmed a commitment to net zero, voices within the governing party have become louder against the backdrop of energy market volatility and the cost-of-living crisis.

The review is intended to focus on ensuring the UK's fight against climate change maximises economic growth, while increasing energy security and affordability for consumers and businesses.

We were reassured that the review will be led by former Energy Minister Chris Skidmore MP – the minister in charge of signing Net Zero legislation in 2019 – has been one of the strongest voices from the governing party in support of the climate agenda.

The review — which is expected to report before the end of the year — will look at "what the most pro-business, pro-growth and economically efficient path to reaching net zero is". It will look at how to maximise the economic opportunities that the target presents as well as increase innovation, investment, exports and jobs and what the economic costs and benefits are associated with new and emerging policies and technologies.

So with the tumult all around us both politically and in the energy and financial sectors, it would be easy to think now is not the time to look at transport. But I disagree. The new transport secretary and ministerial team are grasping the nettle and nothing we hear indicates any desire to back away from the decarbonisation challenge ahead. Certainly, at the working level the research and development into zero emission trucks and infrastructure to power them is 'charging' ahead with more announcements planned. Our PLV (powered light vehicle) initiative with the MCIA continues apace, and policy work on the regulations for ZEV mandates and phase-out dates is unabated. In energy, the caps on both domestic and business electricity rates will hopefully (when plugging in at home or work) ensure that electric miles remain cheaper than those driven with fossil fuels. But as that gap narrows the benefits of thinking about energy and transport together, as a 'system', become greater.

Installing solar PV on homes and businesses has never been a more compelling proposition since the demise of the feed-in-tariff (now giving over 60p per kWh to those lucky enough). Plus 'smart' or overnight charging with a suitable tariff can still mean EVs operating at around two pence a mile.

So, yes, there may be a lot of 'noise' around at the moment but my sense is that this isn't a moment to take your foot of the pedal in terms of the decarbonisation transition in transport, or elsewhere, but a time we'll look back on in future as one in which the changes we've been talking about for many years became the new normal. The reasons for choosing smaller more efficient vehicles, optimising their use and driving economically are greater now than ever, but so are those for electrifying every mile you can and searching out the best charging options wherever they may be.

So steady hands are needed perhaps not on the tiller but certainly on the steering wheel the charging plug and the procurer's pen, together with, as always, a steady (light) foot on the accelerator.

Andy Eastlake will be chairing <u>GreenFleet's 'Commergency' event</u> at Milton Keynes on 13 October

## **FURTHER INFORMATION**

www.zemo.org.uk