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Y Gweinidog Newid Hinsawdd
Minister for Climate Change



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JJ/02030/23

Jonty Colchester
Chair
Campaign for the Protection of Rural Wales

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01 August 2023

Dear Jonty,

Thank you for your letter of 11 July regarding the Welsh Government's tidal lagoon challenge and the potential Welsh Government initiatives for rooftop solar.

I agree that we need to explore a variety of renewable energy technologies to meet our net zero ambitions. My recent consultation on Wales' renewable energy targets made clear both the challenge ahead and the need to pursue and support all viable forms of renewable energy.

You may be aware of the Welsh Government's Programme of Government commitment:

Develop a Tidal Lagoon Challenge and support ideas that can make Wales a world centre of emerging tidal technologies.

As such, the First Minister announced the Tidal Lagoon Challenge at the MEW Conference in March 2023 and it was launched on 28 June 2023. The website can be found [here](#). You may also be aware that the Western Gateway will soon be starting work on an independent commission to explore Tidal Energy in the Severn Estuary. We look forward to the outcomes of the Tidal Lagoon Challenge.

As our deep dive into renewable energy stated our vision is for Wales to generate renewable energy to at least fully meet our energy needs and use surplus generation to tackle the nature and climate emergencies. To meet our net zero target, the projections suggest that we have to increase the amount of green energy we generate five-fold by 2050. Net Zero Wales reaffirmed our commitment for a significant transformation of energy generation moving away from fossil fuels to sustainable renewable generation.

As part of the consultation on our renewable energy targets we considered the possibility of setting individual targets and the technical annex we published alongside the consultation outlined the anticipated increases in deployment we'll need against each renewable technology. However, we were cautious about setting individual targets that might suggest that we have a preference for one particular type of technology, especially as we are supportive of all renewable technologies if they are developed appropriately.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The responses to the consultation outlined the importance of community energy to Wales and how the continued roll-out and support for community energy would help improve our resilience and support flexible demand.

We are committed to support households in Wales to decarbonise through energy efficiency and on-site renewable generation. Our current financial support is channelled through the Warm Homes Programme, which focusses on addressing fuel poverty, and at social housing through our Optimised Retrofit Programme. These programmes support households in greatest need of our support and allows us to learn lessons we can then apply to the wider housing stock. Additionally, the Welsh Government Energy Service provides technical and financial support to public bodies to improve energy efficiency and install renewable energy generation.

We are evaluating options for financing retrofit in the owner-occupied and private rented sectors too. These incorporate a wide range of finance approaches including Property Assessed Clean Energy, in which the loan is linked to the property rather than individual, low interest loans, equity release loans and green mortgages. We have also recently begun work with the Development Bank of Wales looking at funding options for the owner-occupied sectors and are bringing together a panel of experts from across the finance sector to work with us evaluating options and shaping those viable funding solutions.

One of the key principles of our forthcoming Heat Strategy is to ensure a just transition – for Welsh households to have access to information and support to reduce their climate impact. This includes addressing the additional challenges of older and poorly insulated homes, as well as learning from our Optimised Retrofit Programme and our Warm Homes Programme. I absolutely recognise that we need a range of solutions to account for the variety of challenges across households in Wales. I believe the strategy will provide the variety of solutions that are needed.

Our strategy will outline how we aim to break down barriers to low carbon heating in Wales, and the UK Government's role by, for example, releasing funds for insulation and rebalancing electricity costs. I trust you will join us in pressing the UK Government on these points for the benefit of your members, Wales and the UK.

Yours sincerely,



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