

Rt Hon Oliver Letwin MP
Chancellor of the Duchy of Lancaster
Cabinet Office
Whitehall
London SW1A 0AA

25 June 2015

Dear Minister

Protecting government's energy policy capability

We are writing to you to express our concern that the next round of Whitehall budget reductions could inadvertently undermine the government's ability to complete its important energy market reforms and deliver climate policy. This is because large historic liabilities from the nuclear and coal industries, and the government's commitments to capital spending on innovative energy technologies such as carbon capture and storage, take up such a large proportion of DECC's budget. Small percentage reductions in the department's overall budget could therefore result in very drastic reductions in staff and the government's energy policy capability.

We have seen analysis from Green Alliance, based on IFS scenarios, which suggests that DECC could lose up to 90% of its staff by 2018 if average reductions across non protected departments are applied to DECC.

Costs to consumers from energy policy are likely to be higher, and energy supply less secure, if government does not protect its in-house expertise to negotiate contracts with the energy industry, to complete energy market reform, and to develop new energy saving programmes for the most vulnerable customers. It is also vital that government protects its impressive track record in climate diplomacy and developing innovative carbon reduction policy, given that we have so much work still to do to reduce emissions and slow the rate of climate change.

We would urge you to retain these important capabilities. Given the scale of the risks to

the government's energy policy capability, we shall be making our concerns public before the budget of 8 July.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Ekins', with a long, sweeping underline.

Prof Paul Ekins
Professor of Resources and Environmental Policy
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Prof Patrick Devine-Wright, College of Life and Environmental Sciences, University of Exeter

Dr Robert Gross, Director, Centre for Energy Policy and Technology, Imperial College

Prof Harriet Bulkeley, Department of Geography, Durham University

Prof Andy Gouldson, Professor of Environmental Policy, University of Bristol

Prof Catherine Mitchell, Professor of Energy Policy, University of Exeter

Prof Nick Pidgeon, Cardiff University and UK Energy Research Centre

Prof Jim Watson, Research Director, UK Energy Research Centre