

## **Electrify Heat coalition welcomes the Clean Heat Market Mechanism**

The Electrify Heat coalition welcomes the Clean Heat Market Mechanism and applauds the government for matching ambition with action. The policy puts electrification at the centre of the Government's ambition to decarbonise heat. The electrification of heat in the UK and in Europe presents a huge opportunity for British manufacturers. The mechanism will drive significant investment in the production of clean, efficient heat pumps, future-proofing our appliance manufacturing industry and supply chain and creating new green jobs in the UK's industrial heartlands.

The Clean Heat Market Mechanism is also a great deal for consumers. The mechanism will drive innovation and bring new customer offers to the market, promoting competition and lowering costs while embedding high standards into the growing heat pump market. A growing market, innovative products and business models, and economies of scale will mean more households have access to clean and affordable net-zero technology.

We believe that the government's proposed scheme design is fair to the obligated parties. It provides a generous degree of flexibility through credit trading and carryover options, and a gradual lead in timeline to allow parties time to plan their transition.

With the Clean Heat Market Mechanism, Boiler Upgrade Scheme, Heat Pump Investment Accelerator and other policy measures, the government has demonstrated its firm commitment to growing the heat pump market in the UK. We encourage the government to take the following next steps to further secure a smooth and rapid transition to clean heat:

- Implement a high-ambition Future Homes Standard, ending gas grid connections to new developments to make energy efficient, electrified, net-zero homes the norm.
- Reduce the cost of electricity through the planned Fairness and Affordability Review by moving green levies off electricity bills.
- Reform Energy Performance Certificates (EPC) to de-risk homeowners' investments in insulation, heat pumps, solar panels and other efficient technologies, which are currently unduly penalised by the outdated underlying EPC assessment system.

## Contact details

Juliet Phillips

[\*\*juliet@electrifyheat.uk\*\*](mailto:juliet@electrifyheat.uk)

Find more on our website: [www.electrifyheat.uk](http://www.electrifyheat.uk)

Follow the campaign on twitter: [@electrifyheat](https://twitter.com/electrifyheat)