

## 10 targeted steps to turbo charge green investment

From our pioneering renewables developments nearly 30 years ago to becoming the first integrated energy company in the UK to generate 100% green electricity, we're proud to be a leader in delivering the energy infrastructure our modern economy needs. ScottishPower is at the helm of onshore and offshore wind, solar power, battery storage and, of course, the electricity networks that are the backbone of the whole system.

- 1 Double down on grid investment
- 2 Ramp up offshore wind at scale
- 3 Speed up planning for green projects
- 4 Faster permitting for onshore repowering
- 5 Capture the benefits of green investment for the UK
- 6 Lead the way on green hydrogen
- 7 Define the path forward on pumped storage
- 8 Target energy efficiency for households most in need
- 9 Boost heat pump installations
- 10 Expand the green energy workforce

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## Green light for growth: A plan for 2025

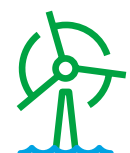
# 10 smart moves to unlock investment, drive economic growth and deliver energy security

## A green light for investment

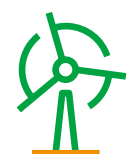
With the UK's goal of delivering affordable and secure energy as we continue to decarbonise the economy, electrification is unstoppable. ScottishPower is one of the biggest energy investors in the UK, with plans to invest £12bn from now until 2028:



modernising our transmission and distribution grids, which keep the electricity flowing to 3.5 million homes and businesses across Central and Southern Scotland, North West England and North Wales



constructing the next phase of our East Anglia offshore wind projects, EA THREE, which will provide enough green power for more than 1 million homes every year



developing a range of onshore renewables, battery storage and green hydrogen projects



investing in smart solutions to help our 4.5 million retail customers make the shift to smarter energy use and electric vehicle charging.

## A green light for economic growth

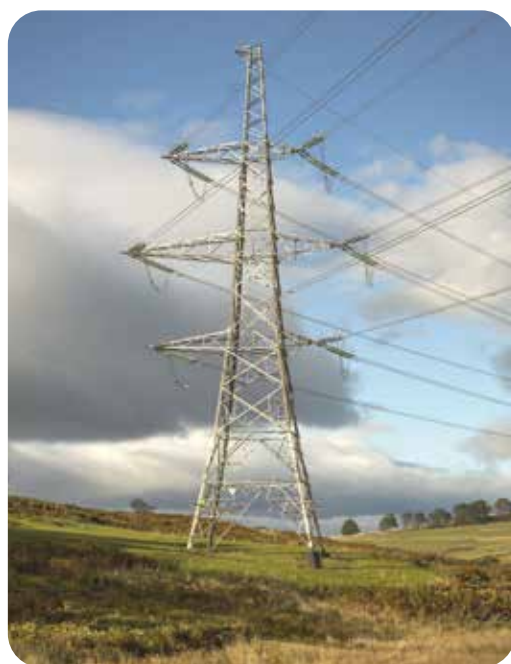
As the UK General Election approaches, there is more focus than ever on the steps that government can take to stimulate economic growth, going into 2025 and beyond. Building on the UK's strong platform on decarbonisation by incentivising greater private investment in green energy infrastructure is a sure-fire way of unlocking wider economic benefits for businesses and communities across the country.

## A green light for energy security

Investing in the energy transition is central to developing energy independence, to protect us from the shocks that flow from crises like the war in Ukraine. And by investing now in the green generation and network infrastructure that allows businesses to grow and communities to thrive, we can help to create the conditions for sustainable long-term economic growth.

A modern industrial strategy that builds on green energy sectors where the UK has a strong comparative advantage – like offshore wind and carbon capture – can deliver benefits to parts of the UK that currently struggle with low growth and productivity. Green investment can be an engine for growth, breathing new life into industrial and coastal locations like Teesside, Humberside and East Anglia, and parts of Scotland and Wales.

With a tight fiscal outlook in the years ahead, the focus needs to be on smart and targeted policy steps to speed up the pace of this investment – helping not only to spur growth but also to strengthen the UK's economic self-sufficiency through stronger domestic supply chains and more homegrown energy.



Building on tried and tested frameworks as well as breaking new ground, there are 10 smart moves a new government could take immediately, working with Ofgem, to stimulate private investment in the green energy sector and deliver positive economic multiplier effects across the country.

### 1 Double down on grid investment

We can't grow the economy if there's no grid expansion. Connecting up more green generation, making the shift to cleaner forms of transport and heating and getting more industrial investment in the UK requires a step change in the capacity of our electricity networks. We have to undertake the biggest ever rewiring this country has seen and increase significantly the amount invested. Halving the time taken to build this essential infrastructure will help drive growth across the economy.

### 2 Ramp up offshore wind at scale

The UK has led the world in deploying renewables through the Contracts for Difference (CfD) mechanism. In the next two CfD rounds in 2024 and 2025, we should be aiming high to maximise the deployment of this cheap, green and secure source of energy. Strong ambitions would send the right investment signal, create jobs and economic benefits, and help to dampen average wholesale prices.

### 3 Speed up planning for green projects

Building on recent reforms to planning guidance, such as the National Policy Statements for England and Wales and the National Planning Framework (NPF4) in Scotland, now is the time for bold and confident decision-making. Better resourcing for planning bodies and officials working on planning and environmental issues should be on the priority list for the next spending review.

### 4 Faster permitting for onshore repowering

We know we need to build new renewable generation, onshore and offshore, to meet the UK's decarbonisation targets. Repowering existing windfarms with fewer, larger and more efficient turbines can more than double the green energy they produce. Faster permitting processes for these established sites makes sense and means increased community benefit payments for the local area.

### 5 Capture the benefits of green investment for the UK

With clear plans and a long-term project pipeline, we can capture wider economic advantages for the UK – creating jobs, boosting the domestic supply chain, attracting new companies to set up in the UK, and ensuring that local communities benefit. In January, we announced a £5bn package of supply chain contract opportunities to invest in transmission infrastructure. The faster we can go with long-term strategic procurement, the more quickly we can lock in the economic benefits for the UK.

### 6 Lead the way on green hydrogen

We're already working to make green hydrogen projects a reality, with successful awards in the Government's first Hydrogen Allocation Round (HAR). For the next rounds in 2024 and 2025, the Government should budget for ambitious outcomes, helping to support innovative green hydrogen projects across the country.

### 7 Define the path forward on pumped storage

Scaling up long duration electricity storage, like pumped storage hydro, is a necessary part of a low carbon energy system with a high volume of intermittent renewable generation. That's why we need to develop and implement a new cap and floor investment mechanism for large scale long duration electricity storage.

### 8 Target energy efficiency for households most in need

With existing energy efficiency schemes (ECO and GBIS) due to end in March 2026, work needs to start now to build renewed momentum into future activity. Putting in place a single, integrated GB-wide scheme that scales up energy efficiency support for households in need is the most effective way of saving people money on their energy bills, as well as helping reduce carbon emissions and supporting jobs in the sector. Targeted at the people most in need, the new scheme could roll forward existing funding of c. £1.5bn per annum and inject a further £1.5bn in annual government funding, to ensure lower income households have properties upgraded to a high energy standard by 2030.

### 9 Boost heat pump installations

Installing a heat pump can deliver savings on energy bills year-on-year, while cutting carbon emissions and growing a new low carbon heating industry. Improving the running costs of heat pumps would further boost bill savings and uptake, and can be achieved by ending the distortion of putting policy costs disproportionately on electricity bills rather than gas bills. An immediate step would be to remove some legacy policy costs, from consumer bills, and publicly fund these instead.

### 10 Expand the green energy workforce

We're recruiting at record levels to meet the growing demands of electrification. We need government and industry to work together with further and higher education and training providers on a co-ordinated approach to training academies and programmes to address skills gaps, and to reform the Apprenticeship Levy so that more skilled opportunities are delivered effectively.