

5 YEARS TO 2030: CHALLENGES, OPPORTUNITIES & SOLUTIONS

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CHANGE IS IN *OUR POWER*



UK HAS A NUMBER OF 2030 SUSTAINABILITY GOALS



68%

The UK has committed to a reduction of at least 68% in our emissions compared to 1990 levels

A graphic with a blue background and white clouds. A large, bold, blue '68%' is centered at the top, with a blue downward-pointing arrow below it. Below the arrow, the text 'The UK has committed to a reduction of at least 68% in our emissions compared to 1990 levels' is written in a white, sans-serif font.

UK Government

**Clean Power 2030
Action Plan:
A new era of
clean electricity**

December 2024

A cover page for a report. The top left corner has the UK Government logo and text. The main title is in a blue rounded rectangle. The background is a photograph of solar panels in a field under a sunset sky. A date 'December 2024' is in a blue box at the bottom left.

Environment Act 2021

CHAPTER

Explanatory Notes have been produced to assist in the understanding of this Act and are available separately.

EN165

The cover of the Environment Act 2021. It features the Royal Coat of Arms at the top center. Below it is the title 'Environment Act 2021' and the word 'CHAPTER'. At the bottom, there is a line of text: 'Explanatory Notes have been produced to assist in the understanding of this Act and are available separately.' and the number 'EN165'.

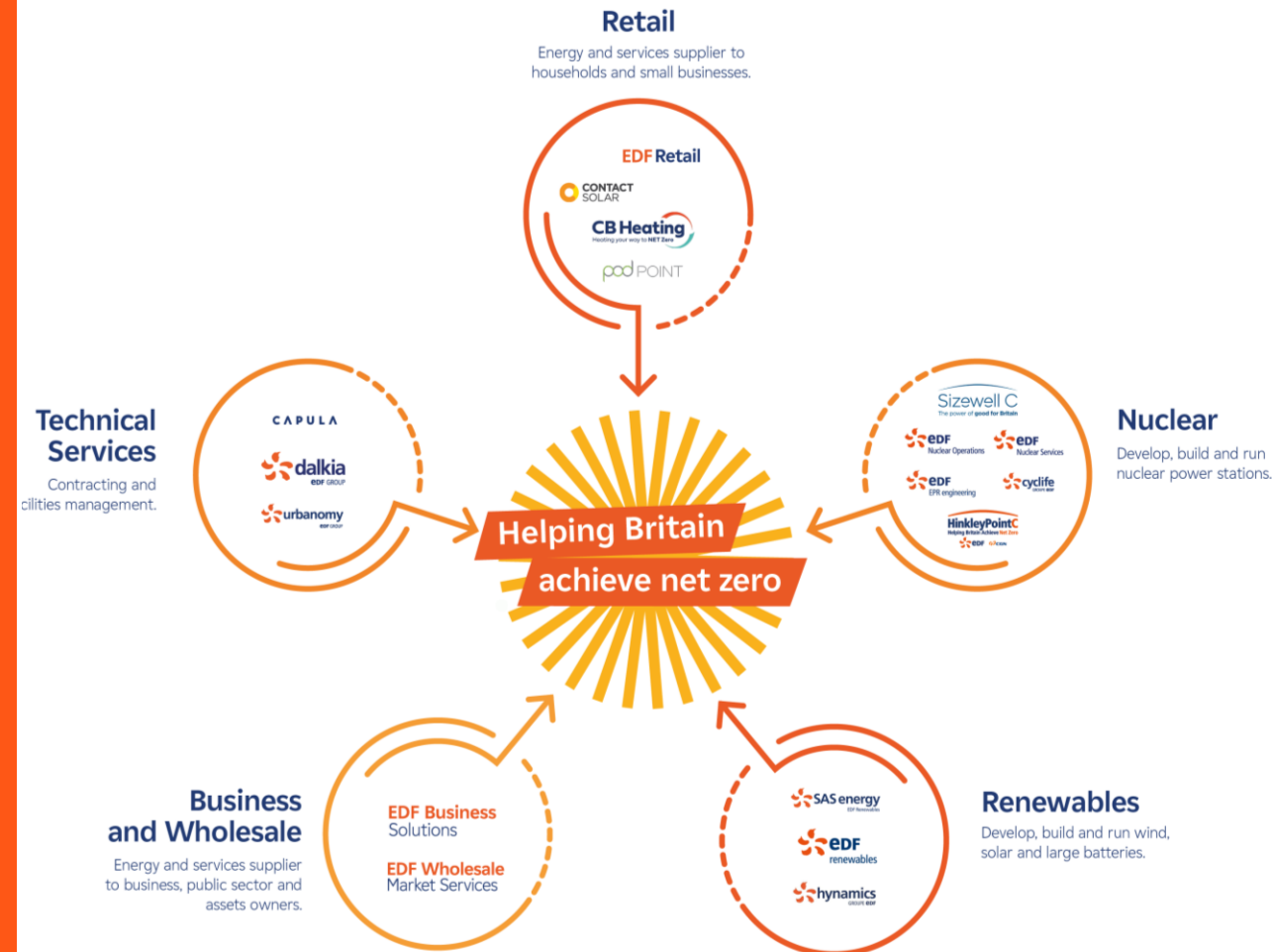
EDF ENERGY: HELPING BRITAIN ACHIEVE NET ZERO

BRITAIN'S BIGGEST GENERATOR OF ZERO CARBON ELECTRICITY

- Building Britain's own wind, nuclear and solar energy supply with 1.5 GW of renewable in operation and 14 GW in development, 5 nuclear power stations generating and 2 (HPC & SZC) in construction.
 - 12% of UK power demand.
 - Since 2018 EDF has invested £2 in the UK for every £1 made in EBITDA.

A UK LEADER HELPING CUSTOMERS DECARBONISE

- One of the largest suppliers, with around 6 million electricity and gas customer accounts.
 - No.1 electricity supplier to businesses by volume.
 - Through Dalkia, provide engineering and technical services to business and public sector clients.

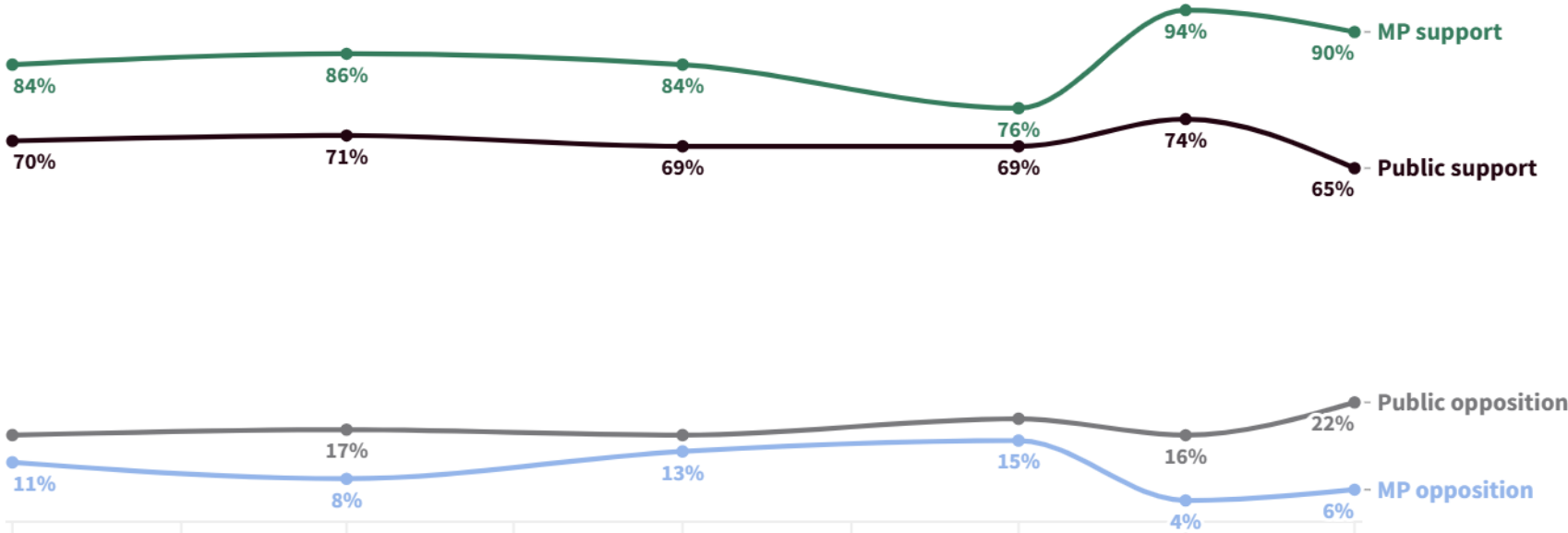


PUBLIC SUPPORT FOR NET ZERO REMAINS STRONG



Support for Net Zero

'The Net Zero target is a target set by the government to reach zero greenhouse gas emissions by 2050 at the latest, balancing any carbon emissions that are produced with carbon-reducing measures, in order to reduce the risks from climate change. Do you support or oppose the UK's target of becoming Net Zero by 2050?'



Source: [Climate Barometer Tracker](#) • Data is from six waves of surveys of approximately 100 MPs, and approximately 2000 GB adults, conducted between October 2022 and October 2024.

REGULATORY CERTAINTY AND TIMELY DECISIONS ARE PREREQUISITE



1.



Keeping the momentum and not allowing timelines slip

2.



Delivering promised reforms

3.



Setting the direction for the long term.

MITIGATING SUPPLY CHAIN BOTTLENECKS



- Investment is set to double across key capital-intensive sectors (including energy) over the next five years
- The National Infrastructure Commission warns that a ‘constrained supply chain’ and flatlining productivity in construction are key factors driving up costs for UK infrastructure
- There are acute skills shortages impacting the efficient delivery of projects. E.g. the number of welders and related traders employed in the UK has fallen by 40% in the last 20 years
- Establishing a visible pipeline of projects, identifying major projects that are likely to be competing for similar skills or resources, enabling and supporting the creation of national skills programmes and adapting the immigration system to plug gaps are key solutions.

ELECTRICITY CONSUMPTION* HAS DECREASED AND FORECASTED TIMELINES FOR INCREASING DEMAND HAVE BEEN PUSHED BACK



- Electricity demand has been declining since its peak in 2005, falling in 2023 to levels last seen in the 1980s [Figure 1]. Q2'24 data shows a continuing fall in industrial demand YoY, but a slight uptick in services and domestic consumption.
- The recent increase in the cost of electricity in the UK and the wider cost of living challenges have been an additional barrier to electrification [Figure 2].
- Past predictions for electrification have proved over-optimistic [Figure 3], a trend that has been mirrored across the G4 countries.

Figure 1

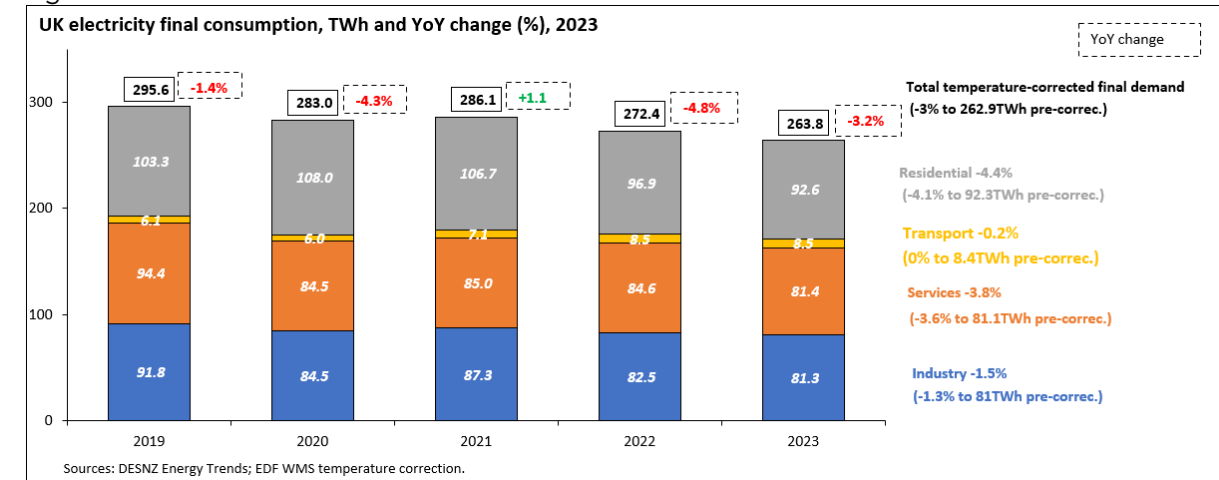


Figure 2

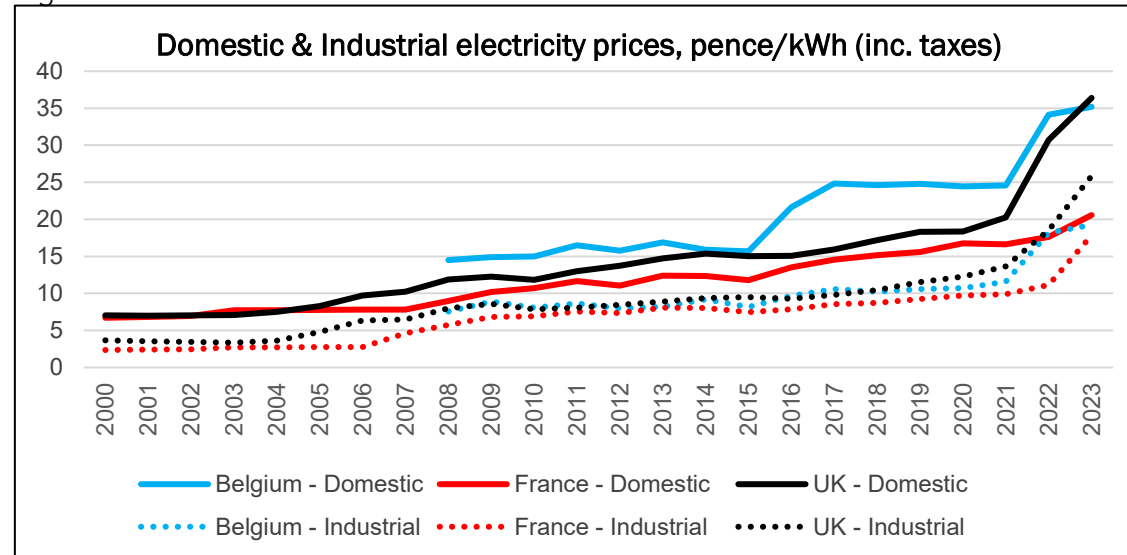
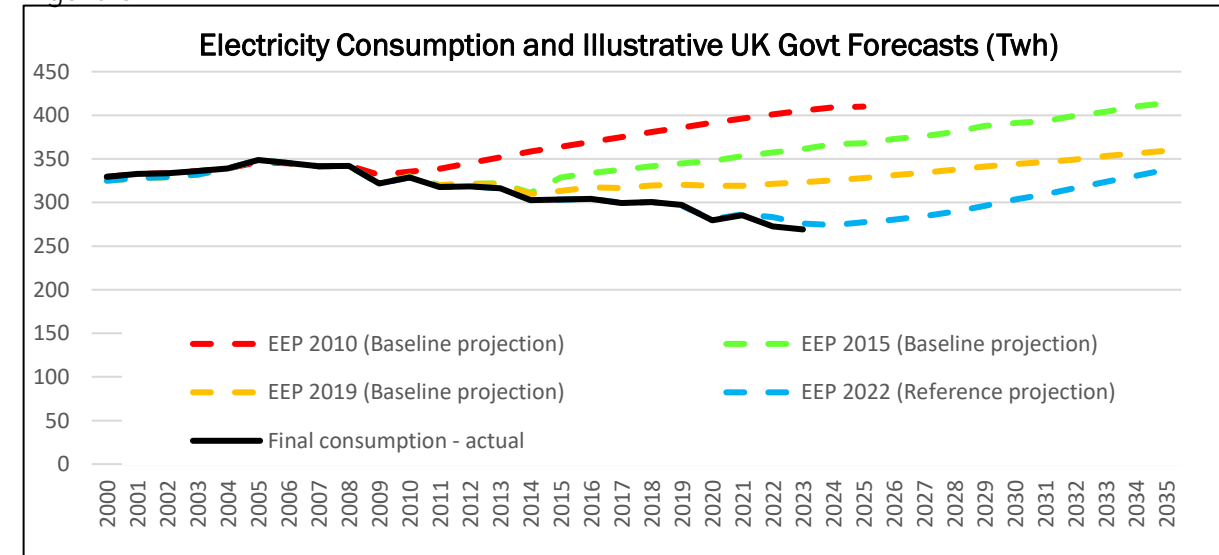


Figure 3



*this includes consumption that is met by self generation (e.g. rooftop solar)