



Energy and Climate Change Committee

House of Commons London SW1A 0AA

Tel 020 7219 2158 Fax 020 7219 5998 Email ecc@parliament.uk Website www.parliament.uk/ecc

From Tim Yeo MP, Chairman

Rt Hon Edward Davey MP
Secretary of State
Department of Energy and Climate Change
3 Whitehall Place
London SW1A 2AW

18 October 2012

Dear Ed

Energy Bill 2012-13

The Committee was most interested to hear the Prime Minister's announcement during PMQs yesterday that the Government "will be legislating so that energy companies have to give their lowest tariff to their consumers". There has subsequently been speculation that this will be done as part of the Energy Bill.

As the Committee has said in previous correspondence, we would be seriously concerned by any delay to the introduction of the Energy Bill to Parliament. The Bill is already coming to Parliament much later than when it was initially discussed two years ago.

The Committee remains concerned about the negative impact any further delay will have on the timescale for implementing reforms and on investor confidence by prolonging the current period of uncertainty.

As you are no doubt aware, there are a number of investment decisions that are dependent on the passage of this legislation. The later the Bill reaches the statute books, the later investment in urgently-needed new electricity-generating capacity, and in particular in low-carbon generation, will come forward.

When I wrote to you on 7 August I confirmed that the Committee would be content to receive the Government's response to its report on the draft Energy Bill at the time the Bill was introduced, so long as this was very soon after the return of the House from the Party Conference recess.

If the Bill's introduction is to be later than the week of 5 November, the Committee will nevertheless expect the Government Response to be provided to the Committee in that week.

Yours ever