

Rt Hon Grant Shapps MP Secretary of State Department for Energy Security and Net Zero 1 Victoria Street London SW1H 0ET

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Dear Jane,

I am writing to thank you for the submission of your Hydrogen Champion's report, which outlines steps to accelerate the development of the UK hydrogen economy.

This government is committed to the development of a thriving UK hydrogen economy, with low carbon hydrogen expected to play a key role in our future energy system. As a source of clean energy which we can produce in the UK using domestic experience and natural resources, hydrogen is expected to be critical in supporting the UK's energy security and efforts to reach net zero.

As you note in the report, the UK made a strong start on hydrogen with the publication of the UK Hydrogen Strategy. We have since built on this with the launch of the Net Zero Hydrogen Fund and Hydrogen Production Business Model, as well as the doubling of our ambition for low carbon hydrogen production capacity from 5GW to up to 10GW by 2030, subject to affordability and value for money. Last year also saw significant developments in the international hydrogen landscape, with the launch of competitive funding for hydrogen projects in several key countries. It is within this context that your report offers useful evidence and recommendations to address challenges and maintain the competitiveness of the UK hydrogen sector.

Accordingly, I welcome your report, which has come at a critical time in the development of the UK hydrogen economy. It is evident that you have spent a considerable amount of time and effort engaging hydrogen stakeholders across the value chain to provide a thorough review of the current state of the UK's nascent hydrogen sector. I also wish to thank the many stakeholders who took the time to engage with you during the writing process for their valuable contributions.

Recognising that the report represents the cumulation of significant engagement with stakeholders, government will carefully consider the recommendations within. I am keen to work with you to identify next steps and, as such, would welcome your continued engagement with Ministers and officials over the coming months, including on those areas where government and industry have differing view.

I also welcome and would like to highlight the recommendations for industry within the report. The private sector will be critical in developing the UK hydrogen economy, and government and industry will need to work closely together to realise its full potential. In this report you have offered a positive vision for how this can be done.

Thank you again for this timely report and I look forward to your continued engagement in this valuable work as the UK Hydrogen Champion.

Yours sincerely,

RT HON GRANT SHAPPS MP

Secretary of State for Energy Security and Net Zero