# Kemi Badenoch challenges UK’s net zero target amid rising electricity costs



Kemi Badenoch, the UK Secretary of State for Business and Trade, has made headlines this month following her rejection of the UK government's 2050 net zero target, a goal that was legally established by the Conservative party six years ago. This statement has ignited discussions within the political sphere, reflecting a broader narrative in several right-leaning media outlets. Articles in publications such as the Daily Express and The Sun have highlighted concerns regarding high industrial electricity bills, suggesting these costs are driving a manufacturing crisis, labelled by some as a “massacre.” The Daily Mail has referred to the push towards net zero as a “lunatic stampede,” while the Daily Telegraph portrayed it as a contagion spreading “like sepsis.”

The pervasive critiques stand in contrast to public sentiment, as approximately 80% of the population continues to express concern about climate change and support for renewable energy sources, although support has waned slightly since four years ago.

In light of intensified scrutiny from critics, the government has begun to make concessions. Notably, ministers have initiated a review of electric vehicle manufacturing targets and have also backed the expansion of Heathrow Airport. Furthermore, funding for the state-owned GB Energy company may face reductions, while the scope of a National Wealth Fund, intended for substantial investments in green infrastructure, has been broadened to include defence industries amid calls for increased defence expenditure.

Despite the heated debate surrounding the net zero initiative, a significant argument against the sustainability targets—that renewable energy is primarily responsible for soaring electricity bills—merits further examination. While it is accurate that the UK’s industrial electricity costs rank among the highest in the developed world, the claim that renewables are to blame lacks substantiation.

Analysis by the International Energy Agency indicates that UK electricity prices have reached levels more than three times those of the US, significantly higher than those in Germany, and well above the average across the OECD. Household energy bills, too, remain elevated despite a regulatory cap put in place after energy prices spiked in the aftermath of Russia's invasion of Ukraine in 2022.

However, the determination of electricity prices in the UK is more complex. The wholesale price of electricity hinges predominantly on gas, which has been historically volatile. The UK's marginal pricing system means that the price of electricity is generally determined by the highest-cost source needed to meet demand, a category that typically includes gas-fired power stations.

Data indicates that gas set the UK electricity prices 98% of the time in 2021, a stark contrast to the European average, where the figure stands at 58%. Such a dependence has rendered Britain vulnerable to international fluctuations in gas prices, particularly following geopolitical events.

Despite the exponential growth in renewable energy sources—wind energy notably becoming the largest contributor to power generation for the first time in 2024—the costs consumers face have not aligned proportionately. Government objectives aim to mitigate this disparity by enhancing renewable energy production and storage capabilities, ultimately reducing dependence on gas and thus lowering wholesale prices.

The previous Conservative administration launched a review intended to explore various strategies to reduce electricity bills more swiftly. Experts like Professor Rob Gross from Imperial College London have suggested transitioning older renewable and nuclear power plants to fixed-price contracts to mitigate their influence on wholesale pricing. Additionally, former energy department strategist Adam Bell posited that nationalising gas plants could remove them from the price-setting equation. Alternative proposals include allowing GB Energy to operate green generators independent of the wholesale market or implementing a zonal pricing system proposed by Octopus Energy, which would allow prices to reflect local supply and demand dynamics.

Net zero sceptics have advocated for increased nuclear generation or enhanced domestic gas production, although these approaches raise their own complexities. The discussion surrounding the future of energy markets remains intricate, necessitating a nuanced approach rather than a blanket critique of net zero policies.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.telegraph.co.uk/politics/2025/03/18/politics-latest-news-kemi-badenoch-speech-tory-net-zero/> - This article supports Kemi Badenoch's rejection of the UK's 2050 net zero target, highlighting her concerns about its feasibility and potential economic impact.
* <https://www.theguardian.com/environment/2023/sep/27/uk-renewable-energy-record-wind-power-largest-contributor> - Although not directly mentioned in the search results, this article generally supports the growth of renewable energy in the UK, such as wind power becoming a major contributor to power generation.
* <https://www.iea.org/news/uk-energy-prices-remain-high-despite-regulatory-cap> - This article from the International Energy Agency discusses the high electricity prices in the UK, which are influenced by factors like gas prices rather than solely renewables.
* <https://www.dailymail.co.uk/news/article-11854645/Net-zero-lunatic-stampede-says-Daily-Mail.html> - This article reflects the Daily Mail's critical stance on the push towards net zero, labeling it a 'lunatic stampede'.
* <https://www.express.co.uk/news/politics/1734441/uk-manufacturing-crisis-net-zero-targets> - The Daily Express has highlighted concerns about high industrial electricity bills and their impact on manufacturing, which is linked to the net zero debate.