# Ed Miliband unveils UK plans to cut energy costs and enforce corporate net zero commitments



Energy Secretary Ed Miliband has reaffirmed the UK government’s commitment to making Britain a clean energy superpower, emphasising the urgent need to cut emissions and promote green economic growth. Speaking at London Climate Action Week, which attracted over 45,000 delegates, Miliband set out ambitious plans to hold large companies accountable for their carbon footprints by requiring them to detail how their operations will align with the global target of limiting warming to 1.5 degrees Celsius above pre-industrial levels. His remarks come at a time when the country faces political pressure over the cost implications of the green transition, particularly as energy prices remain elevated following Europe’s reduction of reliance on Russian energy post-Ukraine invasion.

Central to the government’s approach is the implementation of new sustainability reporting standards designed to compel companies to disclose sustainability-related financial risks and opportunities to investors. This is part of a broader effort to position London as a global hub for sustainable finance, signalling the government’s intention to leverage capital markets in driving the green transition. Miliband also highlighted the strategic importance of shifting to cheaper, cleaner, domestically produced energy to reduce the UK’s vulnerability to fossil fuel market volatility — a point underscored by the ongoing geopolitical tensions.

Britain’s pathway to net zero by 2050 hinges significantly on reducing electricity costs, a factor independently underscored by climate advisers. Piers Forster, interim chair of the Committee on Climate Change, stressed that lowering electricity prices for both households and businesses is crucial to accelerating the uptake of low-carbon technologies such as electric vehicles and heat pumps. This perspective aligns with the government’s newly released industrial strategy, which outlined plans to invest over £30 billion annually by 2035 in renewable energy and other sectors key to decarbonisation.

The industrial strategy, launched earlier this week, also aims to alleviate the burden of high energy costs on over 7,000 energy-intensive manufacturers by potentially cutting their electricity bills by up to 25% starting in 2027. This will be achieved through schemes that exempt qualifying firms from certain green levies and expand support mechanisms for businesses, such as increasing network charge reductions. The government intends to fund this without raising household taxes or bills. Moreover, these reforms will be complemented by efforts to simplify investment zones and boost workforce skills and capital access, all under a ten-year vision to rejuvenate British industry and enhance competitiveness.

While the government is steadfast in its commitment to transition away from fossil fuels, it is balancing this with economic realities. Just days before Miliband’s speech, the government issued updated environmental guidance concerning North Sea oil and gas drilling. This includes new rules for factoring in the greenhouse gas emissions associated with fossil fuels’ end use into licensing decisions, reflecting a Supreme Court ruling on climate impact assessments. Although the Labour administration has pledged not to issue new oil and gas licenses, it will apply these guidelines to existing fields, reflecting a measured stance that acknowledges both the need for a clean energy transition and the current economic role of hydrocarbons.

A recent analysis by the Energy Transitions Commission and Systemiq further bolsters the government’s optimism by demonstrating that 40% of the solutions needed to achieve net zero — such as pairing solar power with battery storage — are already cost-competitive with fossil fuels or expected to be by 2030. This underscores the economic viability of the clean energy shift, provided the right policy frameworks are in place to extend these benefits across more sectors and geographies.

On the infrastructure front, the government is advancing plans for a state-owned clean energy company, GB Energy, designed to work alongside the Crown Estate in developing offshore wind and other low-carbon technologies. This initiative aims to attract up to £60 billion in private investment, with GB Energy focusing initially on early-stage renewable projects and later managing its own power generation assets. The goal is to reach net-zero carbon emissions from electricity by 2030 while supporting the growth of domestic green industries and reducing dependency on fossil fuels.

Miliband’s broader climate agenda also includes ambitious commitments such as lifting bans on onshore wind projects, proposing publicly owned energy utilities, and increasing international climate financing. These policies are crafted not only to ensure energy security and environmental sustainability but also to create jobs and position the UK as a global climate leader ahead of international forums like the upcoming UN climate conference.

While supporters hail these measures as essential for economic revitalisation and climate resilience, critics remain wary of the financial and political feasibility, particularly regarding the funding of energy bill relief and the practical implementation of new regulatory standards. Opponents have questioned whether these reforms represent genuinely new ideas or repackaged policies from previous administrations, amid rising political competition from parties critical of current government economic strategies.

Nonetheless, the government maintains that the transition to a low-carbon economy is both necessary and achievable, framing it as a pathway not only to environmental sustainability but also to economic growth and energy independence.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://wkzo.com/2025/06/25/uks-miliband-vows-to-lead-in-clean-energy-demand-corporate-net-zero-strategies/), [[2]](https://www.reuters.com/sustainability/cop/uks-miliband-vows-lead-clean-energy-demand-corporate-net-zero-strategies-2025-06-25/), [[6]](https://time.com/7172535/ed-miliband/)
* Paragraph 2 – [[1]](https://wkzo.com/2025/06/25/uks-miliband-vows-to-lead-in-clean-energy-demand-corporate-net-zero-strategies/), [[2]](https://www.reuters.com/sustainability/cop/uks-miliband-vows-lead-clean-energy-demand-corporate-net-zero-strategies-2025-06-25/)
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* Paragraph 5 – [[4]](https://www.reuters.com/sustainability/climate-energy/uk-publishes-environmental-guidance-expected-impact-north-sea-drilling-2025-06-19/), [[1]](https://wkzo.com/2025/06/25/uks-miliband-vows-to-lead-in-clean-energy-demand-corporate-net-zero-strategies/)
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* Paragraph 9 – [[1]](https://wkzo.com/2025/06/25/uks-miliband-vows-to-lead-in-clean-energy-demand-corporate-net-zero-strategies/), [[3]](https://www.ft.com/content/cd73fa21-ea81-42fa-979e-8d7fec203e3f), [[5]](https://www.reuters.com/sustainability/boards-policy-regulation/britain-cut-companies-energy-bills-new-industrial-strategy-2025-06-22/)

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## Bibliography

1. <https://wkzo.com/2025/06/25/uks-miliband-vows-to-lead-in-clean-energy-demand-corporate-net-zero-strategies/> - Please view link - unable to able to access data
2. <https://www.reuters.com/sustainability/cop/uks-miliband-vows-lead-clean-energy-demand-corporate-net-zero-strategies-2025-06-25/> - UK Energy Secretary Ed Miliband reaffirmed the government's commitment to transitioning to a green economy and achieving net zero emissions by 2050 during a speech at London Climate Action Week. He emphasized the need for energy security and reduced reliance on fossil fuels, advocating for investment in clean, domestic energy sources. Miliband urged large corporations to present detailed plans for aligning with the 1.5°C global warming target. The UK also aims to become a global leader in sustainable finance by considering new reporting standards for corporate sustainability disclosures. Miliband’s remarks followed the release of Britain’s new industrial strategy, which proposes over £30 billion annual investments in renewable energy and other green sectors by 2035. Independent advisers stressed the necessity of lowering electricity costs to boost the adoption of emission-reducing technologies like electric vehicles and heat pumps. Meanwhile, a new analysis showed that 40% of net-zero solutions are already or will soon be cost-competitive with fossil fuels, underscoring the economic viability of the green transition.
3. <https://www.ft.com/content/cd73fa21-ea81-42fa-979e-8d7fec203e3f> - UK Prime Minister Sir Keir Starmer has announced a £2 billion investment over four years to cut energy prices by up to 25% for more than 7,000 energy-intensive businesses, including those in automotive, aerospace, and chemicals, under the new 'British Industrial Competitiveness Scheme.' Set to begin in 2027 after consultations, the scheme will exempt qualifying companies from various green levies. The plan also extends the 'British Industry Supercharger' scheme, increasing network charge reductions from 60% to 90% for about 500 firms. Additionally, the government will simplify and consolidate freeports, investment zones, and enterprise zones into 'Industrial Strategy Zones' to attract investment and empower regional mayors. The broader industrial strategy, part of a 10-year vision to revitalize British industry and combat economic stagnation, includes £275 million for education and apprenticeships and £380 million to support the creative industries. While the Labour government claims reforms will not require new taxes or higher bills, critics question funding sources and accuse the party of repackaging old policies. Reform UK’s rising popularity in economically deprived areas has increased pressure on Labour to deliver effective economic strategies.
4. <https://www.reuters.com/sustainability/climate-energy/uk-publishes-environmental-guidance-expected-impact-north-sea-drilling-2025-06-19/> - On June 19, 2025, the UK government released crucial environmental guidance regarding North Sea oil and gas drilling, which will influence future developments by companies such as Shell and Equinor. The guidance clarifies how downstream or Scope 3 greenhouse gas emissions—those resulting from the eventual use of fossil fuels—should be factored into licensing decisions. This move follows a Supreme Court ruling that emphasized the need to consider climate impact in planning decisions. The Labour government, adhering to its net-zero 2050 goals, has pledged not to issue new licenses but will enforce the new guidance on existing ones, including Shell’s Jackdaw and Equinor and Ithaca Energy’s Rosebank fields. Environmental groups, which challenged the legality of these projects, view the updated rules as essential to holding companies accountable for their climate impact. Energy Minister Ed Miliband will make final licensing decisions in the autumn, stressing both the necessity of a clean energy transition and the continued economic role of oil and gas.
5. <https://www.reuters.com/sustainability/boards-policy-regulation/britain-cut-companies-energy-bills-new-industrial-strategy-2025-06-22/> - The UK government will unveil a new industrial strategy for 2025–2035 aimed at boosting economic growth by reducing high energy costs for businesses. Under this plan, electricity bills for over 7,000 energy-intensive manufacturers could be cut by up to 25% starting in 2027. This measure responds to industry concerns about high energy costs impacting competitiveness and growth. The strategy also includes exemptions from levies like the Renewables Obligation and will be funded through energy system reforms without increasing household bills or taxes. Additionally, five sector-specific plans will be launched, focusing on sectors such as advanced manufacturing, creative industries, and clean energy. The strategy also addresses workforce skills shortages, access to capital, and regulatory burdens. It will expand the British Business Bank's capacity to invest in small companies and allocate an additional £1.2 billion annually toward skills development by 2028-29. Business groups, including Make UK and the Confederation of British Industry, welcomed the strategy as a significant and positive step for boosting competitiveness and economic growth.
6. <https://time.com/7172535/ed-miliband/> - Ed Miliband, as the new U.K. Energy Secretary, is working to position Britain as a global leader in climate action. Under the newly formed Labour government, the ban on onshore wind power projects has been lifted, and the 'Great British Energy Bill,' proposing a publicly owned energy company focused on clean energy, has been introduced in Parliament. The U.K. has committed to providing £11.6 billion in overseas aid for climate crisis efforts and is considering more ambitious greenhouse gas emission reduction goals for the next decade. Miliband emphasizes the immediate need for climate action due to economic pressures and dependency on fossil fuels, highlighted by the cost-of-living crisis following Russia's invasion of Ukraine. He advocates for clean energy as a solution for energy independence, job creation, and climate justice. The Great British Energy Bill is expected to accelerate clean energy adoption and create local jobs. Miliband plans to promote Britain's climate leadership at the upcoming U.N. climate conference in Baku, advocating for global ambitious climate finance goals and announcing Britain's 2035 climate target aligned with limiting global warming to 1.5°C.
7. <https://www.ft.com/content/eb889a61-0160-4e94-b98b-d44cc250d739> - The UK government is establishing a state-owned energy company, GB Energy, to collaborate with the Crown Estate to promote offshore wind and other clean technologies, aiming to attract up to £60bn in private investment. Expected to be operational soon under new legislation, GB Energy will undertake early development work on Crown Estate projects and may take small stakes to mitigate risks for private investors. This initiative is part of Labour's plan to reduce fossil fuel dependency and develop domestic green industries, with a target to achieve net-zero carbon emissions from electricity by 2030. The Crown Estate, which manages a substantial portfolio of land and seabed holdings, plans to lease seabed areas sufficient for 20-30GW of offshore wind capacity by 2030. GB Energy, receiving £8bn in public funding and operating independently, will initially co-invest in early-stage renewable projects and eventually manage its own power schemes, focusing on technologies like floating offshore wind and carbon capture.