

Rt Hon Alistair Darling MP,
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ



Monday, 08 March 2010

Dear Chancellor

We, the relevant trade bodies representing the renewable heat industry, are writing to express our very significant concerns over the looming funding gap for our sector. We are aware that the funds currently supporting the two grants schemes the Low Carbon Phase 1 and 2 are about to run short and that the programmes will almost certainly have to be closed.

This presents our industry with a major problem in the run up the launch of the Renewable Heat Incentive. We anticipate that the renewable heat sector will effectively come to a standstill in the coming months when it should be gearing up for major growth. If this occurs, our sector will face job losses and bankruptcies in a year where it should be preparing to deliver on the renewable heat incentive.

We urge you to take swift action to address this by allocating another £10 million in funds to the Low Carbon Buildings Programmes. These programmes were originally due to be open to March 31st 2011, but they now look set to close ten months early.

We would welcome the opportunity to discuss this with you and your officials at your earliest convenience.

Yours faithfully,

Howard Johns
Chairman, Solar Trade
Association

Mark Candlish
Chairman, Renewable Energy
Association

Roger Webb, Director
The Heating and Hotwater
Industry Council

Terry Seward
Commercial Manager, Heat
Pump Association

Phil Moore
Chairman, Ground Source
Heat Pump Association

Kelly Butler
Marketing Director
British Electrotechnical and
Allied Manufacturers'
Association

E: howard.johns@southernsolar.co.uk W: www.solar-trade.org.uk T: 01908 442290 F: 01908 665577

Solar Trade Association, The National Energy Centre, Davy Avenue, Knowlhill, Milton Keynes MK5 8NG