

Freedom of Information (FOI) request

Received: 22 August 2024
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Ref: Sent by email from enquiries@theccc.org.uk
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Your request:

Freedom of Information Request

Hi there.

I am trying to find out the cost of capital assumptions made in the Sixth Climate Budget for my thesis. All information would be most welcome. In particular:

1. In the 6th Carbon Budget please provide documentation to support the assumptions that were used for cost of capital? Please break down by category and outline whether these assumptions are imputed into the annual forecast capital expenditure assumptions? Please provide a break down by investment category of the financing costs by year to 2050
2. In the 6th Carbon Budget please provide documentation supporting assumptions that were made for the cost of employment loss in legacy industry eg combustion motor, steel and other carbon intensive industries?

I would be grateful if you could acknowledge receipt of this FOI request. I expect to receive a response to these requests with 20 working days. If you require an extension to this, I would expect to be given the reasons for this extension.

Thank you

[name redacted]

Our response:

Thank you for your request. We have handled your request under the Freedom of Information Act 2000 (FOIA).

1. We do not hold a central record of assumptions used for cost of capital. Costs were decided on a sector-by-sector basis; the [Sixth Carbon Budget Methodology Report](#) includes information on the assumptions for the cost of capital within certain sectors.
2. Employment gains or losses were not included in our social cost analysis for the Sixth Carbon Budget advice. Pages 266-270 of the [Sixth Carbon Budget advice report](#) set out our conclusions for the employment impacts of the Net Zero transition. Our 2023 report [A Net Zero workforce](#) contains more recent analysis of the workers and skills impacts of our Sixth Carbon Budget Balanced Pathway. We also commissioned a report from Cambridge Econometrics on the [economic impact of the Sixth Carbon Budget](#), which describes how there will be net job gains, but some losses, for example in refineries.

Information disclosed in response to this FOIA request is releasable to the public. In keeping with the spirit and effect of the FOIA and the government's Transparency Agenda, this letter and the information disclosed to you may be placed on the CCC website, together with any related information that will provide a key to its wider context. No information identifying you will be placed on the CCC website.

If you are dissatisfied with the handling of your request, you have the right to ask for an internal review. If you are not content with the outcome of the review, you may apply directly to the Information Commissioner for a decision. In keeping with our transparency policy, the information released to you will be published on www.theccc.org.uk. Please note that this publication will not include your personal data.

Kind regards,

Climate Change Committee