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#### **Uniper**

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## **Response to: Business Rates and Investment: Call for Evidence**

18 February, 2026

### **About Uniper**

Düsseldorf-based Uniper is a European energy company with global reach and activities in more than 40 countries. With approximately 8,000 employees, the company makes an important contribution to security of supply in Europe, particularly in its core markets of Germany, the UK, Sweden and the Netherlands.

Uniper's operations encompass power generation in Europe, global energy trading, and a broad gas portfolio. Uniper procures gas—including liquefied natural gas (LNG)—and other energy sources on global markets. The company owns and operates gas storage facilities with a total capacity of more than 7 billion cubic meters.

Uniper intends to be completely carbon-neutral by 2040. Uniper aims for its installed power generating capacity to be more than 80% zero-carbon by the early 2030s. To achieve this, the company is transforming its power plants and facilities and investing in flexible, dispatchable power generating units. Uniper is already one of Europe's largest operators of hydropower plants and is helping further expand solar and wind power, which are essential for a more sustainable and secure future. The company is progressively expanding its gas portfolio to include green gases like hydrogen and biomethane and aims to convert to these gases over the long term.

Uniper is a reliable partner for communities, municipal utilities, and industrial enterprises for planning and implementing innovative, lower-carbon solutions on their decarbonisation journey. Uniper is a hydrogen pioneer, is active worldwide along the entire hydrogen value chain, and is conducting projects to make hydrogen a mainstay of the energy supply.

### **About Uniper in the UK**

In the UK, Uniper owns and operates a flexible generation portfolio of power stations, a fast-cycle gas storage facility and two high pressure gas pipelines, from Theddlethorpe to Killingholme and from Blyborough to Cottam. We also have significant long-term regasification capacity at the Grain LNG terminal in Kent, to convert LNG back to natural gas.

The UK is a core market where Uniper's commitment to invest approximately €8 billion to support its strategic decarbonisation efforts and transformation by the early 2030s sees potential investment in renewables, hydrogen and CCS power generation projects in the UK.



## Consultation Response

We have set out below our view in summary:

- Introducing a new higher multiplier for all properties with RVs of £500,000 and above will place a disproportionately high tax burden on critical new low-carbon energy assets and hinder low-carbon investment and growth in the UK energy sector,
- While Uniper welcomes the Treasury's commitment to strengthening Improvement Relief, we seek greater clarity regarding its scope, duration, and implementation timeline,
- To boost investment in critical low carbon energy assets, Government should introduce measures to reduce or remove the UBR on new low-carbon investments.

### *Our views in full:*

#### **1. In what capacity are you responding?**

As a business

#### **2. Please provide details of the business or body you represent.**

Please see above.

#### **3. Where in England are you based?**

National. Uniper UK is headquartered in the West Midlands with other sites and offices in the East Midlands, London, North West, South East, the Humber and Scotland.

#### **4. What sector are you representing?**

Energy.

#### **5. How many properties do you occupy?**

12 generation properties (excluding office spaces).

#### **6. What is the approximate cumulative Rateable Value (RV) of your property portfolio?**

Approximately £26,500,000 from 1 April 2026 (excluding office spaces).

#### **7. Do you own some or all of the properties your business occupies?**

Uniper owns the majority of occupied properties, except for some of office spaces.

#### **8. If you are representing an individual business:**

- **What is the size of your business?**

Large (over 250 employees)

#### **9. If you are a Business Representative Organisation, what types of businesses do you represent?**

Not applicable.

#### **10. If you are a landlord, how many properties do you own? 11. If you are a landlord, what types of businesses do you typically lease properties to?**

Not applicable



### **Our response to Questions 11 to 46**

As we have previously raised in response to the 2024 'Transforming Business Rates' paper, funding the proposed reduction in UBR for the retail, hospitality and leisure sectors by increasing the rate burden on other industries will directly impact investment decisions that are needed to achieve the government's policy objectives of economic growth, energy security and achieving net zero. Business rates represent a significant recurring cost to energy developments that must be factored into the investment case for any new capital-intensive project. Moving to a 'slice' system set out in the Call for Evidence introduces higher tax liabilities on capital intensive sectors, which are already adversely and disproportionately affected. New capital intensive, low carbon developments will be subject to very significant annual liabilities due to high construction costs, the use of modern technologies, lack of business rate relief and the inclusion of financial incentives in the valuation process.

According to our internal calculations, the new higher multiplier for all properties with RVs of £500,000 and above from 2026-27 will mean Uniper's planned CCS power projects could face 4.5 and 7 times higher rateable value compared to Grain power station, our newest existing asset and 9 to 11 times higher rateable value compared to conventional unabated plants we are planning to replace. Low-carbon investment is critical to reduce the OPEX of the energy system, boost economic growth and enhance energy security<sup>1</sup>. The new business rates, as set out, would undermine investor confidence, hindering economic growth and the transition to net zero.

As the proposed change would apply to government-supported hydrogen and CCS assets and infrastructure, the increased costs of the UBR system would be reflected in that support, increasing the cost of projects to the government and bill payers.

The low-carbon energy sector is already highly distorted, with certain technologies like solar, wind generation, and heat networks eligible for relief, and other technologies, like hydrogen and CCS, not eligible for any exemptions. This distortion will be further exacerbated by a new higher multiplier.

The government should introduce measures to reduce or remove this tax on new low-carbon energy infrastructure investments to stimulate economic growth, reduce market distortion, and align with UK net zero and energy security policy objectives. The following measures should be incorporated into the new business rate regime:

1. The exclusion of financial incentives and subsidies (like CfD, Hydrogen Production Business Model, Hydrogen Storage Business Model and CCS Dispatchable Power Agreement) from the valuation process;
2. A lower business rate multiplier for new low-carbon energy infrastructure investment;
3. The improvement relief for new long-term capital investments should be extended to at least 10 years and apply to new build assets as well as retrofit;
4. A review of the plant and machinery regulation should take place with a stated aim of removing from assessment all new investment in plant and machinery associated with the net zero transition.

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<sup>1</sup> CCC (2025) Seventh Carbon Budget