

Response to the Energy Review – Comments Emerging from the NWEF Consultation Workshop held on 28 February 2006

Q1. What more could the government do on the demand reduction or supply side for energy to ensure that the UK's long term goal of reducing carbon emissions is met?

Demand reduction

- Ensure that there is a high level of consumer awareness of the need for action
- Introduce awareness raising of energy issues into the school curriculum
- Reward consumers who use less energy through taxation incentives
- Make public transport more available and affordable
- Ensure adequate enforcement of Part L Building Regulations and in due course the Energy Performance of Buildings Directive
- Seek international agreement on aviation fuel taxation
- Widen the scope of the EU ETS
- Investigate the possibility of extensive use of smart metering
- Encourage the widespread use of microgeneration

Supply side

- Develop and exploit indigenous sources of energy such as coal (utilising carbon capture and storage) and renewables
- Consider an extension of the Renewables Obligation to include indigenous supply
- Extend the current Renewables Obligation proportionately to 2020
- Promote solar power and PV development through user grants and innovation support
- Offer developers incentives to consider district heating schemes
- Investigate the possibility of new coal-fired power stations utilising clean technologies

Q2. With the UK becoming a net importer and with big investments to be made over the next twenty years in generating capacity and networks, what further steps, if any, should the government take to develop our market framework for delivering reliable energy supplies? In particular, we invite views on the implications of increased dependence on gas imports.

- Ensure that a long term view is taken (15 - 25 years) about our energy future and seek cross party agreement that this is, as far as possible, taken out of the political arena
- Ensure that all government departments involved in the energy equation are communicating with each other effectively
- Set up an overarching Fuel Authority that can control the future energy mix setting long term targets for different types of energy generation – and can

introduce compulsory energy efficiency measures for commercial, domestic and transport sectors

- Take fundamental decisions on the structure of the future electricity supply grid before further investment is made – ie should there be a move to distributed electricity generation and away from the current centralised supply system
- Seek to ensure that adequate storage facilities are set up for all types of energy generation to guard against supply shortages of fossil fuels that may result from dependence on imported energy.

Q3. The Energy White Paper left open the option of nuclear new build. Are there particular considerations that should apply to nuclear as the government re-examines the issues bearing on new build, including long-term liabilities and waste management? Is so, what are these, and how should the government address them?

- Establish a clear long term strategy regarding nuclear new build to avoid the 'end of generation' uncertainty existing now
- Undertake a transparent lifecycle cost evaluation of nuclear against alternative low carbon options (such as various forms of renewable energy)
- Establish a clear policy on the handling of future nuclear waste before any new build is undertaken
- Set guidelines on the siting of new build
- Any long term tariff guarantees should be available to alternative low carbon generation as well

Q4. Are there particular considerations that should apply to carbon abatement and other low-carbon technologies?

- Adequate pump priming funding should be made available and accessible. Current innovation support is slow in forthcoming, appears uncoordinated and doubts remain over the technical evaluation of funding applications
- Building regulations should be tightened on a regular basis
- The ECA scheme has limited appeal to users and a more effective fiscal measure should be considered when seeking greater uptake of low carbon technologies – eg VAT relief
- Government and local authorities should be seen to be taking a lead in encouraging uptake of low-carbon technologies.
- Further widen the energy efficiency to increase the uptake

Q5. What further steps should be taken towards meeting the government's goals for ensuring that every home is adequately and affordably heated?

- Improve the definition of fuel poverty (eg is this a social or energy issue?)
- Set higher minimum building regulations for all new build and major refurbishments and improve enforcement of this

- Aggressive application of renewable technologies to fuel poverty areas on a micro scale
- Raise awareness of help available for measures such as the installation of insulation – and make it available for all areas
- In the long term consider the possibility of personal carbon trading with allowances for certain social groups
- Consider an energy tax relief that offers rebates for direct energy efficiency measures
- Put further effort into awareness raising with government messages being more forceful
- Government to provide greater support for the uptake by councils of measures such as the Merton Rule

Comments are also invited on the following issues:

i. The long term potential of energy efficiency measures in the transport, residential, business and public sectors and how to best achieve that potential

- Use the EEC to meet the cost of installing measures such as energy management devices in domestic properties.
- Encourage the use of bio-fuels for transport through financial incentives for road users
- Tax energy inefficient vehicles further
- More aggressive supervision of energy efficiency through the building construction stage

ii. Implications in the medium and long term for the transmission and distribution networks of significant new build in gas and electricity generation infrastructure

- The structure of the network and the ease of change to a distributed system of generation need to be addressed prior to any significant new build.

iii. Opportunities for more joint working with other countries on our energy policy goals

- Joint working is considered essential – particularly across Europe – if there is to be any effective reduction of emissions. However, to facilitate this there needs to be a level playing field for all countries – especially in pan European initiatives such as the EU ETS
- Further encouragement needs to be given to UK organisations to participate in cross border initiatives for joint R & D projects relating to low carbon technologies

iv. Potential measures to help bring forward technologies to replace fossil fuels in transport and heat generation in the medium and long term

- clear labelling of 'off the shelf' energy consuming goods such as boilers, controls etc. similar to the white goods energy efficiency rating