



Assured Energy Outlook

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Business leaders call on Brexit negotiators to secure close UK-EU climate cooperation

A coalition of 21 energy and business leaders has released a joint letter calling on the UK and EU to work together to ensure that the goals set under the Paris climate agreement are met following the Brexit process.

Addressed to Brexit Secretary David Davis and the European Chief Negotiator for the process Michel Barnier, the letter was signed by heads of major companies including Aviva, E.ON, EDF, npower, SSE and Drax Group. It was sent on 20 April and coordinated by the Prince of Wales's Corporate Leaders Group – a coalition of European business leaders advocating solutions on climate change.

The companies put forward their view that climate change poses “one of the greatest long-term threats to our economies and societies” and called on the Brexit negotiators to work closely together in ensuring climate change and low-carbon energy commitments are upheld.

“We strongly urge both the UK and EU27 to commit to continuing to work together to meet the commitments set out in the Paris agreement, in any future relationship,” read the letter. To ensure this is achieved the signatories called for the development of “a comprehensive Climate and Energy Chapter, which covers both trade and non-trade issues”.

The letter also highlighted that integrated energy markets and climate change policies in Europe have “enhanced energy and climate security” and reduced energy bills for both the UK and countries in the EU. As a result, the letter asked that the negotiations “aim to ensure that these benefits continue in the future”.

Industry resource efficiency could help UK meet climate targets, says Green Alliance

Think tank the Green Alliance has called on UK businesses to use resources more efficiently to help the UK reach its emissions reduction targets.

In a report published 14 May, the think tank stated that the UK had overlooked industrial resource efficiency in climate policy and as a result could exceed its “carbon budgets” in the 2020s and 30s.

The report said that the biggest savings could be made in the construction industry through use of lower carbon building materials. It also called for improved use of resources in the vehicles, food and drink, electronics, and textiles sectors.

Measures such as increasing the reuse of materials, and reducing waste could save 200 MtCO₂e by 2032, said the report – equivalent to more than half of the UK's current annual CO₂ emissions total.

New fund launched to develop smart energy business models

A new £41.5mn fund for smart energy business models was announced by Innovate UK – the UK's non-departmental innovation agency – on 8 May.

The money will support the design and practical demonstration of new business models that “intelligently link” supply, storage and demand in heating, power and transport. Businesses could be awarded up to 45% of their project costs.

The competition aims to prove that smarter local energy systems can deliver cleaner and cheaper energy services by the early 2020s. The deadline for applications is 25 July.

FSB outlines ways for businesses to meet costs of energy efficiency upgrades

The Federation of Small Businesses (FSB) has published suggestions for businesses to become more energy efficient and to address the associated costs of doing so.

Published on 10 May, the guidance puts forward a range of measures, from more costly investments such as onsite renewable energy generation and replacing machinery with more efficient models, to simpler initiatives such as installing timers on lighting and holding training sessions to raise staff awareness.

To address the costs associated with implementing such measures, the FSB said companies should consider bursaries and interest-free loans specifically aimed at improving energy efficiency uptake, such as the Carbon Trust's Green Business Fund. It also highlighted that some businesses and government bodies offer energy assessments, which can help identify the most-cost effective solutions.

"Making businesses more energy efficient can be a great way to help bring down costs, as well as [...] help minimise businesses' impact on the environment," said the business group.

Mayor aims to make London zero-carbon city by 2050

The Mayor of London, Sadiq Khan, has presented his vision for London's future environment, stating that he wants to make the city zero-carbon by 2050.

Khan outlined specific aims of creating zero-emission zones to accelerate the roll-out of electric vehicles, increasing the city's solar capacity 20 times to 2GW and providing more investment for energy efficiency measures in buildings.

Executive Director of climate leadership organisation C40 Cities, Mark Watts said: "Tackling climate change and unleashing the economic, social and health potential of a low carbon future requires radical and urgent action. I congratulate Mayor Khan and the team in London for being amongst the first cities globally to publish a plan set to deliver the highest ambition of the Paris agreement."

The zero-carbon strategy has been presented to the London Assembly for approval, prior to final publication expected in the coming weeks.

Energy UK looks towards a consumer-centric energy future

Trade association Energy UK has launched a project to identify the future challenges and opportunities for the UK in delivering a low carbon energy system that meets the expectations of consumers.

Its *Future of Energy* report, released on 9 May, looks ahead to 2028 – 20 years after the Climate Change Act was passed. It outlines the direction it thinks suppliers, generators and other industry actors will head within the UK energy market of the future and how that will impact users.

Chief Executive of Energy UK, Lawrence Slade said: "The future energy market will be [...] smarter, cleaner, decentralised and diverse. It will offer multiple opportunities to benefit customers, the UK economy and the environment. However, enabling this revolution sets a number of challenges."

Over the course of 2018 the trade association will consult with its members and industry stakeholders to produce a series of more in-depth thought pieces looking at options to address future challenges. Topics to be covered in the papers will include funding, transmission and distribution, the retail market, the development of a low-carbon heating system and how changes can be implemented in a way that provides consumers with a smooth transition.

In other news

- The UK government is to consider a target of "net zero" emissions by 2050. The government has said that the Committee on Climate Change will be asked to review the UK's 2050 target following a new Intergovernmental Panel on Climate Change report due in the autumn.
- Britain went 76 hours without burning coal for power generation from 21-24 April, setting a new national record. It was the first time GB has gone more than three continuous days without using coal power since the 1800s.

Talk to us

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