

Energy 2020 Manifesto

We support the transition to a sustainable energy economy, welcome progress made since the first joint statement of interested bodies in 2006, and call for greatly accelerated action.

Policy priorities

We believe that the UK's energy policy should:

- **Uphold the vision and objectives** for sustainability, security, prosperity and fairness set out in the 2003 and 2007 Energy White Papers, recognising that a fair and just transition to a low carbon economy demands action on a range of environmental and social factors, and that adaptation to unavoidable climate change will be necessary.
- **Minimise the gap between energy demand and sustainable supply.** In keeping with the 'energy hierarchy', the first priority is to reduce demand; followed by encouraging efficient energy production and consumption; then boosting renewables. Incentives and support measures should reflect these priorities.
- **Take a holistic approach to energy** which includes sustainable heat as well as electricity and transport. Energy is an inter-related system and policy should pay attention to all parts of the mix.

Quantified objectives

We welcome the UK's role in securing EU-wide 2020 targets. We now recommend progressive national goals to deliver our contributions:

- **A statutory national target on energy conservation** in support of the EU primary energy savings commitments of over 20% from projected business-as-usual levels by 2020.
- Acceptance of a **binding commitment and milestones** for renewables in total energy consumption at the level of 15% proposed by the European Commission, with an internal aim to achieve 20% by 2020.
- Individual targets for renewables in the **heat, transport and electricity** sub-sectors and for microgeneration to meet this aim.

These targets demand an **urgent acceleration** of the rate of progress.

National action plan

The **long-term policy framework** must be established swiftly, to provide investment signals for businesses of all sizes to deliver major changes to our energy system. Consumers, industry, commerce and government should be rewarded for becoming 'part of the solution'.

The **coherent national plan for energy** must involve:

Energy saving

Reduced consumption is the most efficient solution to energy security, fuel poverty and climate change.

- **Reduce consumption through energy saving.** *Government should implement a package of measures including advice that encourage consumer and worker participation and deliver an absolute reduction in energy consumption in industry, transport and the home (whilst protecting vulnerable consumers).*
- **Reduce wastage in energy production.** *Government should incentivise the use of heat from existing thermal power plant and use regulation and standards to prohibit new thermal power stations that do not recover heat.*
- **Reduce wastage in energy use.** *Government should introduce measures to eliminate the most inefficient products from the market.*

Efficient resource utilisation

Energy efficiency also demands optimised usage of sustainable energy resources.

- **Energy potential of biomass.** *Government should optimise energy use of biomass consistent with secure food provision and sound environmental management.*
- **Secondary bioenergy resources.** *It should eliminate obstacles to the energy use of anaerobically digestible materials and combustible waste streams.*
- **On-site renewables.** *Policies and incentives should ensure that renewable energy incident on buildings and sites will be utilised wherever it is practical and viable.*

The energy system, infrastructure and merchant energy production

Integrated community CHP systems and on-site energy deliver clean heat and electricity at the point of use, displacing inefficient production in and distribution from conventional stations, and increase public awareness catalysing behaviour change.

- **Investment in decentralised energy systems.** *Government should ensure a fair value for distributed energy and provide regulatory and fiscal incentives for consumers, installers and network operators. Onshore and offshore renewable generation can also displace a significant proportion of conventional stations.*
- **Strategic approach to energy transmission.** *A radical new approach is needed to facilitate and incentivise the transmission of renewable electricity, heat, gas and fuel from their future source locations through national and local networks.*
- **Streamlined consenting process.** *Government must ensure that changes to planning and consenting procedures actually deliver accelerated, dependable and fair consenting for sustainable energy projects.*

Sustainable energy in the built environment

The most efficient path to sustainable buildings is holistic building design in which passive building design, energy efficiency and sustainable energy provision are integral.

- Rapid transition to **'zero carbon' for all new buildings.** *Government should extend into all sectors regulations to require new buildings to be 'zero carbon'.*
- **Progressive conversion of existing buildings to 'carbon neutrality'.** *It should also set targets, introduce measures and incentives to enable a reduction of 40% in overall carbon emissions from the existing stock by 2020.*

Sustainable energy in transport

- **Realise the potential of alternative fuels, including biofuels.** *Government should enable the widest use of sustainable biofuels consistent with secure food provision and sound environmental management, and accelerate the development of other renewable fuels and drive systems.*
- **Bring transport within energy policy measures.** *Government should subject all forms of transport to energy efficiency, demand reduction and sustainability requirements equivalent to the rest of the energy sector.*

Sustainable energy in business, agriculture and the countryside

A sustainable energy mix requires support for energy users as well as producers, and taking opportunities to integrate energy production into the value chain.

- **Encourage self-generation.** *Users of all types should be encouraged to produce their own sustainable energy, where practical and viable, and should receive reward appropriate to the benefits of renewable decentralised production.*
- **Integrated approach in land and agriculture.** *Policy alignment between the energy and rural areas should support approaches, such as anaerobic digestion, which*

integrate energy solutions with other processes, or use land for energy as well as agricultural or forestry production.

Incentives for users, investors and the industry

Contributions are required from all sectors. Support schemes and incentives need to reflect the varying needs of consumers, property-holders, vehicle operators, energy companies, retailers and other businesses. Consumers are vital to the success of Government's energy policies and without consumer support, major progress will be made much more difficult.

- **Energy tariffs.** *A national accreditation scheme should ensure that renewable energy tariffs provide genuine incremental benefits and are presented with clear 'fuel mix' disclosure to provide a transparent incentive for consumers and business users. All tariff structures should reward energy conservation.*
- **Coherent and appropriate incentives.** *Government will need a range of schemes to address the above-named sectors, designed and implemented to work together without conflict or perverse incentives.*
- **Incentives for renewable heat and CHP.** *Renewable heat offers the potential for low cost emissions reductions, and should be supported by measures consistent with those for electricity and transport.*
- **Long-term stability.** *The exit strategy for interim support measures must be defined early to ensure investment stability. This includes a transparent and robust long-term carbon market beyond existing emission trading schemes.*

Skills and value chain

Dynamic growth in the sustainable energy sector will create a multi-billion pound industry in the UK with corresponding opportunities in employment and wealth creation.

- **Accelerate development of necessary learning and skills.** *There is currently a UK skills shortage at all levels and across the sector. Home-grown skills are essential to meeting the 2020 commitments.*
- **Encourage local content** as the UK market for sustainable energy systems develops. *Increased domestic sourcing enhances security of supply.*

Leading by example

The UK should continue to press for international policies to enforce energy efficiency, boost renewables and eliminate barriers to sustainable energy.

- **Champion sustainable energy at home and abroad.** *The Government must lead by example in its own procurement policies and infrastructure developments. Government should invest in a sustained programme of education to achieve cultural change in energy use.*
- **Coherent government and regulation.** *Clear Cabinet responsibility needs to be defined for delivering the overall policy and for co-ordinating the various Government departments involved in delivery. A separate Department of Energy and Environment will probably be necessary. Primary duties of relevant regulators must be aligned with all national policy objectives.*

Individually and together these measures will enhance sustainability, boost UK industry and reduce fuel poverty. They improve energy security by reducing import dependence, maximising local resources and optimising the use of valuable fuels.

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This statement is supported by the organisations listed overleaf

Signatories to the Energy 2020 Manifesto

27th June, 2008

Association for the Conservation of Energy – UK-ACE
Association for Environment Conscious Building – AECB
British Hydropower Association – BHA
Business Council for Sustainable Development – BCSD-UK
Chartered Institution of Building Services Engineers – CIBSE
Country Land and Business Association – CLA
Energy Institute – EI
Energy Saving Trust – EST
Environmental Services Association – ESA
European Marine Energy Centre – EMEC
Green Alliance
Home Grown Cereals Authority – HGCA
Institution of Civil Engineers – ICE
Institution of Mechanical Engineers – IMechE
National Energy Action – NEA
National Farmers' Union – NFU
National Non-Food Crops Centre – NNFCC
New and Renewable Energy Centre – NaREC
Renewable Energy Association – REA
Royal Society for the Encouragement of Arts, Manufactures & Commerce – RSA
Scottish Council for Development and Industry – SCDI
Scottish Renewables Forum – SRF
Town and Country Planning Association – TCPA
UK Green Building Council – UKGBC