

November 2012

News, Policy, Resources, Opportunities & Events

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CLASP is the sector-led (NW focussed) local authority sustainability support programme, funded by the Environment Agency and NWIEP, and hosted by Liverpool City Council.

Hello

In the last few days there's been a lot of developments with the emergence of the Energy Bill and associated package of proposals. We start this update therefore with a focus on this, and links so you can follow them up.

Beyond the Energy Bill though it's also been a busy month, so if it's not where your interests lie then just skip on over using the short-cuts below. As always we've got a full round-up for you of news, resources, opportunities and events including:

- [Energy Bill Details](#)
- [Electricity Demand Reduction Consultation](#)
- [Better Deal for Energy Consumers](#)
- [RHPP Funding Winners](#)
- [Green Deal Update](#)
- [Green Investment Bank Stars Investing](#)
- [Resilience examples from East Midlands Councils](#)
- [Evidence of Increasing Climate Change](#)
- [New Planning Resources](#)
- [News from the NW](#)
- [CLASP Events](#)
- [Climate Local](#)
- [Other News & Climate Week](#)

Energy Bill Emerges

Proposals to “dramatically reduce electricity demand across the whole UK economy, power low-carbon economic growth, protect consumers, and keep the lights on” were published by the Government on Thursday. Key points include:

- Oversight of the nuclear industry will be enhanced through creating an independent statutory nuclear regulator, the Office for Nuclear Regulation.
- Ofgem's role will be better aligned with Government priorities and strengthened to safeguard consumers. As part of this, energy companies will be required to pay compensation to consumers as well as to the regulator Ofgem.
- During the passage of the Bill, proposals will be added to ensure energy companies help consumers to get on the best energy tariff, and to promote energy efficiency through electricity demand reduction.

Energy Bill cont.

- The Government will also take powers to set a decarbonisation range for the power sector for 2030, a decision to exercise this power will be taken once the Climate Change Committee has provided advice in 2016 on the fifth Carbon Budget, which covers the corresponding period (2028 – 2033).
- The Government's energy policy, set out in the Annual Energy Statement will help keep bills down in future, with current analysis showing that the average household bill will be 7% or £94 lower in 2020 than it would be without low-carbon energy policies being pursued.
- To further safeguard the competitiveness of Energy Intensive Industries (EIs) that are particularly exposed to energy costs, Government has agreed to exempt some EIs from any additional costs arising from the contracts for difference. This proposed exemption will ensure the UK retains the industrial capacity to deliver a low carbon economy. The exemption will be subject to State Aid clearance from the European Commission.

The new Energy Bill outlines reforms to the electricity market to attract investment including:

- Contracts for Difference (CfDs) will stabilise revenues for investors in low-carbon electricity generation projects helping developers secure the large upfront capital costs for low carbon infrastructure while protecting consumers from rising energy bills.
- A new Government owned company will act as a single counterparty to the CfDs with eligible generators. This was a key recommendation of the [ECC Committee](#), and has been welcomed by industry and investors. It is also intended to develop a two stage process in which projects are able to apply for a CfD once they have cleared meaningful hurdles such as planning permission and a grid connection agreement, and then a small number of hurdles post CfD-award in order to retain the contract.
- The Government is taking powers to introduce a Capacity Market, allowing for capacity auctions from 2014 for delivery of capacity in the winter of 2018/19, if needed, to help ensure “the lights stay on” even at times of peak demand. A Capacity Market will provide an insurance policy against future supply shortages, helping to ensure that consumers continue to receive reliable electricity supplies at an affordable cost.
- National Grid the System Operator is to be appointed to deliver the Electricity Market Reforms, including CfDs, administer the Capacity Market and provide analysis and evidence to Government. The Bill also provides Government with powers it may need to manage any conflicts of interest relating to this appointment.
- A Final Investment Decision (FID) enabling process will enable investment in low-carbon projects to come forward for early projects, guarding against delays to investment in energy infrastructure.
- Transitional measures will allow renewable investors to choose between the new system and the existing Renewables Obligation which will remain stable up to 2017.
- An Emissions Performance Standard (EPS) will curb the most polluting fossil fuel power stations, ensuring that any new coal fired power stations will have to have Carbon Capture and Storage fitted to be able to operate within limit.
- The Government has already legislated to establish a Carbon Price Floor from April 2013, to underpin the move to a low-carbon energy future.

You can view the Bill in full here: <http://services.parliament.uk/bills/2012-13/energy.html>

Subject to Parliament, the Energy Bill is expected to achieve Royal Assent in 2013.

Related Developments

Electricity Demand Reduction Consultation

The Department of Energy and Climate Change (DECC) is also seeking views on a number of key proposals to reduce electricity demand across the whole UK economy, including:

Financial Incentives - Market Wide Initiatives:

- Premium payments - payments for each kWh saved through energy saving measures installed such as energy efficient lighting.
- An energy supplier obligation in the non domestic sector – ensuring energy suppliers deliver a specific target of electricity demand reduction in the non-domestic sector to complement the Energy Company Obligation to reduce carbon emissions that is targeted at households.
- Demand reduction included in the Capacity Market – as part of proposed reforms to the electricity market to be set out in the Energy Bill, the Government wants to ensure there is sufficient electricity capacity to keep the lights on, even at times of high demand. This consultation looks at whether there is scope for people to participate in this market by committing to permanent reductions in electricity use and so reduce the amount of electricity that needs to be produced.

Financial Incentives - Schemes Targeted At Specific Sectors:

- Financial incentives to encourage uptake of energy efficient equipment in homes and businesses – incentives to replace older, less efficient technologies with new more efficient equipment such as lighting, pumps and motors, specifically targeted at different sectors.

Non Financial Incentives:

- Voluntary schemes and better energy efficiency information – clearer energy efficiency information to reduce demand, including an energy efficiency information 'hub' for the industrial sector and better labeling on products. The consultation looks at whether a scheme to recognise achievements by organisations who commit to buying only highly efficient products could help drive reductions in electricity use.

You can find the consultation here:

http://www.decc.gov.uk/en/content/cms/consultations/edr_cons/edr_cons.aspx

Energy Security Strategy

This sets out for the first time a clear overarching analysis and policy framework for ensuring our energy security. The strategy looks at the short term through to the long term, from immediate risks of disruption such as accident or extreme weather, to future challenges of increasing competition for key energy resources and rising wholesale prices.

You can find out more here: http://www.decc.gov.uk/en/content/cms/meeting_energy/en_security/en_security.aspx

[Go back to the index](#)

Other Energy News

Consultation on Proposals to Ensure a Better Deal for Energy Consumers

Following publication of Ofgem's Retail Market Review proposals, the Government is setting out further ideas to help consumers with their energy bills. These build on Ofgem's Retail Market Review, and seek to strike the right balance between helping consumers in a market in which the majority of people currently do not engage, while maintaining consumer choice and incentives for suppliers to compete and innovate.

The Government intends to include measures in the forthcoming Energy Bill and a consultation is open to 4th January 2013 at:

http://www.decc.gov.uk/en/content/cms/news/pn12_144/pn12_144.aspx

National Energy Efficiency Drive Announced

The nation's first dedicated Energy Efficiency Strategy aims to reduce the UK's energy consumption by 11% by 2020, whilst providing a boost to both the economy and living standards. The anticipated energy savings are equivalent to the output from about 22 traditional power stations.

Click on the following link for more information:

http://www.decc.gov.uk/en/content/cms/tackling/saving_energy/what_doing/eedo/eedo.aspx

DECC Responds to Biomass Criticism

There has been a lot of media coverage recently on whether biomass electricity delivers greenhouse gas savings. Certain NGOs recently claimed that biomass is dirtier than coal and that DECC fail to fully account for the carbon emissions in their calculations:

http://www.rspb.org.uk/Images/biomass_report_tcm9-326672.pdf

In their blog DECC agree that biomass is not carbon free (there are emissions associated with harvesting, processing and transport of the fuel. It also takes time for trees to grow to absorb the carbon released by the trees we burn). However, DECC argue that if produced and used sustainably, it is substantially lower carbon than the alternative it is replacing.

DECC point out that if a biomass electricity generator wishes to claim subsidies they will have to demonstrate they will have to meet a minimum greenhouse gas (GHG) saving of 60% compared to the EU electricity grid average, across the whole biomass life cycle.

Find out more here: <http://blog.decc.gov.uk/2012/11/22/using-wood-for-bioenergy/>

RHPP Funding Winners Announced

44 social housing projects have been awarded a share of £3.2million to get renewable heating into the homes of over a thousand social housing tenants across Great Britain. Registered providers for social housing such as local authorities and social housing associations were able to bid for up to £156,000 under the third phase of the Government's Renewable Heat Premium Payment social landlord competition (RHPP) launched in August this year. A couple of NW associations are winners.

[You can see the full list here.](#)

[Go back to the index](#)

Green Deal Update

Consumer Checklist

Which? Have produced a checklist showing householders what to watch out for before, during and after a visit from a Green Deal assessor.

<http://www.which.co.uk/energy/creating-an-energy-saving-home/guides/the-green-deal-explained/green-deal-assessment-checklist/>

DECC Marketing Campaign

[Greg Barker tweeted](#) on 27th November 2012 that DECC have clearance for a special £2.9m Communications & Marketing campaign to support the roll out of Green Deal from January 2013.

Green Deal Cashbacks

The Green Deal 'Cashback' Scheme is a first-come, first-served offer where householders can claim cash back from Government on energy saving improvements like insulation, front doors, windows and boilers. Packages could be worth over £1000 - the more you do, the more you get. It is available from 28 January 2013 for households in England and Wales and is a time limited offer. [For cashback amounts see the DECC website.](#)

Correction - Green Deal - The Opportunity in Liverpool City Region

Last month we told you about an event Envirolink, in partnership with the Liverpool City Region Local Enterprise Partnership hosted in October focussing on Green Deal and the opportunities that surround the initiative. We gave you the wrong link to the presentations, it should be: <http://www.envirolink.co.uk/greendeal/>

[Go back to the index](#)

Low Carbon Economy

Green Investment Bank Opens For Business

Business Secretary Vince Cable has declared the UK Green Investment Bank plc (UK GIB) officially open for business and announced two new investments. The GIB has been funded with £3 billion of Government money and will mobilise additional private capital to make a significant contribution to the development of a green economy.

Speaking in Edinburgh where the new bank is headquartered, Dr Cable revealed that UK GIB had made its first investment since becoming operational, committing an initial £8 million to an Anaerobic Digestion plant at Teesside. This will attract a further £8 million of matching private sector funding.

The Business Secretary also announced that UK GIB will invest £5 million to retrofit Kingspan's UK industrial facilities with systems and services that will reduce its energy consumption by as much as 15 per cent. This investment, through Sustainable Development Capital, is UK GIB's first project supported in its £100 million non-domestic energy efficiency investment programme.

Find out more here: <http://www.bis.gov.uk/greeninvestmentbank>

Valuing the Natural Environment

The Ecosystem Markets Task Force set up as a key commitment of the Natural Environment White Paper has recently published its Interim Report “Why valuing the natural environment correctly matters for business”. The report sets out the aims of the Task Force, its emerging thinking on why nature should matter to business and the potential opportunities for business from valuing nature correctly.

Find out more:

<http://www.defra.gov.uk/ecosystem-markets/>

[Go back to the index](#)

Resilience & Adaptation

Local Government East Midlands Case Studies

Climate East Midlands has published a set of nine case studies illustrating how local government is starting to adapt services, processes and decisions to cope with extreme weather and the future climate.

They include different approaches to the management of flood risk, sustainable urban drainage, adaptation in the natural and built environment and the management of extreme weather events.

<http://www.climate-em.org.uk/resources/item/adaptation-case-studies>

This last month has seen the release of a couple of reports, from different agencies, all making the case that our climate is changing right now, and that temperatures are on track to rise up to 6°C:

Global temperatures to rise by 6°C by 2100

A new report from economists at accountancy giant, PricewaterhouseCoopers (PwC), has warned that global average temperatures could rise by as much as 6°C by 2100. The study points the finger of blame at governments around the world, for failing to find alternatives to fossil fuels quickly enough.

It concludes that it will now be almost impossible to keep to within the 2°C upper limit for avoiding dangerous and unpredictable climate change, as agreed by the United Nations (UN)'s Intergovernmental Panel on Climate Change. Analyses of how fast the world's major economies are managing to reduce their greenhouse gas emissions from fossil fuels suggest that progress is far too slow.

Find out more:

<http://www.pwc.co.uk/sustainability-climate-change/publications/low-carbon-economy-index.jhtml>

Observed Climate Change & Future Projections

A new assessment published by the European Environment Agency shows clearly that all regions of Europe are showing signs of climate change, which is impacting on society and the environment. Useful and accessible info here:

<http://www.eea.europa.eu/pressroom/newsreleases/climate-change-evident-across-europe>

UNEP Emissions Gap Report 2012

A UN report on rising greenhouse gas emissions has reminded world governments that their efforts to fight climate change are far from enough to meet their stated goal of limiting global warming to 2C. The report by the UN Environment Programme (UNEP) states that the concentration of heat-trapping greenhouse gases like carbon dioxide in the atmosphere is up about 20% since 2000.

Click on the following link to download a copy of the report:

<http://www.unep.org/pdf/2012gapreport.pdf>

[Go back to the index](#)

Planning Resources

Climate Change Adaptation and Environmental Infrastructure: A West Midlands Perspective

Sustainability West Midlands have produced a video which identifies the different perspectives of those involved in the planning, management and use of environmental infrastructure and provides a range of views on the role of environmental infrastructure in delivering economic, social and environmental benefits. [Click here to view the video](#)

NPPF Seminars Summer 2012: Outcomes

PAS held eight officer events around the country and one councillor event, on planning reform and in particular the National Planning Policy Framework (NPPF). PAS have now collated all the presentations from each of these useful events, along with a brief overview. Click on the following link to download the presentations and overview: <http://www.pas.gov.uk/pas/core/page.do?pagelid=2368926>

NW News

Greater Manchester Launches Low Carbon Hub

Greater Manchester has been officially announced as a 'UK Low Carbon Hub', in recognition of its efforts to lead the way in delivering low carbon initiatives. The announcement came on Monday 29th October, during a visit to the region by Energy and Climate Change Secretary, Ed Davey. The unique agreement represents a commitment from the Government to support new green initiatives that will help reduce carbon emissions and generate jobs and investment for the area.

Click on the following link for more information:

<http://www.agma.gov.uk/latest-news/low-carbon-hub-agreement-signed/index.html>

Be ecoSMARTER: Places Remain

ecoSMARTER is a free service for micro-SMEs offering energy savings and certification, hosted by New Economy Manchester, but available to business across the NW.

A limited number of places are still available for businesses. If you would like to promote the service to businesses in your area, or know of any that would benefit, then don't hesitate to get in touch with the ecoSMARTER team via jennifer.williams@neweconomymanchester.com or 0161 2374630.

[Go back to the index](#)

Did You Miss...?

Managing NW Bathing Waters in a Changing Climate

As part of our series of training on "Water Management in a Changing Climate" CLASP and The Environment Agency hosted an introductory session looking at the interrelationships between local authority activity and the bathing water environment in the North West, on the 12th November 2012.

Slides, presentations and reports referred to in the meeting can be found here:

<http://www.claspinfo.org/12Nov2012BathingWater>

CLASP Events

Developing Allowable Solutions

4th December

Warrington

A few places are still available for this special event that will look at approaches to developing allowable solutions as part of the zero carbon homes policy including NW led projects, the lessons learnt and how these could be applied to your local authority.

Speakers include:

- Rob Pannell, Zero Carbon Hub on the background to Allowable Solutions and the Zero Carbon Agenda
- Marco Marijewycz, E.ON providing an overview of the Allowable Solution Framework Evaluation workshop process and key insights emerging
- Dave Worthington & Tim Kay, Verco on developing a framework/methodology for Allowable Solutions in Rossendale
- Adrian Smith, Rossendale Borough Council on implementing a framework for Allowable Solutions in Rossendale

There will also be an interactive session on the use of the CLASP funded framework/methodology that has been developed for Rossendale Borough Council including a panel discussion.

Click on the following link to book your place:

<http://claspallowablesolutions.eventbrite.co.uk>

Heat Network Support Group

19th December

Manchester

The next heat network support group meeting is due to take place on 19th December in Manchester. Limited places are still available for authorities interested in joining this group and actively contributing to the discussion (this is not a seminar, the participants are the speakers!). For further information contact krista@claspinfo.org

[Go back to the index](#)

Other News

Climate Local Update

The LGA launched Climate Local in June 2012 and since then more than 50 councils have come forward to sign the Climate Local commitment. These councils are agreeing local commitments and actions to reduce carbon emissions and to build resilience to the changing climate.

[A new map](#) shows the councils that are taking part in Climate Local – including councils on their way to signing up, and councils that have already set and agreed their priorities and activities.

Hold the date... A Climate Local conference will be held at the LGA on 11th March 2013. We will let you know more information when we hear.

Climate Week & Climate Awards 2013

Climate Week 2013 will take place from 4th – 10th March and has grown to become Britain's biggest climate change campaign, "inspiring a new wave of action to create a sustainable future".

Find out how your area can get involved here: <http://www.climateweek.com/>

Do you know of an inspiring individual, project or organisation that you want to see recognised as part of Climate Week? If so you can nominate them now for the 2013 Climate Awards. <http://www.climateweek.com/awards/how-to-enter/>

NICE Guidance on Walking & Cycling

New guidance just released is aimed at schools, workplaces, local authorities and the NHS to encourage them to promote walking and cycling: <http://pathways.nice.org.uk/pathways/walking-and-cycling> NICE recommends coordinated action to identify and address the barriers that may be discouraging people from walking and cycling more often or at all.

Town-wide programmes should be put in place to promote cycling for both transport and recreational purposes. These could include cycle hire schemes, car-free events or days, providing information such as maps and route signing, activities and campaigns that emphasise the benefits of cycling, fun rides, and others. Read more here: <http://www.nice.org.uk/newsroom/news/WalkingAndCyclingShouldBecomeTheNormForShortJourneys.jsp>

STOP PRESS CRC Discussion, Places Available

LGIU have just a few free places still available for NW authorities at their Carbon Saving Public Sector Network event on 6th December in Manchester. This will focus on the Carbon Reduction Commitment (CRC) following an important announcement on the future of the CRC that is expected in the Chancellor's Autumn Statement on 5th December. For more information and to check if places are still available contact karen.lawrence@lgiu.org.uk 020 7554 2800 07818 514662 and see <http://www.localenergy.org.uk/about-local-energy/events/>

[Go back to the index](#)

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