

## The Government View

*'There is still a lot of work to be done to ensure that the conditions for microgeneration being a realistic option are improved'*

*'More can be done to encourage uptake' and 'there may be other things that can be done to help increase the uptake of microgeneration' (p 4)*

Department of Business Enterprise and Regulatory Reform Progress Report on the current Microgeneration Strategy June 2008 p2 & p4

## The industry view

*'If we updated the Microgeneration Strategy this would focus collective action, lead to investment and a help create whole new generation of jobs in retrofitting energy efficiency and microgeneration'*

Steve Keeton – Head of System Technologies: VAILLANT GROUP

*'We welcome the introduction of the Green Energy Bill with its provision for encouraging an easing of the planning restraints on on-farm microgeneration of energy. The UK is well behind the curve set by some other countries for microgeneration from rural sources, so the Bill is a timely instrument for furthering this important cause.'*

Peter Kendall, Chief Executive: National Farmers' Union

## House of Commons Select Committee view

*'There is clear consensus that the Government needs to engage as fully with reducing carbon emissions from existing housing as it has with reducing those from new development.'\*\**

Existing Housing and Climate Change - Department of Communities and Local Government Select Committee Report 2.4.08 Conclusion 2 page 47

\*\* Clause 2 of the Green Energy Bill deals explicitly with this point

# GREEN ENERGY BILL WILL LEAD TO INVESTMENT, CREATE JOBS AND HELP WITH CLIMATE CHANGE AND FUEL POVERTY

## 8 MAY CRUCIAL DATE IN HOUSE OF COMMONS

Peter Ainsworth MP, and a cross party group of MPs are promoting the Green Energy Bill, following his success in the recent Private Members' Ballot. The Bill will

- Require the existing Micropower Strategy to be updated and in particular to focus on the existing housing stock and to include a fiscal strategy for developing microgeneration and energy efficiency;
- Require the new renewable energy tariff, whereby householders and small businesses can obtain payment for surplus energy generated by them using microgeneration, to be fully implemented;
- Remove 'red tape' planning barriers and other disincentives to the installation of microgeneration and energy efficiency.

The cross party sponsors of the Green Energy Bill are Peter Ainsworth, Oliver Letwin, Greg Clarke, Bill Wiggin, Nick Hurd (Conservative); Alan Whitehead, Elliot Morley, Colin Challen, Alan Simpson, Martin Caton, Andrew Dismore (Labour); and Steve Webb (Liberal Democrat).



Peter Ainsworth said:  
*"At last there seems to be political consensus about the need to support local, green energy. But if we are going to seize the opportunities for job creation, cutting carbon, reducing fuel bills, and making Britain more energy secure, we need to get rid of disincentives and blockages in the system. That is what this Bill aims to do, and I hope that it will have the Government's support"*.



Labour MP Dr Alan Whitehead added:  
*'This Bill is a win for the environment; win for those 4 million pensioners and others in fuel poverty; win for the industry as it will lead to investment; and win for those needing jobs. I cannot see how anyone can oppose this Bill. I am sure Ministers will welcome it.'*

## Potential

The potential role of microgeneration and energy efficiency in solving the problems of climate change, security of energy supply and fuel poverty is enormous. A government (DTI) Press Release of 12 December 2005, announced that:

- 'By 2050 microgeneration could potentially provide 30–40% of the UK's total electricity needs'
- 'By 2050 microgeneration could help to reduce CO<sub>2</sub> emissions by 15% per year'.

A government report by *Element Energy* for DBERR, concluded that: 'A number of plausible policies could lead to well over 2 million installations, with a possible 3 million installations by 2020'.

The 2003 White Paper described energy efficiency as the cheapest, cleanest and safest way of delivering on energy policy objectives. The Committee on Climate Change (CCC) has recommended that between now and 2022 up

## MICROGENERATION & FUEL POVERTY

National Energy Action have publicly reported trial results from installing air source heat pumps in off gas-grid, fuel poor homes:

- heating bill savings of up to 75%
- CO<sub>2</sub> savings of up to 66%

Yet despite 3 Ministerial commitments (including one from the Prime Minister personally) the installation of air source heat pumps is still being blocked by planning red tape. The Green Energy Bill would rectify that.

to 22 million tons of carbon (MtC) can **cost effectively** be saved in the residential sector alone from energy efficiency: twice as much as anticipated in the 2007 White Paper.

The CCC also indicated a further 10 MtC of savings from microgeneration.

## Why this Bill is important

None of this will happen by accident or by mere words. It requires policies, actions and consideration of the most cost effective measures – in short a strategy. That is what the **Green Energy Bill** is all about.

In particular The **Green Energy Bill** will focus on existing properties. The residential sector accounts for 27% of the UK carbon emissions and greater uptake of microgeneration and energy efficiency is needed to reduce this. Industry is investing millions of pounds in these technologies, but their potential consumers are being held back by regulation and perverse incentives.

The Government's own report on the current microgeneration strategy also strongly indicates that this needs updating. The Bill also addresses the concerns of various Parliamentary Select Committees.

The Bill will also help industry to secure greater investment leading to job creation. Thus it will be an important counter force to the current recession.

## ACTION PLEASE

It is crucial that the Green Energy Bill receives a 2nd Reading on 8 May. In order to ensure that, 100 MPs must be in the House of Commons on that day. This is always difficult on a Friday so could supporters please:

- Write to your MP at House of Commons, London SW1A 0AA (urgently – before they get 'booked up') urging him/her to 'please be in the House on 8<sup>th</sup> May to support the Green Energy Bill.
- You could also ring your MP on 020 7219 3000. If your MP is not there ask to 'leave a message on the board' stressing that you are a constituent. You can also email your MP. Most have a standard address – surnameinitial@parliament.uk (Note no full stop at end). Thus Jo Bloggs email would be bloggsj@parliament.uk
- Get **other local people to do the same**: the more local people write to MPs the better

Please let us know the result, so we can keep a tally of who will be there – see contact details at top of page.

## A BILL TO

Make provision to facilitate the promotion of green energy measures and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### 1 Promotion of green energy

- (1) The principal purpose of this Act is to promote green energy.
- (2) In this Act 'green energy' means—
  - (a) energy generated from renewable or sustainable small scale local sources, and
  - (b) energy efficiency measures.
- (3) Any person performing any functions under this Act must do so having regard to—
  - (a) the principal purpose set out in subsection (1),
  - (b) the desirability of alleviating fuel poverty, and
  - (c) the desirability of securing a diverse and viable long-term energy supply.

### 2 Revision of microgeneration strategy

- (1) The Secretary of State must within 12 months after the commencement of this section—
  - (a) publish a revised microgeneration strategy ("the strategy") under section 82 (microgeneration) of the Energy Act 2004 (c. 20), and
  - (b) before doing so, invite comments on a draft of the strategy from such persons appearing to him to represent the producers and suppliers of plant used for microgeneration and such other persons as he considers appropriate.
- (2) The Secretary of State must include in the strategy—
  - (a) measures to increase the number of microgeneration installations in existing buildings,
  - (b) such financial and fiscal measures as will in his opinion ensure the cost-effective promotion of green energy, and
  - (c) measures to promote the effective implementation of feed-in tariffs for small-scale generation of electricity established under Part 2 of the Energy Act 2008 (c 32).

### 3 Review of permitted development orders: agricultural land

- (1) The Secretary of State must for the purpose mentioned in subsection (2) carry out a review of the effect in England of development orders made under section 59(2)(a) of the Town and Country Planning Act 1990 (c. 8) (power by order to grant planning permission for the development or a class of development specified in the order).
- (2) The purpose of the review is to provide information to assist the Secretary of State to form an opinion as to what provision such development orders should make to facilitate development in England consisting of the installation, on agricultural land or within the curtilage of an agricultural building, of equipment, apparatus or appliances for microgeneration.
- (3) In carrying out the review the Secretary of State must consult persons appearing to him to represent—
  - (a) the producers and suppliers of equipment, apparatus or appliances used for microgeneration,
  - (b) persons engaged in agricultural or other rural activities,
  - (c) local authorities, including parish councils,
  - (d) persons interested in preserving visual amenity and the appearance of the countryside, and
  - (e) any such other persons as he considers appropriate.

- (4) As soon as reasonably practicable after he has carried out the review, the Secretary of State must lay before Parliament a report on the review, which must include —
  - (a) his opinion, as mentioned in subsection (2), and
  - (b) any consequential changes he recommends to be made to development orders under section 59(2)(a) of the Town and Country Planning Act 1990.
- (5) Where the Secretary of State proposes to make changes to development orders in consequence of the review, he must do so as soon as is reasonable practicable.
- (6) In this section "agricultural land" and an "agricultural building" have the same meaning as in paragraphs 2 to 8 of Schedule 5 to the Local Government Finance Act 1988 (c. 41) (non-domestic rating: exemption).

### 4 Permitted development: domestic premises

- (1) The Secretary of State must make an order under section 59 of the Town and Country Planning Act 1990 (c. 8) (power by order to grant planning permission for the development or a class of development specified in the order) within three months of the day on which this Act is passed granting planning permission for specified microgeneration installations.
- (2) The Secretary of State may during the fixed specified period amend or suspend an order made pursuant to subsection (1) if—
  - (a) there is evidence which leads him reasonably to form the view that a significant number of specified microgeneration installations erected under the order made pursuant to subsection (1) are causing a nuisance, and
  - (b) he has consulted interested parties on the evidence used to inform any decision he proposes to take to amend or suspend an order.
- (3) An order under this section shall not be made unless a draft of the order has been laid before, and approved by a resolution of, each House of Parliament.
- (4) In this section—
 

"specified microgeneration installations" means small wind turbines, air source heat pumps, and any such further installations which the Secretary of State may consider appropriate

"fixed specified period" means one year from the date on which the order made pursuant to subsection (1) comes into force

"small wind turbines " means wind turbines with a generating capacity not exceeding 10KW.

### 5 Council tax and non-domestic rates

Any increase in the value of a property arising from the installation of a green energy measure or a microgeneration system after the day on which this Act is passed shall be disregarded in the valuation of that property for the purpose of assessing council tax or non-domestic rates.

### 6 Interpretation

In this Act—

- an "energy efficiency measure" is a measure to improve efficiency in the use of energy in a property which reduces the need for energy, and
- "microgeneration system" has the same meaning as in section 4(9) of the Climate Change and Sustainable Energy Act 2006 (c. 19).

### 7 Short title and extent

- (1) The short title of this Act is the Green Energy Act [ ].
- (2) This Act extends to the United Kingdom.

## Why this Bill is vitally important

### The Industry view:

**David Gordon, Chief Executive Windsave**

*"We are suffering, and investment and jobs are in danger because thousands of installations that could be saving carbon and cutting fuel bills remain bound up in planning red tape. What is most frustrating is that Government is simply ignoring us. A quick resolution of this is essential if the industry is not to suffer irreparable damage."*

**John Kellett, General Manager, Mitsubishi Electric's Heating Systems Department**

*"Our technology (Air Source Heat Pumps) has been proved to be being ideally suited to tackling fuel poverty in off gas locations. But we are blocked by planning restrictions. This is hampering growth and investment and the creation of jobs"*

**Dr Elaine Ball**

**New Technology Director: Baxi Group**  
*"Markets will be challenging for the industry over the next few years, and more needs to be done to ensure existing housing stock is made energy efficient and incorporates the most suitable low carbon technologies. If we update the Microgeneration Strategy with particular emphasis on the retrofit market this would focus collective action and lead to investment,"*

## House of Commons Select Committee views

*"The Government must follow other countries to encourage individuals and communities to use their own ingenuity and money to reduce emissions... "UK plc" may well be missing out on valuable business opportunities that come with being a market leader in microgeneration."*

Climate Change The Citizens' Agenda - Department of Environment Farming and Rural Affairs Select Committee Report 23.7.07 Summary p 3

*"Zero carbon homes must be built to the highest energy efficiency standards and source their heat and power from renewable sources. Ideally... from on-site renewable power generation"*

Greener homes for the future? An environmental analysis of the Government's house-building plans – Environmental Audit Committee Report 28.10.08 Summary p 3