

A new energy policy

The government is offering us a new energy policy. It wants a new long term plan for its aim of getting to net zero by 2050, and a shorter term plan for the current decade to keep the lights on and to provide affordable energy as we await the technologies and investments in a greener future.

The government is likely to back substantial increases in nuclear provision for after 2030. By 2030 nuclear output will be well down following the closure of most of the existing fleet of stations, with only one major new opening. It will need a big rate of build to turn this round for the 2030s. The government will also favour more wind generation. This can only work if at the same time the government and the market invest in storage and usage technologies that overcomes the intermittent nature of wind power. This week wind has been as low as 1% of our electricity generated, leaving us very reliant on gas and coal. Even if we had doubled current wind capacity it would have left us mainly dependent on fossil fuels to keep the lights on. Some combination of large scale battery storage, pump storage schemes, the production of green hydrogen and the location of energy using businesses close to wind arrays which can handle intermittency will all be needed if the country is to rely on more wind power. It is unlikely investment in batteries and hydrogen will be sufficiently advanced this decade to avoid the need for reliance on gas and other fossil fuels as transition fuels.

The short term plan is easier to work through. There is an overwhelming case to produce more of our own fossil fuels at home. It cuts carbon dioxide output substantially to do so. It generates a big windfall in tax receipts instead of sending huge sums in tax to foreign countries and in cash to companies who export to us. It generates jobs here at home. It cuts down transmission losses. The government needs to work closely with the domestic industry to grant the permits and tackle obstacles to the necessary investment in more output.

There can be more help to encourage people and businesses to improve the energy efficiency of their homes, offices and factories. The public sector could undertake substantial investment in energy savings measures to cut its footprint.

If the country is to succeed with the electrical revolution the government wishes, it will take a new generation of affordable and attractive home heating and vehicle products to wean the public off their current reliance on gas to heat homes and petrol and diesel for their transport and deliveries.