

# Net zero, inflation and energy security

Worldwide advanced country governments are committed to the road to net zero by 2050. Their plan at Glasgow COP 26 was to speed progress. The sudden invasion of Ukraine disrupted the supply of oil and gas, drove up prices and made them more apprehensive about their duty to keep the lights on and homes warm. The EU announced that it would henceforth regard gas as a green transition fuel and accept more of it. President Biden turned from wanting the rapid run down of oil and gas production in the USA to boasting that more oil and gas is now being produced on his watch than happened in early Trump. The President is urging oil and gas companies to drill and produce more, and urging refineries to convert more to products. In the UK the government has moved policy on to favour North Sea oil and gas production instead of imports, and is examining the case for allowing onshore gas drilling again.

I would be interested in your thoughts on how far this rethink should go? How much more do governments need to do for the current decade to offer enough affordable energy? It is clear India and China as large users of energy and producers of CO<sub>2</sub> now plan to mine and burn yet more coal, delaying the world's wish to move on from coal as soon as possible. Germany too is being forced short term into more reliance on coal as Russia cuts the supply of gas via pipeline.

Decarbonisation plans hinge on wholesale electrification of heating, industrial processes, transport and much else. In turn this will need a massive expansion of electrical power generation which must come from renewables or nuclear. It looks as if this will need methods of storing surplus wind and solar power when it is available to deliver enough power when the sun does not shine and the wind does not blow or blows too much. What do we think a realistic timetable is for installing the extra capacity and confirming the technologies for storage and smoothing?

It will also need a consumer revolution. People will need to accept the free smart meters which half the public refuses. Consumers will need to be tempted in large numbers to buy heat pumps and electric cars. How far off a popular revolution are we? Without it decarbonisation will make slow progress, and the huge increases in CO<sub>2</sub> from the emerging world led by China will overwhelm the global figures.