



Consultation on the Energy Efficiency Action Plan for Scotland

Sustainable Scotland Network with Scottish HECA
Officers Network & Scottish Energy Officers Network
Glasgow

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Energy ...

- Key sector with high growth potential and source of international competitive advantage
- Underpins activity across all sectors
- But responsible for major share of GHG emissions
- Energy efficiency - maximising the output from a given set of energy inputs -
- offers way to resolve apparent tensions between goals of economic growth and environmental sustainability

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The EEAP

- One of SG's 10 pledges on energy policy (Feb 2009)
- Energy Key Sector Report
- Provision in Climate Change (Scotland) Act to publish within 12 months of order being laid before Parliament
- Feed into Climate Change Report on Proposals and Policies in Summer 2010

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Purpose of Consultation paper

- Draw together the significant amount of existing activity
- Comprehensive narrative across all sectors and areas of Gov't
- Outline new context, issues and proposed activities
- Initiate debate for Spring 2010 Action Plan and beyond

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Outline

Part 1: Strategic context

Part 2: Energy Efficiency across sectors

Part 3: Moving Forward

Discussion interspersed with questions

Summary and individual chapters available on website

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Chapter 1: Economic, environmental & social imperatives

- Economic
 - security of supply
 - maximise energy resources available for export
 - reducing amount spent on energy makes business more resilient and increases spending power for other goods & services
 - new markets for energy efficient products and services
- Environmental
 - reduce greenhouse gas emissions - Climate Change (Scotland) Act targets
 - cost effective to act early
- Social
 - households vulnerable to rising fuel costs
 - improved standards of living for those in fuel poverty
 - free up spend on other products
- Energy efficiency: often most cost-effective & quick to implement

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Chapter 2 : Trends

- Social trends, e.g.
 - ageing population, more retirees
 - Increasing no. of (single person) households
 - Changes in work patterns
- Consumption trends – e.g.
 - Overall electricity consumption static
 - Decrease in demand from manufacturing
 - Rise in electricity consumption from household appliances
 - Rise in transport use
- Trend data is patchy

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Chapter 3 : Barriers.

- Structural and market limitations
 - focus on up-front costs of buildings, materials and appliances
 - split incentives between those who pay and benefit
 - Cost and access to new and emerging technologies
 - Spatial separation of work, home and leisure activities
- Behaviour and motivation
 - Inadequate / poor information
 - Lack of technical expertise
 - Increase use of gadgets
 - Aggravation factor
- Rebound effect – direct and indirect

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Chapter 4 : Targets.

- Energy efficiency targets will support targets set out in Climate Change (Act) Scotland
- Delivery Plan sets out emissions reductions (MtCO₂e) by sector (traded, non-traded,...)
- Energy efficiency targets – energy consumption (TWh)
- Includes 2 options for setting targets:
 - Scotland's absolute end-use consumption
 - Energy savings from policies & programmes
- Consider UK ambition – are ambitious shares or very ambitious shares achievable?
- Broad indications by sector – seeking wider evidence to suggest these may or may not be achieved?

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Chapter 5 : Changing Attitudes and Behaviours.

- A large proportion of Scots understand the importance of day-to-day behaviours
- Many do not follow up with concrete action or if they do are unaware of relative impact of different actions
- Significant challenge in enabling and encouraging voluntary changes
- Campaigns and programmes to date incl. GoGreener, EST's EcoDriving, Climate Challenge Fund, Education-based activity
- Questions include –
 - What more is needed?
 - Should we develop a single brand for energy advice?

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Chapter 6 : Strategic housing issues

- uses carbon model to provide cost estimates of meeting 2020 emission targets.
- highlights where action most needed.
- overview of issues and existing policies.

Chapter 7 : Housing Regulation

Partial Regulatory Impact Assessment

Research report on outputs from housing carbon model:
“Modelling Greenhouse Gas Emissions in Scottish
housing”

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Housing: Action to meet ambitious targets

- To achieve ambitious emission reduction targets need to consider role of regulation in existing homes to enforce standards.
- Now have powers to regulate:
 - requiring assessment of energy performance and emissions
 - requiring owners to take steps to improve energy performance based on these assessments
- Consultation will explore the form regulation might take and in what circumstances and timescales it might be applied.
- Will continue to strive to meet targets through voluntary action - Prospect of regulation may spur voluntary action.
- Ministers must report on intentions to use powers within 12 months of commencement.

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Issues

- **How to regulate:** All properties? At point of sale? particular areas? tenures? EPCs?
- **Which standard would be set:** Recommendations on EPC? Basic insulation measures? To achieve set EPC rating?
- **Exclusions for hard to treat?** Historic buildings?
- **When to regulate:** What should be the trigger point? Set date now? Relate to emission targets?
- **Who would enforce?**
- **Interaction with Carbon Emission Reduction Target (CERT) and “additionality rules”.**
- Start to explore these issues within consultation on EEAP.

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PRS – Repairing Standard

- Examines case for Repairing Standard including energy efficiency elements of the SHQS.
- Tackle PRS separately or as part of wider regulation?
- Is RS an appropriate vehicle ?
- Is SHQS an appropriate standard for PRS? Landlord accreditation standard?

Home Energy Conservation Act 1995 (HECA)

- Duty on local councils to report on energy conservation in their areas
- Now at end of period covered by strategies.
 - Repeal?
 - How to improve?

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Chapter 8 : Non-domestic buildings & processes

- Large range of buildings - proportion of process use varies enormously
- Scottish policies and programmes – e.g. Carbon Trust advice and audits
- UK and EU regulation increasing e.g. CRC
- Seeking to close gaps in understanding of energy use and potential savings in
- Should there be a minimum criteria required for energy efficiency based on a sub sector approach?
- Role for Scottish Government in regulating industrial sector?

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Chapter 9 : Public sector

- 2% of Scotland's greenhouse gas emissions
- Can make a significant contribution
 - large estate & many suppliers
 - large number of staff and users
 - Visibility as leader
 - all newly procured public buildings to be in top quartile for e.e.
 - all SG spending proposals to include GHG emissions assessment
 - Leading by Example, CRC, Carbon Management Programme
- Questions include:
 - Targets for individual organisations?
 - Training for public sector staff?
 - Report at board meetings?

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Chapter 10 : Cross-cutting built environment Issues

- District heating.
 - Also supported through Renewable Heat Action
 - What more by SG and other key stakeholders?
- Planning
 - Affects many aspects of energy efficiency, from strategic development docs to individual planning applications
 - Consultation till 12 November on proposed policy changes to SPP – specifically covers climate change
- Microgeneration – should Scottish Government support be adjusted with introduction of cash-back schemes?
- Water efficiency and Waste

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Chapter 11 : Transport

- Transport sector accounts for over 25% of total energy consumed in Scotland - a major contributor to emissions, and energy demand is rising
- Need to increase fuel efficiency & manage demand for travel:
 - Land-use planning – e.g. road side equipment; SSCI
 - Measures targeted at personal and business travel – promote walking and cycling; car sharing; eco-driving; improved public transport; ‘Safer streets’, Smarter Choices campaign
 - Development of technical solutions - e.g. low carbon vehicles;

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Chapter 12 : Enterprise and skills.

- Aim: seize business opportunity, both at home & abroad
- Step-change in levels of innovation will necessitate a culture of support for creativity, ideas and experimentation
- Products & services, innovative systems and operations
- Will need the right quantity of the right skills to satisfy step-change needed
- There is no skills group with explicit responsibility for energy efficiency

Skills actions incl.:

- Undertake detailed mapping to identify skills needed to support energy efficiency in Scotland
- Identify roles and tasks of Skills Sector Councils
- Apply relevant lessons from work on renewables skills to energy efficiency

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Chapter 13 : Key partners and responsibilities.

- Sets out responsibilities of SG, COSLA and local authorities, NHSScotland, other government bodies, business, the third sector and householders & individuals
- Questions incl. Is the balance of responsibilities set out fair?

Chapter 14 : Conclusions & next steps.

- Implications for infrastructure, co-operation and funding
- Questions incl: How best to promote private investment? Key gaps? Anything unnecessary? Make energy efficiency core criteria for major infrastructure projects?

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Key dates

- Consultation closes on 5 January 2010
- Summary of responses by end March 2010
- Energy Efficiency Action Plan Spring 2010

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