Sustainability first

An Energy Security Strategy for a Sustainable UK
Ten Recommendations for Government's Forthcoming Energy Security Strategy

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It is tempting in the light of Russia's invasion of Ukraine to think we must focus on short term energy security above all else. But the need to address the climate crisis and ensure a fair transition to net zero have not gone away. In fact it is more urgent than ever that we stick to our net zero targets. Accelerating action on climate change is the best way to improve our energy security.

1. **Net zero:** 2035 climate goals shouldn't be sacrificed in the strategy if we are to retain resilience, for people and planet. Overall, UK gas usage should continue to decline in line with the sixth carbon budget or faster.
2. **Fuel poverty and the cost of living crisis:** there is an urgent need to provide financial and emergency support for people struggling to pay spiralling energy costs while we look to develop longer-term solutions. This must cover all communities impacted (including, for example, people with oil heating). Oil and gas firms' windfall profits should be channelled by government to alleviate fuel poverty.
3. **Action not words:** it is crucial that the forthcoming strategy leads to near and long-term action, detailed plans, and change in practice. We don't need another statement of intent.
4. **Energy efficiency, demand reduction and heat pumps:** these are key to getting out of the crisis and maintaining resilience and affordability, short and long-term – as well as being central to net zero. Insulation needs to be carried out on a national scale and at speed. Heat pump deployment should be accelerated but in a way that addresses the needs of those who are struggling most with their bills - so that no one is left behind in the move to net zero.
5. **Renewables and associated network investment:** these are crucial to net zero and to energy security - we need to accelerate the steps that need to be taken anyway and that will take us in the right direction, short and long-term.
6. **Near term options (for winter 2022/23) – little room for manoeuvre**
   a. Increased funding for energy efficiency and a coordinated behaviour change campaign is urgently needed, whilst ensuring those on the lowest incomes don't underheat their homes. Making clear that energy used at peak times is more reliant on gas would empower people to also think about when they use energy.
   b. Investigate ways to maximise existing UK LNG operational capacity, whilst recognising this will have a limited impact.
   c. Produce a detailed plan for long-term solutions to energy crisis, including to accelerate renewables and associated network investment. This can't be put off.
7. **Longer-term – need a mix of solutions**
   a. Large scale renewables (PV, onshore and offshore wind) will play a central role but public acceptability is key (see below).
   b. To address the intermittency of renewables there is a need for innovation, large scale pilots and new commercial models around storage of varying durations and other forms of flexibility.

c. There is a role for green hydrogen, particularly for shipping, other transport, and energy intensive industries, although the environmental impacts (including water use) must be better understood.
d. Interconnection and integration between markets has benefits to offer providing it supports renewables, security of supply and doesn't mean we just import dirty fuel.
e. The case for new nuclear has yet to be made. We are concerned you can't price the risks, that risks are loaded onto future generations and that the UK has a poor track record of successful nuclear power development and delivery.
f. Fracking is not an option for the future in the UK (in terms of practicality, benefits, impacts etc)
g. If all the above are taken into account, and there is still a gap, while gas demand must continue to fall in line with the 6th carbon budget, more could potentially be sourced domestically from the UK Continental Shelf *if* that can be done within the 6th carbon budget timescales and on a climate compatible basis, including through tighter emissions targets and time limited licences.

8. **Criteria for assessing longer-term energy security options**: we consider that the following criteria should be used to assess longer- term options
   a. Delivery of net zero 2035 goals
   b. Climate resilience and broader environmental resilience, in line with the principles enshrined in the Environment Act
   c. Affordability – short and long – to reduce price pressures
   d. Speed of deployment and scale of impacts
   e. What works in practice
   f. Diversity of resources
   g. Flexibility in decision making (to ensure liquidity)
   h. Stability of prices
   i. Long term resilience (including against future price shocks)
9. **Communications - need to be honest and face the facts**
   a. There is very little room for manoeuvre for the coming winter other than government directed price-support.
   b. We are likely to be reliant on gas as a transition fuel at peak for decades (until 2040 or later) but usage and production need to be aligned with net-zero, replacements actively incentivised and stronger signals given on the direction of travel.
   c. Short term, government is reliant on market-led solutions unless it intervenes with new requirements or nationalises certain activity.
   d. What we do can impact others. The UK should not outsource problems and import dirty fuel from other countries.
10. **Public acceptability**:
   a. Planning rules will need to accommodate new projects to get change at a bigger scale and faster pace.
   b. Need a national conversation about how to mitigate and compensate for new projects that impact on communities and new risk/reward sharing and accountability arrangements to ensure projects are in the public interest. Early and better community engagement can support a more streamlined planning process.
   c. Biodiversity net gain remains a requirement.
   d. Local solutions (for electricity, biogas etc) can deliver more but government needs to enable and empower communities to maximise benefits and create good, local green jobs.

For further information

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