



Nuclear Free Local Authorities Steering Committee

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NFLA Media release - for immediate release, 3rd December 2012

NFLA comment on UK Energy Bill – some good proposals, some bad proposals and a lot left out

The NFLA welcomes the publication, at long last, of some of the proposals in the UK Energy Bill, but continues to have deep reservations over the support given to nuclear power and is disturbed by a large number of critical omissions from the Bill (1).

After months of negotiation and rancour by the two coalition parties the published Bill has some welcome (though still potentially inadequate) financial support for renewable energy, a long awaited (though still over-long) consultation on major support for energy efficiency programmes and a move away from fossil fuel power stations.

The NFLA is pleased with the decision to treble the Levy Control Framework (LCF) to £7.6bn by 2020 to support low carbon energy development and seek to put in place long term contracts for green generators known as contracts for difference (CfDs) (2). If this is actually achieved it will provide some much needed support to the renewable sector, though the NFLA remains wary that all of these resources will get to the sector. It is also pleased that the loophole that could allow heavily polluting coal-fired power stations remaining open has been plugged (3), though is disappointed with the lack of information on carbon capture and storage initiatives.

The NFLA is disappointed around the vagueness and omissions in other areas of the Bill, including:

- The NFLA is opposed to the development of new nuclear power stations and believes parts of this Bill could lead to large overt public subsidies that the UK Government Coalition Government agreement precluded. The Bill though still does not provide any clear detail over the level of financial support that will be given to the nuclear industry and the NFLA remains concerned the 'strike price' for new nuclear will be set at too high a level, meaning billions of pounds of effective taxpayer support for these unnecessary projects.
- The NFLA is very disappointed that there is no specific 2030 target for decarbonisation of the UK economy. As Greenpeace have correctly noted, this could lead to a serious risk of an investment vacuum with large numbers of new jobs lost at a time when the economy needs it most.
- The NFLA would also like to have seen specific support given to the development of more microgeneration projects which could generate as much as 15% of electricity generation (4). The Bill should promote the development of such projects, giving local authorities a clear and obvious role in promoting such initiatives in parallel with a booming energy efficiency sector.
- There is also a lack of detail about how to deal with the ever increasing problem of fuel poverty. The Energy Bill should have introduced mechanisms to expressly assist those who are struggling to pay for their energy and who may, at least in the short term, be affected by increased annual bills.
- The NFLA also remains concerned that the Bill will facilitate a 'dash for gas'. The NFLA has recently published a report which shows the benefits of investing intensively in renewables and energy efficiency which precludes the need for new gas or nuclear facilities (5).

The NFLA is particularly pleased that the UK Government has finally woken up to the great benefits that can be made by developing a much more concerted energy efficiency programme, which Councils can play a big role in promoting. However, just developing a parallel consultation, rather than firm funding proposals, in the here and now means yet further delay. It still amazes the NFLA that the UK Government believes there is a need for a 66% increase in electricity demand by 2050, when its

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richer competitor Germany is planning a 25% reduction, and is already well on the way to achieving it. It should also be noted that the Association for the Conservation of Energy has calculated current large reductions in budgets for energy efficiency. (6)

NFLA Chair, Councillor Brian Goodall said:

“Whilst I welcome some increased investment certainty for renewable energy and a consultation on energy efficiency the UK Energy Bill needs to include much more detail to convince the NFLA that it is finally moving the right way in promoting these clean, low carbon and waste free forms of energy. I remain incredulous that new nuclear build is still getting so much government support when it is clearly not the answer, or even part of the answer, for our future energy needs.”

Ends

Further information - Sean Morris, NFLA Secretary - 0161 234 3244 or 07771 930186.

Notes to editors:

- (1) DECC, ‘An Energy Bill to power low-carbon economic growth, protect consumers and keep the lights on, 29th November 2012
http://www.decc.gov.uk/en/content/cms/news/pn12_151/pn12_151.aspx
- (2) Business Green, ‘Ed Davey says Energy Bill renaissance will drive offshore wind investment’, 30th November 2012 <http://www.businessgreen.com/bg/news/2228524/davey-energy-bill-renaissance-will-drive-offshore-wind-investment>
- (3) Business Green, ‘Energy Bill sounds death-knell for coal, 30th November 2012
<http://www.businessgreen.com/bg/news/2228513/energy-bill-sounds-death-knell-for-king-coal>
- (4) A quote from Steve Holliday in an interview with the Times, 4th December 2009, taken from NFLA Policy Briefing 86 (and others), 8th August 2011
http://www.nuclearpolicy.info/docs/briefings/NFLA_Policy_Briefing_86_England_and_renewable_energy.pdf
- (5) NFLA New Nuclear Monitor 30, ‘A dash for gas, new nuclear or renewable alternatives?’ November 2012
http://www.nuclearpolicy.info/docs/nuclearmonitor/NFLA_New_Nuclear_Monitor_No30.pdf
- (6) Association for the Conservation of Energy, ‘Government slashes fuel poverty budgets in England, November 2012
[http://www.ukace.org/publications/ACE%20and%20EBR%20\(2012%2011\)%20Reduced%20fuel%20poverty%20budgets%20in%20England%20briefing.pdf](http://www.ukace.org/publications/ACE%20and%20EBR%20(2012%2011)%20Reduced%20fuel%20poverty%20budgets%20in%20England%20briefing.pdf)

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