

Community Energy and Fuel Poverty

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Chair

UK Government's
Fuel Poverty Advisory Group

Fuel Poverty Context

- C. 5M UK Fuel Poor households
- D'Fuel £1420 PA – LPG/Oil pay even more
- £Billions of industry investment
- Carbon floor price - to £30 per tonne by 2020
- Contracts for difference - low carbon generation
- Gas imports, geo-politics, market uncertainty
- Hills Fuel Poverty Review – HCLI measure
- ECO, AW etc in jeopardy
- Affordable Warmth only 25% of ECO **not** 100%

..... the long term trend for energy prices is upwards

Carbon challenge is well understood

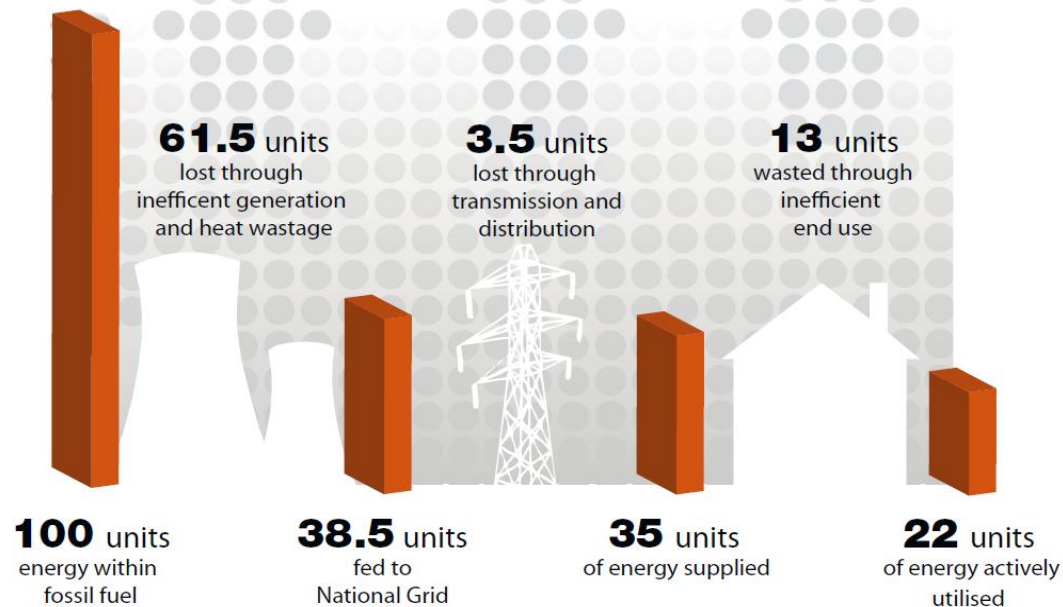
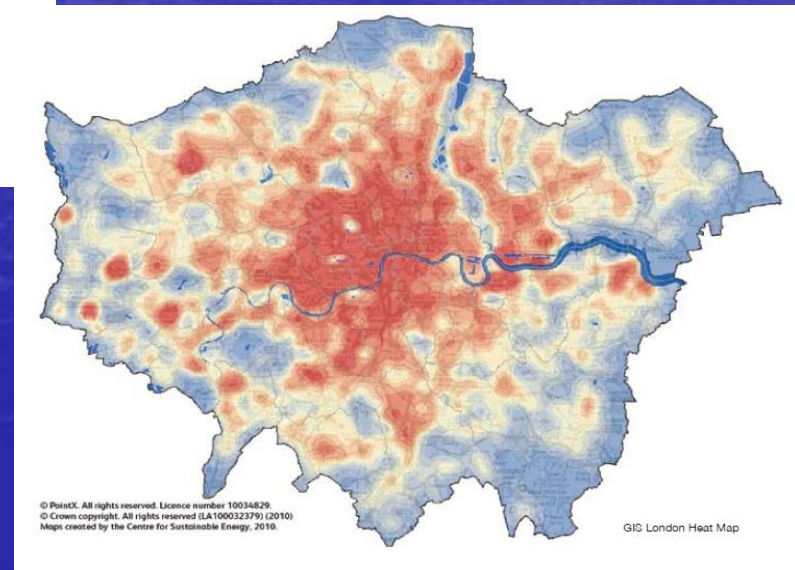
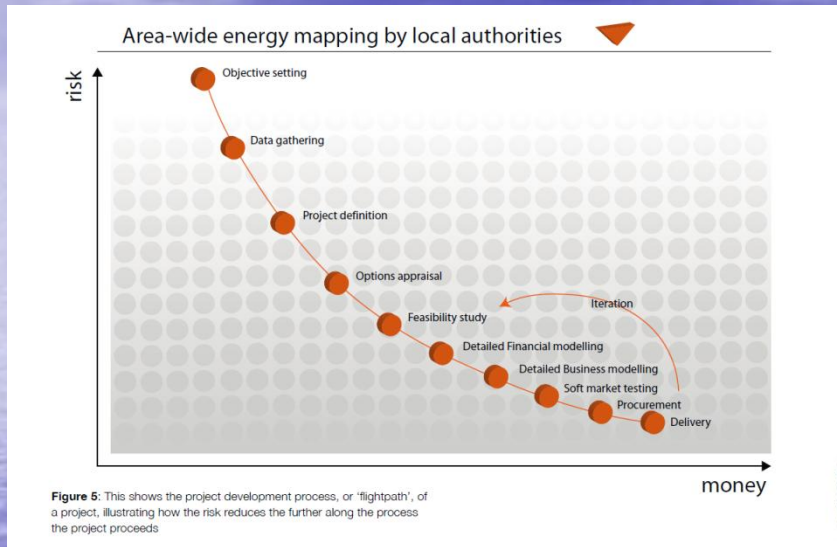


Figure 1: Energy losses are inherent in centralised energy systems.
Based on a diagram by Greenpeace

...with theoretical solutions and much advice published

Excellent high level analysis



But are some opportunities too big for difficult times?

Is there some 'low hanging fruit'?

- DNO's Social obligations and fuel poverty?
- Releasing electricity capacity to avoid reinforcement costs with a community benefit?
- Distributed generation/district heating/Green Deal?
- DSM/DSR at community level through unencumbered kWh with policy costs?
- Consumers with no mains gas or electricity?
- How will policy incentives converge?

These opportunities require a catalyst and leadership!

Funding the leadership is missing



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THE PRIME MINISTER

9 January 2013

Dear Mr. Lickorish,

I wanted to write to thank you and the Fuel Poverty Advisory Group for providing me with a copy of your Annual Report for 2011-12.

I was interested to read of the Group's recommendations to ensure access to affordable energy across the United Kingdom and look forward to considering the work the Group has undertaken as we work towards our 2016 fuel poverty eradication target.

Thank you once again for taking the time and trouble to share your findings with me.

*The Prime Minister
David Cameron*

Mr Derek Lickorish MBE

..hence, Government & Ofgem commitment are essential

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Thank you