April 2020

ERIERGY FOCUS



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The All-Party Parliamentary Group for Energy Studies

Established in 1980, the Parliamentary Group for Energy Studies remains the only All-Party Parliamentary Group representing the entire energy industry. PGES aims to advise the Government of the day of the energy issues of the day. The Group's membership is comprised of over 100 parliamentarians, 100 associate bodies from the private, public and charity sectors and a range of individual members.

Published three times a year, Energy Focus records the Group's activities, tracks key energy and environmental developments through parliament, presents articles from leading industry contributors and provides insight into the views and interests of both parliamentarians and officials.

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"Politics is the ability to foretell what is going to happen tomorrow, next week, next month and next year. And to have the ability afterwards to explain why it didn't happen."

Winston Spencer Churchill

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CHAIRMAN'S FOREWORD

I remember when we only lived in interesting times, now we are in historic times. This edition of *Energy Focus* comes to you from under lockdown. I suspect that our lives will never be quite the same again, as we will have adopted so many new ways of conducting ourselves at work, at home and at leisure.



Congratulations are due to Sir Kier Starmer for becoming the new leader of the Labour Party and leader of the Opposition. We also welcome the return of Ed Miliband as the Shadow Business, Energy and Industrial Strategy Secretary, with Matthew Pennycook taking on the role as Shadow Climate Change Minister and Alan Whitehead continuing as Shadow Green New Deal and Energy Minister. Congratulations must also go to Rachel Reeves MP for becoming the Shadow Chancellor of the Duchy of Lancaster and Shadow Minister for the Cabinet Office. This of course means that there will now be a selection process to establish who will chair the Select Committee for Business, Energy & Industrial Strategy, indeed, due to other Shadow appointments, some of the members of that committee will also now change.

Parliament will return after the Easter recess, but all business will be conducted at at least two metre separation. Most committees and business will be conducted remotely, we have already seen remote Cabinet meetings and COBRA briefings.

Further afield, China, where the virus was first detected had a dramatic, rigorously enforced lockdown, but is now starting to resume a more normal form of living. In the US, President Trump initially said that CoVid 19 was a fake, but has swung into action with many memorable statements. There are 185 countries currently with confirmed cases of the virus, the US having the greatest number. Closer to home Spain, Italy and France have the next highest numbers, but are now looking to relax some of their restrictions. In other countries, the impact of the virus is still increasing.

Another casualty of the pandemic is the CoP26, due to be in Glasgow in November, but now delayed until 2021. Although energy demand and emissions have fallen in the period of focus on the virus, PGES will continue to help promote the work towards Net Zero.

Just as a reminder, we did have a Budget on 11th March, but that has been superseded by events.

Rest assured, energy supply is secure. The work done over many years to ensure resilience during any national crisis have been in place and comprehensive and well-developed procedures are in place to manage the effects of a pandemic and should prevent any issues in continued reliable supplies of gas and electricity.

PGES is also adapting, we will be holding all of our Speaker Meetings remotely, with web access, but our Summer Reception has been set back to September 16th in the hope that face to face meetings will be possible by then.

I look forward to hearing from you during the remote period and to seeing you again once we are able to meet in one place together. Personally, I live in hope, as although we are going through some difficult times, this too shall pass.

Ian Liddell-Grainger MP
Chairman
All-Party Parliamentary Group for Energy Studies

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OBITUARY

ROBERT LANE, CBE

BORN DECEMBER 26 1933, DIED FEBRUARY 8 2020

Robert Lane, long serving member of the PGES. He took his role as Membership Lead seriously and, over the years, brought the Group a good number of heavyweight new members at top level.

Robert was Head of the Regulated Industries team (power, water, gas, clean energy) for CMS Cameron McKenna, advising in the

Robert speaking at one of the many PGES functions he attended. Robert was an active member of PGES and served on Executive Council for many years.

energy and infrastructure sector and a Partner of the firm for over 30 years.

He was also the Chairman of the Trustees of Orchid, the leading UK charity supporting anyone affected by or interested in male cancer – prostate, testicular and penile cancer.

Robert died suddenly of a heart attack whilst on holiday with his wife and family.

Robert was passionate about promoting the UK's expertise in power sector reform. Over the years he led and served on the UK government's power sector advisory group, the Parliamentary Group for Energy Studies, the British Electricity Association, the Energy Industries Club, the Energy Committee of the City of London Solicitors Company and the Nuclear Industry Association. He was a gentleman, cultured, professional, extraordinarily kind, of great integrity and held in the highest regard.

Robert advised a wide range of clients, utilities, infrastructure funds, governments, banks, regulators and large users of electricity on generation, using his immense technical knowledge of the nuts and bolts of all aspects of the power system, his attention to detail and his extraordinarily high standards of client care, for all of which he had a huge passion. He identified the difficult issues and potential answers almost instantly. He is well known as the author of the first ever Grid Code, and then of subsequent Grid and Market Codes which he wrote all around the globe.

He made a long and valuable contribution to PGES, sharing with others to improve knowledge and problemsolving skills as well as helping to collaborate and build strong lasting friendships. He was an inspiring member of the Executive Council.

We will always remember him with huge affection, he will be sorely missed by the Group.

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DIGITALISATION IS KEY TO UNLOCKING THE DOOR TO A MODERN DECARBONISED AND DECENTRALISED ENERGY SYSTEM

JANUARY SPEAKER MEETING

Laura Sandys CBE Chair Energy Data Taskforce

Accessing and utilising data will be fundamental to the successful functioning of our future economy and is already ubiquitous across many business sectors. However the energy sector, which will be one of the most important drivers of decarbonisation, is lagging behind when it comes to digitalisation. The need to embrace the opportunities from data, analytics, data sharing, machine learning and AI as we build a resilient multi-actor, decentralised, and more complex energy system.

Greater digitalisation will unlock a smart and flexible energy system that could deliver savings of up to £40bn by 2050 according the Carbon Trust and Imperial College. The International Energy Agency have also concluded that just power generation costs could be reduced by 5% if digitally enabled measures were adopted between now and 2040.

In order to realise these benefits we need to move faster and drive efficiencies through innovative solutions. That's why the Government, in partnership with Ofgem and Innovate UK, commissioned the Energy Data Taskforce in October 2018. Led by the Energy Systems Catapult, we investigated how to release the power of data within our energy system.

Our report published last year identified a number of barriers preventing the effective use of data. A lack of common data standards, no openly shared data repository and a culture of data hoarding rather than sharing have all served to impede innovation and ultimately a flexible and optimised system. It also found that poor quality, inaccurate, or missing data is common, while valuable data is often restricted or hard to find.

The strategy we have developed, which has been endorsed by BEIS and Ofgem is world leading and

draws on experiences from other sectors, adopting best practice from the showcase energy digitalisation projects from around the world but harnessing them into one clear and deliverable strategy.

This strategy centres around two key principles; filling in the data gaps by requiring new and better-quality data; and maximising its value by embedding the presumption that data is open. Government and Ofgem have agreed to use existing legislation and regulation to drive the sector to adopt these principles.

In addition, the Government will develop a Data Catalogue that will provide visibility through standardised metadata of datasets across Government, the regulator and industry. An Asset Registration Strategy is being developed for the registration of energy assets which will simplify the experience for consumers through a user-friendly interface, rationalising the 41 current methods of registering data. A unified Digital System Map of the energy system is also being developed to drive visibility of energy system infrastructure and assets which will optimise investment.

Since the Taskforce reported, it's been great to see the sector embrace the ambition that we have set for a digitalised system. Businesses are moving fast to develop new open data platforms and are recognising the need to drive greater productivity across their operations, supply chains and partners.

It is clear that this will be no easy task. However, having built a strong commitment from Government, Ofgem and industry, we can and will capture the significant opportunities that digitalisation of the system can achieve. I am confident in the sectors ability to adapt in order to modernise, decarbonise and decentralise our energy system.

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