



## PGES Energy Policy Priorities for Net Zero

The COVID-19 pandemic led to a rapid change in consumer interaction with energy, some of which will endure. Energy Policy needs a major shift to focus on distributed resources, flexible networks and the consumer, engendering continued behaviour change, transparency, trust and consumer confidence. This will deliver a clean, just recovery, that creates quality employment and helps build a sustainable, inclusive and resilient UK economy.

A clear plan to build back better must be set with ambition, goals and milestones to show an overarching route towards meeting our carbon targets as well as how consumers can impact their own bill.

### 1. Reduce wasted energy (Energy Efficiency)

Demand reduction needs to be separated from fuel poverty. Behavioural change and system end goal need focus. Commercial & Industrial sector is an easy win, ongoing building performance checks needed. Standards for new and existing buildings must drive change in owned and rented premises.

### 2. Heat

Very large energy consumption with key challenges for peak heat demand in winter and certain times of day. Decarbonisation by all means to support carbon targets. Retrospective and progressive Building Regulations needed to improve building stock in both owned and rented sectors, new build and existing.

### 3. Future of gas

Gas will form part of the future energy system, however decarbonisation must begin immediately. Using the existing infrastructure means easy consumer acceptance.

### 4. Market design whole system and operation

The tax system undermines the move to a low carbon future. Policy harmony is required, unlike now when it suppresses important elements. Very important as policy is slower to change than either markets or technology.

### 5. Flexibility

Broad acceptability, essential elements for energy policy. includes demand side response, energy management and storage, smart grid and micro grid, enabling least cost routes to decarbonisation. Storage is not just batteries.

With the interweaving strands being:

#### a) Energy as National Infrastructure

National level approach is vital, but market led solutions must be encouraged. These need different approaches, not one size fits all. Set targets to avoid picking winners. Reward regional initiatives.

#### b) Transport

Bring forward the phase out date of petrol, diesel and hybrid cars to 2030, but the alternative is not just electric vehicles. Focus on decarbonisation to help drive consumer understanding.

#### c) Energy in Brexit

Industry needs clear ambition led by Government for energy, efficiency and interconnecting.

#### d) Fuels

A coherent policy landscape, reflecting the interweaving relationship between fuel sources and uses. All forms of gas, wind (onshore and off), solar, nuclear, (abated) coal used for all forms of heat, light and movement and their interactions with water, food and other demands.

#### e) Investment

Investment finance is available, but UK must show itself to be investable and ambitious, with investment steered by legislation and incentive towards carbon/climate change reducing measures and R&D for these. PGES would like to see a clear ambitious target set for de-carbonisation and reduction of consumption, with landmarks and milestones, thus giving industry the clear opportunity to innovate to achieve those targets.

#### Officers

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