

Energy and Water Plan Greater Brighton Economic Board

Shoreham Centre, 7 November 2017
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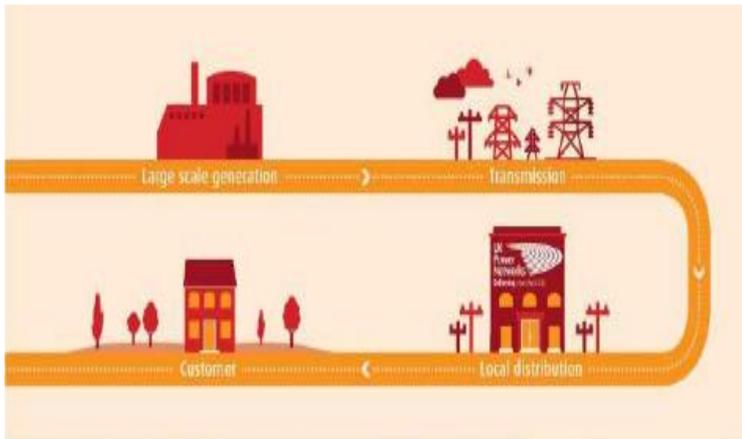
Energy Plan

- Changes in the Energy sector
- Alignment with Government agenda
 - *The Industrial Strategy*
 - *Smart Systems and Flexibility Plan*
 - *The Clean Growth Strategy*
 - *BEIS Local Energy programme*
- Background to the Energy & Water Plans
- Governance, finance, deliverables



Energy sector changes

The energy system is going through massive and fundamental change



Old world

Centralised

(Few, large sources of generation)

Predominantly fossil fuel based

One way power flows

Predictable - Planned

Customers consume energy

Large power station provided flexibility



New world

Decentralised

(Thousands of distributed sources of generation)

Hybrid - much more renewables

Bi-directional power and information flows

Intermittent (wind solar) – Managed

Customers produce and consume energy

Flexibility from Demand, Storage and generation

Industrial Strategy January 2017

Aim

To improve living standards and economic growth by increasing productivity and driving economic growth across the whole country

Delivering affordable energy and clean growth pillar

Energy 'trilemma'

- Security
- Affordability
- Decarbonisation

Challenges:

- minimise cost of shift to low carbon economy
- manage changes to the energy networks
- harness industrial opportunities from new energy technologies



Smart Systems and Flexibility Plan July 2017

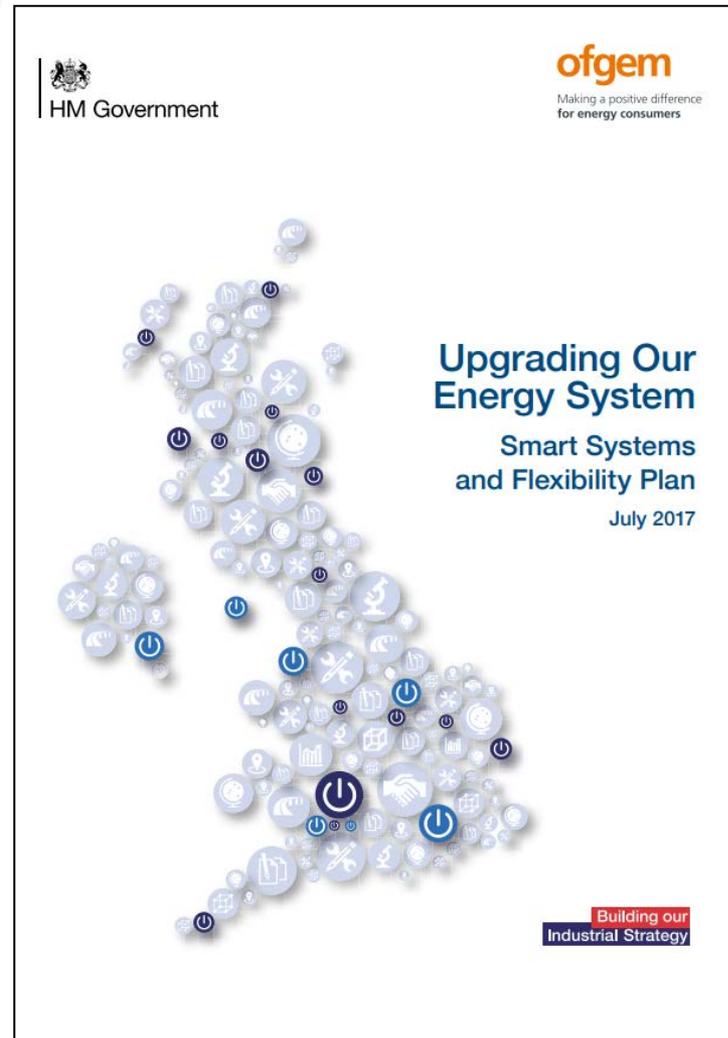
Aim

The Plan commits Government and Ofgem to take action alongside industry to deliver a smarter, more flexible energy system by:

- removing barriers to smart technologies, including storage
- enabling smart homes and businesses interaction)
- making markets work for flexibility

Creating the regulatory and legal context for a smarter energy system

'to unlock up to £40billion in energy cost savings up to 2050'



Clean Growth Strategy

October 2017

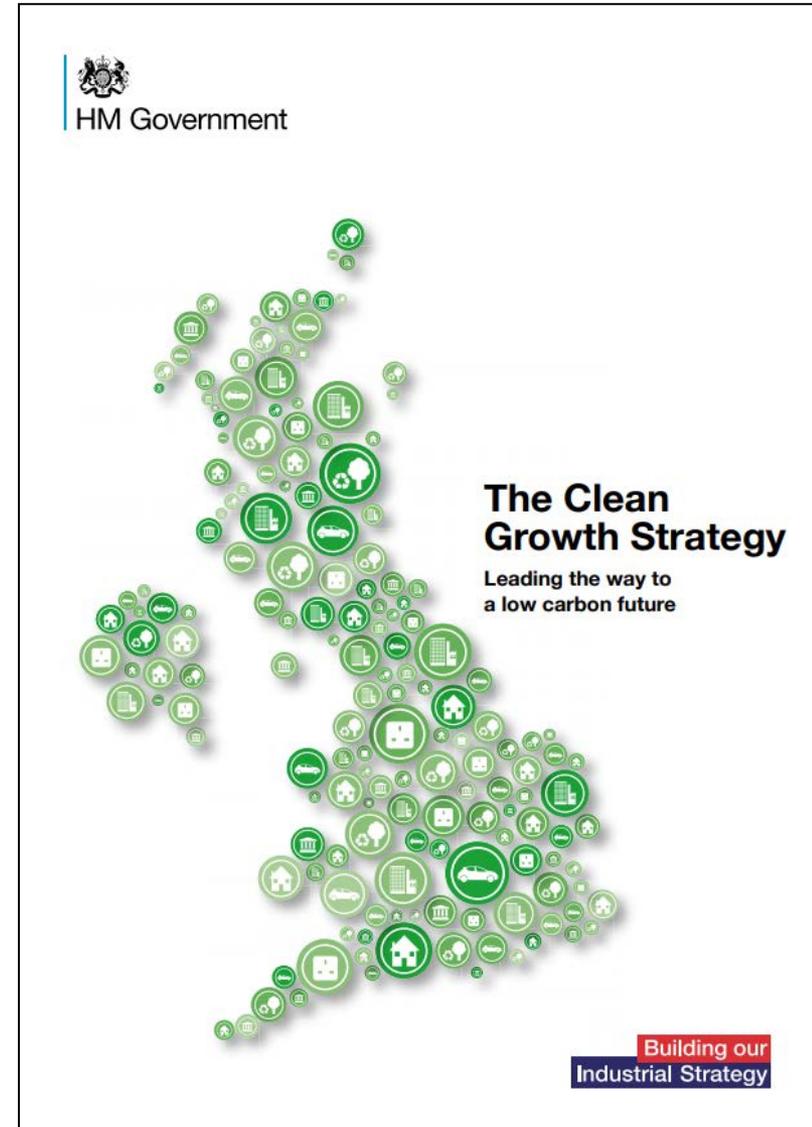
Aim: To deliver increased economic growth and decreased emissions.

Guiding principles:

1. To meet domestic commitments at the lowest possible net cost to UK taxpayers, consumers, businesses
2. To maximise the social and economic benefits for the UK energy transition

UK low carbon economy could grow by an estimated 11% per year between 2015-30: four times faster than the rest of the economy, delivering £60-170billion of export sales of goods and services

By 2030: \$13.5 trillion investment in global energy sector for all signatories to achieve Paris Agreement targets



Clean Growth Strategy

October 2017

- *Improving business and industry efficiency and supporting clean growth*
- *Improving our homes*
- *Accelerating the shift to low carbon transport*
- *Delivering clean, smart, flexible power*
- *Enhances benefits of natural resources*
- *Leading in the public sector*

‘moving to a productive low carbon economy is a shared responsibility

each local area will be responsible for coordinating its own local industrial strategy in alignment with the national Industrial Strategy’ (p118)



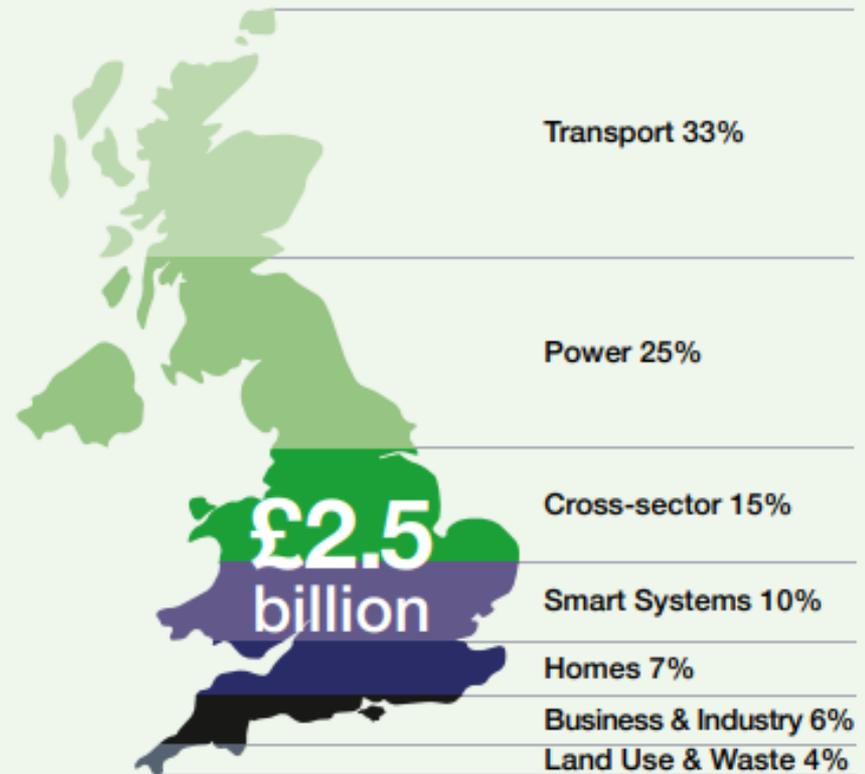
Clean Growth Strategy October 2017

Government has significantly increased its investment in low carbon innovation



allocated
2015-2021

This strategy sets out, for the first time, where Government funding is targeted



BEIS Local Energy Programme

BEIS is proposing to support the capacity of LEPs and local authorities to play a leading role in delivering low-carbon economic growth

- £1.6m for LEP energy strategy development
- £2.7m capacity support for LEPs and LAs
- establish 5 local energy hubs
- 4 FTE posts per hub for 2 years
- Identify/prioritise local energy projects
- complement/build on existing activity

‘The annual energy bill across all public sector buildings in England and Wales is estimated to be around £2billion. This could be reduced significantly, releasing funds for front line services’ (p114)

Since 2015/16 central government and agencies have saved £127million against 2010 levels (p113)

LEPs areas suggested for inclusion in each hub

Local energy hub	LEP areas included	
North West	<ul style="list-style-type: none"> • Cheshire & Warrington • Cumbria • Lancashire 	<ul style="list-style-type: none"> • Greater Manchester • Liverpool City Region
Yorkshire, Humber and North East	<ul style="list-style-type: none"> • Humber • Leeds City Region / West Yorkshire Combined Authority • North East 	<ul style="list-style-type: none"> • Sheffield • Tees Valley • York, North Yorkshire and East Riding
Midlands	<ul style="list-style-type: none"> • Black Country • Coventry & Warwickshire • Derby, Derbyshire, Nottingham & Nottinghamshire (D2N2) • Greater Birmingham & Solihull • Greater Lincolnshire 	<ul style="list-style-type: none"> • Leicester & Leicestershire • The Marches • Stoke-on-Trent & Staffordshire • Worcestershire
South East	<ul style="list-style-type: none"> • Buckinghamshire • Thames Valley • Coast to Capital • Greater Cambridge & Greater Peterborough • Hertfordshire • London 	<ul style="list-style-type: none"> • New Anglia • Oxfordshire • South East • South East Midlands • Thames Valley Berkshire
South West	<ul style="list-style-type: none"> • Cornwall & the Isles of Scilly • Dorset • Enterprise M3 • Gloucestershire 	<ul style="list-style-type: none"> • Heart of the South West • Solent • Swindon & Wiltshire • West of England

Background

Seeking approval to progress a Greater Brighton Energy Plan and Water Plan

Background

- 25 April 2017
- GBEB agreed to allocate funding for GBEB Energy and Water Plans: £10,000:

Development of Plans would be linked to the Investment Programme/Pipeline and Local Plans, working in partnership with the Brighton & Lewes Downs Biosphere Board

- 13 February 2015 GBEB noted:
the importance of the Biosphere status to the City Region economy and the opportunity that the Biosphere status represents in becoming the overarching 'brand identity' for the area



Background

A Greater Brighton Energy Plan would aim to:

- deliver the Industrial and Clean Growth Strategy locally
- understand infrastructure deficits/barriers to economic growth
- Increase security and resilience
- affordability for the fuel poor
- improve air quality
- provide direction and new ways of working with government post Brexit
- greater expertise to economic planning
- recognise interrelations between infrastructure needs
(energy, water and other areas such as digital and transport);
- identify investment opportunities
- coherent infrastructure funding requests to government;
- enable development of the right infrastructure to support the growth of a smart and sustainable Greater Brighton economy

Governance

- Energy and water expertise introduced from the Biosphere Board Chair, Ben Earl (Southern Water) to play a key role in developing the plans
- Expert 'Infrastructure Panel' chaired by SW CE Ian McAulay
- Southern Water will be a key stakeholder who will work closely with Brighton & Hove City Council to ensure Plans fulfil GBEB requirements
- BHCC client co-ordination role, supporting practical delivery, procurement
- Later report on Water Plan to GBEB (Mita Patel, International & Sustainability Team)

Finance

- GBEB allocated £10K divided: £5,000 each for the Energy & Water Plans
- BHCC £14,000 from International and Sustainability Team budget
- Interreg 2 Seas funding bid: £35,000 for the Energy Plan (outcome by Dec)
- Total £54,000 for Energy Plan, enabling development by end 2018

