

**Quantum** Strategy and Technology Ltd

**Electricity North West Ltd**

**Session 4**

**Low Carbon Energy Market in the NW**

**Regional Stakeholder Workshop**

**7<sup>th</sup> July 2008**



# Project Objectives

- **Independent** study to assess the trend towards a low carbon economy in the NW
- Focus on new build and major refurbishments in the public and private sectors
- Potential for retrofitting of micro-generation technologies
- Broad aspects of energy distribution i.e. electricity, heating and cooling.





# Key Questions

- What are the main drivers for low carbon developments?
- How will those involved in new/existing developments respond to these drivers?
- What will be the rate of implementation of low carbon solutions over the next 5 to 7 years?
- What can the DNO do to facilitate the move to a low carbon economy in the NW?

# Project Programme

- Background research
- Stakeholder interviews
- Analysis and report



# Stakeholders interviewed

45 organisations interviewed:

- Regional bodies
- Local authorities
- Regeneration partnership/companies
- Housing associations
- Health care
- Developers and builders
- Suppliers/installers of distributed energy
- Consultants, contractors and ESCOs
- Energy suppliers
- Energy users
- R&D centres.



# Interview Topics

- Organisation/company background
- Current and planned developments
- Low carbon market drivers
- Low carbon options
- Barriers
- DNO support
- Future trends



# Barriers (DNO related)

- Insufficient links between utilities and local authorities
  - “no-one knows who to talk to”
- Network operators involved too late in the project cycle
- Time, costs and inconsistencies over connections between DNOs
- Network constraints – lack of understanding of the issues and problems by developers etc
- Costs and timescales of feasibility studies before can get quote from the network operator

# How can the DNO help?

- Information and advice
- Active management of the network
- Investment in distributed generation and energy networks



# Information and advice - feedback

- More information and support at an early stage in the development
- Data on grid capacity and constraints
- Advice on low carbon options and impacts on the network e.g. on energy efficiency and sizing DG plant
- Workshops on DG/network issues for planners, developers, builders etc.
- Involvement in energy planning



# Information and advice – discussion topics

- What types of information/advice would be most helpful?
- How should they be provided (e.g. website, online service, meetings, publications)?
- Should ENW be incentivised to provide for some types of information/advice (e.g. on energy efficiency)? If so, How?



# Active management of the network - feedback

- Implementing non-network solutions to avoid reinforcements and reduce costs
- Actively calling on DG plant, storage and users
- Providing demand management services e.g. through the use of 'smart' metering and appliances
- Leading/participating in R&D and demonstration projects



# Active management of the network – discussion topics

- Should ENW be involved in some or all of these activities? If so, which are most important?
- What other services could be provided?
- Is there sufficient incentive for the DNO to get involved?



# Investment in distributed energy capacity and networks - feedback

- Development of energy infrastructures on major sites
- Investment in new energy networks (CHP and district heating/cooling) e.g. through partnerships with local authorities and others
- Participation in the establishment of energy service and multi-utility service companies
- Investment in renewable energy capacity e.g. on brownfield sites



# Investment in distributed energy capacity and networks – discussion topics

- Should ENW invest in some/all of these areas?
- If so, how should ENW get involved e.g. in partnership with others, independently?
- Would ENW's involvement be seen as 'unfair' competition?



# And finally!

- Have we missed anything?
- What are the priorities especially in the short term?

