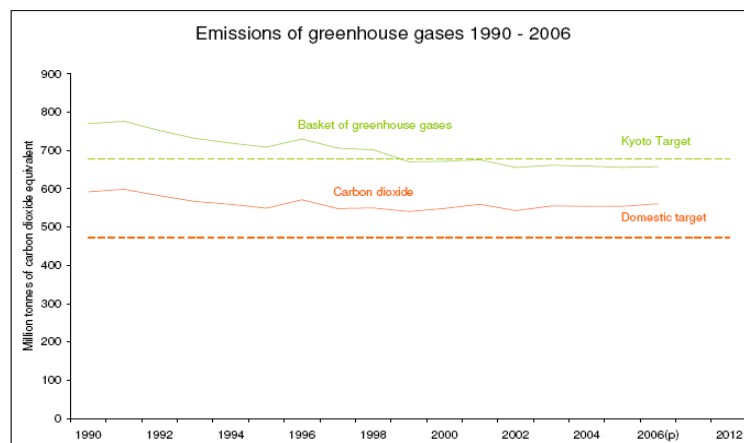


→ UK policy & targets

- Kyoto: reduce emissions of greenhouse gases by 12.5% below 1990 levels by 2008-12
- UK targets:
 - Reduce carbon dioxide emissions by 20% below 1990 levels by 2010
 - Reduce carbon dioxide emissions by 60% by 2050, with real progress by 2020
- UK policy:
 - Maintain the reliability of energy supplies
 - Promote competitive markets in the UK and beyond, helping to raise the rate of sustainable economic growth and improve productivity
 - Ensure every home is adequately and affordably heated.
- Climate Change, The Programme 2006
 - Spend £80m in the next three years to support microgeneration technologies to encourage manufacture at a higher scale to reduce costs;
 - Provide £35m over four years for the development of carbon abatement technologies, and consult on the barriers to wide-scale commercial development of carbon capture and storage
 - Support electricity from renewables
 - Use climate change levy and associated climate change agreements to encourage businesses to improve efficiency
 - Maintain a strong package of support, advice and information to help businesses improve
 - Make the EU Emissions Trading Scheme a central element of the business sector's contribution to national goals



→ UK policy & targets

- Climate Change, The Programme 2006 cont.
 - Increase the uptake of biofuels
 - Use fiscal instruments such as vehicle excise duty and company car tax to encourage less polluting vehicles
 - Encourage vehicle manufacturers to improve fuel efficiency
 - Promote carbon offsetting
 - Raise energy standards of new build and refurbished buildings
 - Subsidise installations of home insulation
 - Enable greater consumption feedback via improved billing and metering

Legislation & government schemes

- Building Regulations Part L
 - Limits on carbon emissions
 - Design limits
 - Energy metering
 - Building zoning and control
- Energy Performance of Buildings Directive
 - Energy Performance Certificate measuring intrinsic building performance on construction, sale or lease
 - Display Energy Certificates measuring operational performance to be displayed in large public buildings
- Climate Change Levy (CCL)
 - Direct levy on energy consumption in the non-domestic sector
- Climate Change Agreements
 - Voluntary agreements between companies and the government to meet CO₂ reduction targets in exchange for an 80% reduction in the CCL
- Enhanced Capital Allowance Scheme
 - Tax relief for investment in energy saving technology
- EU Emissions Trading Scheme
 - A carbon trading scheme, aimed at large non-domestic energy consumers

→ UK policy & targets

- The Renewables Obligation
 - Mandatory requirement for energy suppliers to source an increasing proportion of electricity from renewable sources
- The Renewable Transport Fuel Obligation
 - Mandatory requirement for fuel suppliers to supply an increasing proportion of fuel from alternative sources
- Carbon Reduction Commitment
 - Carbon trading scheme to be launched in 2010, aimed at large energy users (over 6,000MW/h electricity per annum)
- Climate Change Bill
 - Designed to establish a credible pathway to 2050
 - Places emissions reductions targets into statute
 - Provides a framework to manage the transition to a low carbon economy
 - Introduces powers to provide additional means with which to achieve emissions reductions

But...

- Focus on new builds – but these only make up 1 – 2% of the UK building stock
- 60% reduction by 2050 will not go far enough – we need to do more and we need to do it sooner
- Availability of traditional energy sources are highly vulnerable – we need to change mindsets about energy availability and use
- Long-term carbon balance, not financial payback
- No evidence that the climate change levy and other taxation has reduced energy consumption
- Major changes to infrastructure is required to support alternative fuel sources
- Financial payback does not account for the massive negative effect on future GDP unless adequate action is taken soon