

9 August 2010
For immediate release



chpa

Bringing Energy
Together

Combined Heat & Power
Sustainable Energy Services
District Heating & Cooling

Local energy needs root & branch reform of energy markets

The Secretary of State for Energy and Climate Change, Chris Huhne, is today visiting Woking Borough Council's clean energy projects.

The visit highlights changes to local government legislation that will enable councils to sell renewable electricity to the national grid¹.

Commenting on the announcement, Ian Manders, Deputy Director of the Combined Heat and Power Association explains: "The Secretary of State's visit to Woking's district green energy scheme is welcome. However, he must ask the question while he is there, 'why aren't there more Wokings?'."

"Our answer is that it will take more reforms to the energy markets than simply the removal of the ban on councils selling renewable electricity. If the Secretary of State wants more from each council than a few solar panels on the town hall roof, then he must get his Department to tackle the fundamental disadvantages that local energy production faces in today's electricity markets. Whether it's selling electricity at a fair market price, getting value for the security they bring to networks, or simply getting a connection to the grid, the dice today are loaded against local, decentralised generators like Woking."

"Local authorities are risk averse organisations. They need firm signals from Government if they are to do more and bring a meaningful 'localism' dimension to the energy market. This also means support from the centre to truly empower councils in taking on the new task of local energy provision."

- ENDS -

Media contact:

Tom Fern
CHPA
Communications Manager
Email: tom.fern@chpa.co.uk
Tel: 020 7976 4296
Mobile: 07817 575 467

Notes to editor:

1. See [here](#) for a copy of the DECC press release outlining details of the visit and measures announced.

About the CHPA:

The Combined Heat and Power Association (CHPA) is the leading advocate of an integrated approach to delivering energy services using combined heat and power and district heating. The Association has over 100 members active across a range of technologies and markets and is widely recognised as one of the leading industry bodies in the sustainable energy sector. For more information about the CHPA see: www.chpa.co.uk.

About CHP:

Combined heat and power (CHP) – CHP integrates the production of usable heat and power (electricity), in one single, highly efficient process. Delivering a minimum of 10% energy savings, it makes the very best use of renewable and fossil fuels. This efficiency means less stress on precious fuel resources and higher carbon savings.

The latest Government estimate of installed CHP capacity is 5.5 GWe (DUKES 2008). This accounted for some 7% of the UK's electricity supply. Government estimates indicate that CHP saved between 10.8 and 14.4 million tonnes of CO₂ in the same year.

The Government's Energy White Paper also predicts an increase in the generation of electricity from new CHP plants to 15.5 GW by 2020. This is linked to an estimated reduction of 13 million tonnes of CO₂.

About district heating and cooling (DHC):

A network of pipes distributing steam, hot or chilled water, district heating provides robust and flexible infrastructure, capable of bringing low-carbon and renewable heating and cooling to urban centres. Heat networks offer the prospect of maximum progress towards 'zero-carbon' standards in new-build housing and commercial developments. They will increasingly become a strategic energy asset, with the flexibility to smooth peaks in heating demand and store surplus energy from a range of renewable electricity generators.