

PM turns up heat in fight on global warming

The Combined Heat and Power Association today welcomed the Prime Minister’s landmark climate change speech, which called for a ‘fourth technological revolution’ in transforming the UK to a low-carbon economy. The speech stressed the need to generate heat and electricity together, with local supply making more efficient use of scarce energy resources. The speech also announced the introduction of new measures to make greater use of renewables in heating homes and buildings.

Graham Meeks, Director of the Combined Heat and Power Association commented:

“Heat has been the slumbering giant in the UK’s climate change story, accounting for 47% of the UK’s total carbon emissions. With the scale of the challenge that the Prime Minister has now set out it is vital that we take decisive action to transform our pattern of heat supply to deliver cost-effective, long-term carbon savings.

“Combined heat and power (CHP) has a major part to play in this transformation, and the Prime Minister is right to highlight the benefits of supplying power, heat and cooling locally. Not only will this change deliver major carbon savings, it will help improve our energy security by making better use of scarce resources, whether fossil fuel or renewable.

“The Prime Minister also recognised that the foundation of any approach to delivering these benefits is to provide clear, credible and long-term signals. We now look forward to the introduction of measures to deliver these signals in the carbon market.

“Renewable sources can make a massive contribution to a diversified pattern of low-carbon heat supply. For many such as biomass, waste and biogas their benefits will be optimised when used in CHP plants. We look forward to learning the Government’s proposals for delivering a step change in the use of these technologies.

“The expansion of the market for CHP and heat technologies will of course bring growing pains, and we welcome the focus in the PM’s speech on the need for training and capacity building. It is essential that the Government’s support for environmental industries and the proposed training initiatives bear fruit”.

ENDS

Notes for Editors

1. The Prime Minister's speech today at the Foreign Press Association in London noted that:

"In order to meet our global greenhouse gas targets, by 2050 virtually all energy for electricity and most of the energy used for heating, cooling and transport in our country will have to come from low carbon sources.

"And because we need to replace a third of our electricity generating capacity in the next twenty years and most of the new plants will still be operating in 2050, we must start this technological transformation now."

Also that:

"Meeting our target will also require greater use of renewables to heat our homes and buildings. So we will introduce new measures to bring forward renewable heat, with a call for evidence in January prior to a full consultation.

"And as we expand renewable heat we will need to ensure that, wherever feasible and economic, we generate electricity and heat together. So instead of all our energy being generated remotely, more can be supplied locally - making more efficient use of our energy resources."

2. Combined Heat and Power (CHP) is the simultaneous generation of electricity and useful heat in a combined, highly efficient process. The Government's target is to double UK CHP capacity to 10,000 MW by 2010.
3. CHP is a form of decentralised energy system i.e. generation technologies, which provide power, heat (and/or cooling) at the point of use. These range from Microgeneration technologies operating in individual homes to community based systems such as those operating in Southampton or indeed large industrial CHP schemes powering over 200 industrial schemes in the UK at present.
4. The Government's latest statistics show that every 1 MW of CHP operating in the UK helps reduce carbon emissions by between 510 and 760 tonnes every year. Current installed CHP capacity of approximately 5,440 MWe, on over 1,500 sites across the UK, is already helping deliver savings of over four million tonnes of carbon annually, one of the largest single carbon reduction measures in the Government's Climate Change Programme.
5. Currently within the UK there here is over 8,000 MWe of new combined cycle gas turbine power station capacity with planning consent and a further 5,000 MWe under consideration. Of this total of 13,100 MWe, a maximum of 3,400 MWe is expected to be high efficiency CHP. New power generating capacity which is not developed as a CHP plant represents a potential missed opportunity for carbon savings and energy conservation.
6. On 19 October 2007, DEFRA published a study 'Analysis of the UK Potential for Combined Heat and Power'. In determining the economic potential for new CHP development in the UK, the study found that by 2010, new (i.e. additional) generation of electricity from CHP is estimated to be around

61TWh, and by 2015 is likely to be about 81 TWh, giving primary energy savings of about 44 TWh and 57TWh respectively. This generation potential is equivalent to about 17% of the projected total for electricity generation in 2010. In terms of additional capacity, this corresponds to about 8.2 GWe by 2010 and 10.6 GWe by 2015. The report noted that 'in practice, decisions on CHP will be influenced by a number of site-specific issues, which tend to reduce cost effectiveness and slow decision making on CHP development'.

7. The Digest of UK Energy Statistics 2007 notes that the carbon emission savings from CHP in 2006 - as compared to the fossil fuel basket - was 4.2 MtC, which equates to 0.76 MtC per 1,000 MWe installed capacity. Against the total basket of generation, in 2006 CHP saved 2.9 MtC, or 0.51 MtC per 1,000 MWe installed capacity.
8. Out of all the members of the European Union the UK's current CHP capacity is the fourth lowest.

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