

ADVANCES IN PLANNING PROVIDE HALF THE ANSWER IN BATTLE ON URBAN CARBON EMISSIONS

The new Planning Policy Statement for climate change, published today, recognises the crucial role of the planning process in delivering a coordinated response to the challenges of climate change and encouraging demand for cost-effective decentralised energy systems such as combined heat and power (CHP). But the CHP industry is also stressing that demand for low-carbon energy in our towns and cities may not be met without effective incentives to cut the waste of heat from central power stations.

The Director of the Combined Heat and Power Association, Graham Meeks, welcomed today's announcement, stating:

“The future of low-carbon development lies in the integration of energy supply with energy demand at a local level, avoiding waste and maximising the use of local energy resources. This pattern of decentralised energy development can only be achieved with a planning framework that is fit for purpose, bringing energy right into the heart of the planning process.

“The combined heat and power industry has consistently argued that a coordinated and intelligent planning process, that recognises the relationship between the energy demands of new developments and the capabilities of distributed low-carbon technologies, presents the key to delivering a low-carbon economy. CHP, serving individual buildings or operating as part of a district heating or cooling network, has a major role to play. The government's guidance, that planning authorities should set flexible targets for energy supply from decentralised renewable and low-carbon sources, highlights the important opportunities created by co-locating heat customers and suppliers.

“We are now looking forward to a crucial period where a major programme of urban expansion will coincide with a wholesale renewal of energy supply infrastructure as billions of pounds are invested in new power stations and networks. The challenge we face is to ensure that this next generation of power stations do not waste half the energy that they produce, by dumping their waste heat, but instead put it to best use in cutting emissions from our new homes and businesses.

“Today's publication of this Planning Policy Guidance is an important step forward and is a critical part of this jigsaw, helping to deliver enduring demand for local, reliable, low-carbon energy services. But it is only half the answer. We also need to see concrete policies and incentives to deliver the conditions to support investment in the high-efficiency, decentralised energy systems of the future.”

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Notes for Editors

1. The Housing Minister, Yvette Cooper, today published a new Planning Policy Statement on Climate Change introducing changes to the planning system will mean all councils will be expected to provide for on-site renewable energy and local community energy schemes to help cut carbon emissions from new developments.
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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