

PRESS RELEASE 23 April 2010

Renewable energy proposals "will encourage more emissions" warns AECB

AECB, the sustainable building association, is today warning the Government that the proposed "Renewable Heat Incentive" is so badly designed that in some circumstances it actually pays people to install systems that burn more fossil fuel, and thereby, emit more CO₂.

The AECB is responding to the Department of Energy and Climate Change (DECC) consultation on the proposed Renewable Heat Incentive, which closes on Monday. AECB's main points are:

- DECC proposes to subsidise electrically powered systems such as Air Source Heat Pumps which are often associated with higher CO₂ emissions than an A-rated gas boiler, especially when used with an existing radiator system.
- DECC describes as "renewable" heat sources that rely on fossil fuel, for example mains electricity, alongside those such as sunlight which are genuinely renewable.
- Paying people for heat (ie energy) used - however inefficiently - rather than for energy saved or renewable energy generated or harvested - is illogical, and reduces the incentive to be efficient and thereby save carbon. Even biomass as a heat source has an associated CO₂ burden. (A desktop study and paper from AECB on biomass will be published later this year)
- The proposed scheme's problems are made worse because there is no precondition for buildings or equipment to be made energy efficient before the subsidy is claimed.
- The fact that the subsidy comes in return for energy used rather than equipment installed, means that the subsidy will not be readily available to people without access to capital for the initial investment - in other words, you can benefit from the subsidy most easily if you are already better off. (In fact DECC admits as much in the consultation document, and accepts that it has to devise a whole additional system to enable less well off households to benefit.)
- DECC is proposing to subsidise heat generation in biomass boilers which are significantly more polluting, and therefore more dangerous to public health, than the fossil fuel systems they aim to replace. It is possible to use biomass as cleanly as fossil fuel, but much dirtier biomass boilers are permitted under these proposals.

AECB CEO Andrew Simmonds commented "Trying to cut emissions and increase energy security by rewarding heat consumption is like trying to lose weight by eating ever more low calorie biscuits. If you want to succeed the biscuits have to replace, not supplement, your over-rich diet, likewise the renewable heat has to replace, not simply add to, the fossil fuel the nation is using.

"DECC's RHI proposals, (and the Renewable Energy Strategy that lies behind them) approach the challenge of increasing energy security whilst cutting carbon emissions from a really unhelpful starting point. The narrow goal of "increasing the percentage

of renewable energy sources used for consumption" immediately sets you off in completely the wrong direction - toward increasing energy consumption.

"Although the target has been framed by Europe in terms of "percentage of heat from renewable sources", this should not stop the UK from intelligently interpreting the target nationally, to create a better solution than the currently proposed scheme. The same scarce resources (be they money or energy) cannot be used twice. Spending on measures that are not cost-effective makes climate change worse, compared to what you could have achieved spending the same money effectively."

AECB has set out a clear list of priority actions which offer:

- Genuine cuts in dependence on fossil fuel, and genuine emissions cuts
- Value for money
- Rapid and reliable improvements

"The surest way to increase energy security is to design for less energy consumption in the first place. Then the challenge to produce energy, renewably, and within our shores becomes so much easier and less problematic. And cutting energy consumption is often so easy! It seems crazy to overlook the abundant and cost effective opportunities offered by advanced energy conservation measures, which can result in significant financial savings, higher comfort levels and health benefits for UK citizens.

"We need to concentrate on the sort of thinking that leads to safer and more equitable, cost effective solutions than the thinking that appears to have led to the RHI scheme"

AECB's full response to the consultation and list of priority actions will be viewable at http://www.aecb.net/new_releases/ from late afternoon today (Friday 23rd)

Ends

Notes for editors

DECC's consultation on the Renewable Heat Incentive closes on Monday, April 26th. The proposals and response form can be found at <http://www.decc.gov.uk/en/content/cms/consultations/rhi/rhi.aspx>

The AECB is an independent not-for-profit networking organisation, open to all within the construction industry committed to developing and furthering best practice in sustainable building. The AECB membership structure is unusual within the industry in that it ranges from design professionals, tradespeople, academics and manufacturers to housing associations and local authorities.

The AECB is characterised by and encourages an approach encompassing open sharing and development of best practice, and the passion to move the industry forward. The AECB has been promoting excellence in sustainable design and construction for over 20 years. Its Energy and Water Standards, well informed by UK and international experience, are founded on a detailed and realistic understanding of the performance of buildings.

The AECB has recently set up the Passivhaus Trust, whose key aim is to promote the reduction of energy use and carbon emissions from new and refurbished buildings. It intends to achieve this by encouraging the development and widespread adoption of proven methodologies to deliver buildings with low levels of energy use and carbon emissions.

For more information see www.aecb.net or call 0845 456 9773