

Energy efficiency is effective now

Just a few short weeks ago, npower raised concerns that, with the UK's wide portfolio of energy regulations, this country simply cannot now raise the investment to build the low carbon future to which it is already committed.

Adding weight to its argument, the power utility had surveyed British businesses and found that more than two thirds (69%) wanted the CRC (Carbon Reduction Commitment Energy Efficiency Scheme) at least simplified, with over half (57%) wanting it scrapped. Nearly half (41%) also called for the Renewables Obligation to be scrapped, while 47% wanted that simplified, too. And so on.

Wayne Mitchell, interim industrial and commercial markets director at npower, said at the time: "The energy market is neither fully regulated, nor fully liberalised... This in-between situation is leaving businesses and investors in limbo..."

Then the government dropped its bombshell: that solar feed-in tariffs (FITs) were to be cut. No legislative stick, but a key carrot removed – and a decision that CBI director general John Cridland called "the latest in a string of government own goals".

Addressing the CBI East Midlands annual dinner last month, Cridland warned that the low-carbon sector, which has grown across the world throughout the recession, risks being derailed in the UK, with the loss of thousands of jobs. He might also have added lost energy technology leadership and lost skills for future plant engineering.

For him, and for many more, it all reeks of government thinking that is simply not joined up. As Cridland put it: "A new understanding needs to run through all of government. Industrial policy might be based at the Department for Business, but all departments need to share the same ambition."

Yet much the same might be said of many companies. And the fact is, all of this overlooks another way. Achieving the quadruple goals of national energy security, sustainable and affordable energy, and carbon reductions is not just about investment in new technologies, regulated or otherwise. How about cutting out hidden waste?

Earlier this year, Julius Brinkworth, director of energy and carbon consultancy Power Efficiency, and co-chair of the previous government's Carbon Connect Inquiry, hit the nail on the head. He challenged government and industry to work together to develop an energy efficiency policy, claiming that UK firms could save more than £6 billion per annum in energy costs, as well as commensurate carbon emissions.

The point: energy efficiency is hugely under-utilised; the technologies are here; and the rewards are compelling. Don't wait for the debates – the time to act is now.

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