

Truro Renewable Energy Enterprise *and* Fal Energy Partnership



Press release 17th November 2015

Local MP briefed on battle to stop Cornish unemployment doubling following government cuts to renewable energy.

Energy campaigners from Truro Renewable Energy Enterprise (TREE) and Fal Energy Partnership met their local MP Sarah Newton regarding the recently proposed government cuts to renewable energy. They were pleased that she agreed to work with them on briefing the Energy Department on the dramatic local impacts of the proposed changes to subsidy rates. Lindsay Southcombe of TREE said “We briefed her on new developments in cost savings and the potential doubling of local unemployment from the job losses being wrought by the government’s rapid and continuing hostile actions towards renewable energy. We told her about the impact on the University with students being less willing to take up renewable energy as a career now they see the government as hostile. Up to now Cornwall has had an enviable reputation as a place full of low carbon firsts¹”.



Sarah Newton and energy campaigners in Lemon Street, Truro on 12th November

A new key analysis² shows that the increasing amount of solar PV and wind energy on the grid is reducing wholesale electricity costs as it has very low operating costs - unlike fossil fuel plant. Charmian Larke of Fal Energy Partnership said “This new analysis is very timely as it identifies existing savings approaching two thirds of the subsidy cost.

Increasing the amount of renewable electricity on the grid will soon enable these cost reductions to cover the full cost of the subsidy. This is very good news both for renewable energy and for consumers as the analysis shows renewables reduce the biggest element of their electricity bills- the wholesale cost. We are only asking the government for a slow down in subsidy cuts in line with reducing capital costs and for more investment certainty. This new analysis should enable the government to do this and keep within their total cost targets, thus saving thousands of high tech jobs at no extra cost ”.

The proposed dramatic and sudden subsidy cuts of 87% ³ or more and the constant investment uncertainty are leading to massive job losses in high tech and professional jobs in Cornwall. Around 4,000 people are employed in Cornwall in renewable energy and energy efficiency companies⁴. A recent survey showed already occurring and expected job losses of 78%, over 3,000 people.⁵ The local unemployment count is 3,056.

Recent energy policy announcements also include reductions in funding for energy efficiency, which will have major knock-on impacts on Cornwall’s fuel poor. Some 19% of households in Cornwall are in fuel poverty (over 10% of their income going on fuel bills). The best way to help them is to insulate and draught proof their homes along with improvements to heating systems, but a recent assessment⁶ shows that the UK is the worst in Europe and Cornwall amongst the worst in the UK with a desperate need for better insulated homes.

Local community energy groups can tackle this if they have local Renewable Energy installations the income from which can partially go to insulating Cornish homes, and to other valuable community activities.

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Notes for editors

¹ **Cornwall firsts** for renewable energy in the UK include:-

- deep geothermal energy project
- county level energy policy
- commercial windfarm
- renewable energy degree
- Marine Energy Zone (ORDP)

² Good Energy Wind and solar reducing consumer bills: An investigation into the Merit Order Effect. 2015

<http://www.goodenergy.co.uk/media/W1siZiIsIjU2MjRkMWRkYjBkY2Y3MDAwYzAwMjZkMyJdXQ/WindandsolarreducingconsumerbillsAninvestigationintotheMerit....pdf>

³ See Regen SW briefing note for more details on government proposed policy changes

<http://us7.campaign-archive1.com/?u=087cfaf09896aa1f0e6c03ffd&id=7c91adab8a>

⁴ Community Energy Plus A Skills Action Plan for the Low Carbon Environmental Goods and Services Sector: evidence base, 2014. (covers Cornwall)

⁵ Telephone survey on expected job losses in Cornwall RE and energy efficiency sector October 2015, for Renewable Energy Office for Cornwall.

⁶ Association for Conservation of Energy “UK is cold man of Europe” <http://www.ukace.org/wp-content/uploads/2013/03/ACE-and-EBR-fact-file-2013-03-Cold-man-of-Europe.pdf>

⁶ The recent nuclear deal agreed for Hinkley Point power station will involve energy bill increases of £14 and more per household for the 35 years of the nuclear subsidy against the present and reducing cost for 20 years of renewable electricity at £40 per household- for much more electricity supplies now. No independent commentators have suggested this nuclear deal is a good one for the UK, as it makes no technical or economic sense.