

# Energy Briefing

Environment & Transportation Select Committee-  
3 April 2012



Hampshire  
County Council

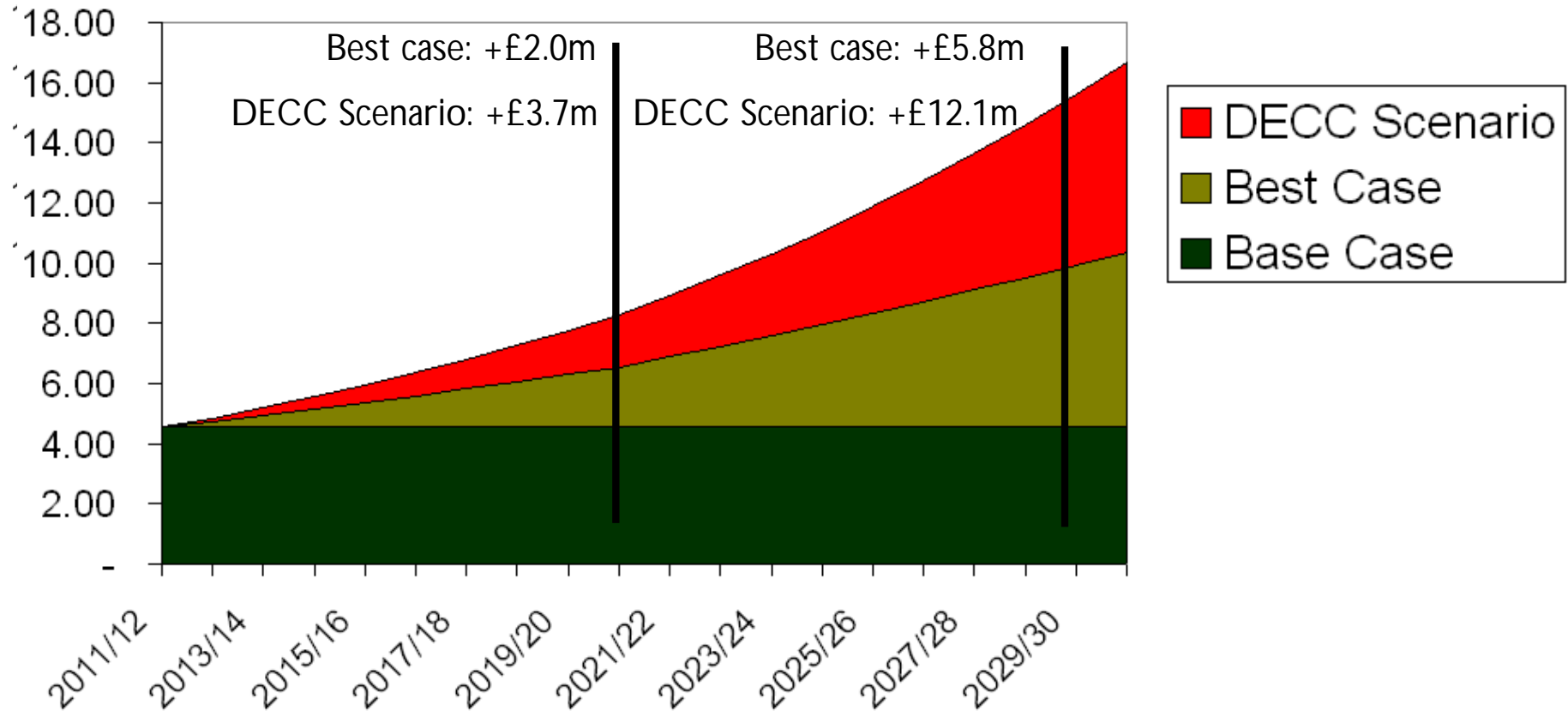
# Why is energy an issue?

1. Energy Security
2. Energy Costs
3. Carbon

# Hampshire County Council future buildings-related energy bill

At 2020

At 2030



# What can we do?

5 key areas:

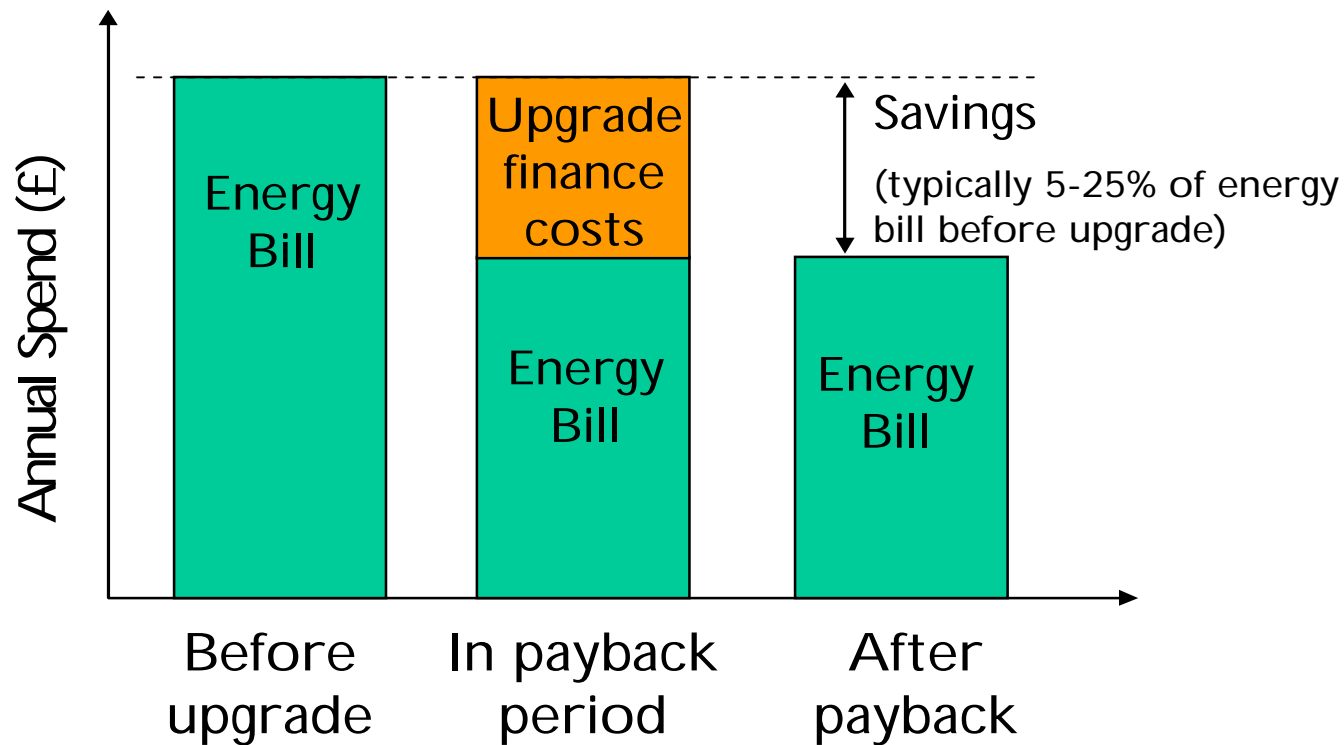
1. Reduce consumption;
2. Avoid costs;
3. Reduce vulnerability;
4. Broaden mix of energy supply; and
5. Generate revenue to support service investment

# Energy Efficiency

- Using less energy
  - Reduces fuel costs
  - Can reduce our exposure to fuel supply risks
  - Can reduce our carbon footprint and taxes
- Behaviours + Equipment
  - Switch off
  - Boiler controls

# Energy Performance Contract

Energy Efficiency: Invest to Save

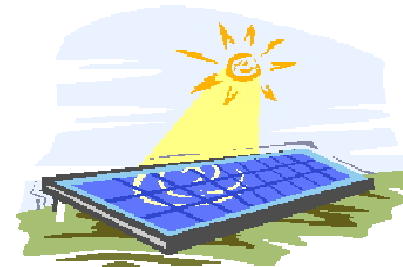
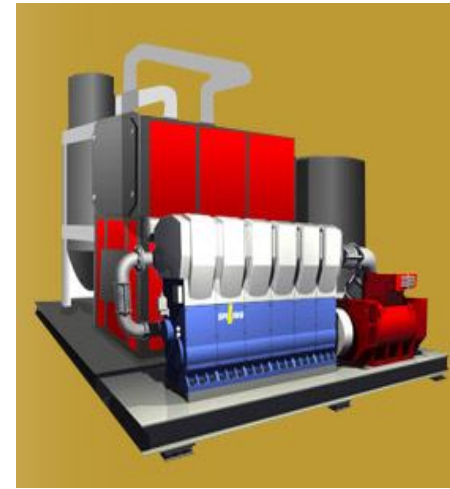
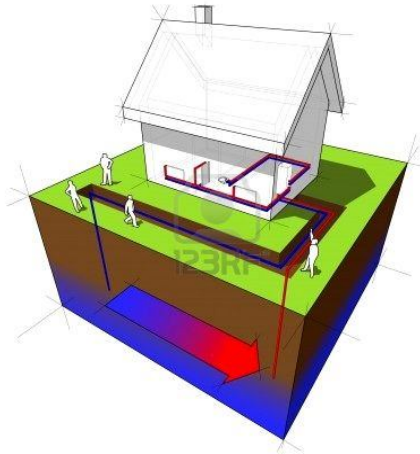
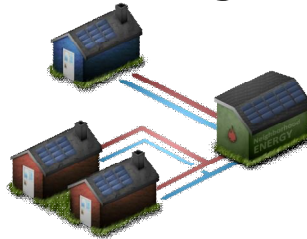


What about non-fossil fuel based energy e.g. renewables?



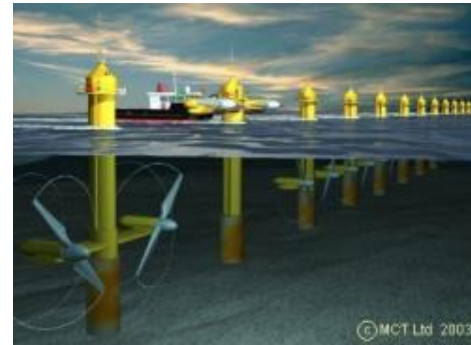
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# Current Capital Programme (2012 – 2015)



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# Future Capital Programmes



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# Pilots and Feasibility Studies

- Energy Performance Contracting
- Winchester District Energy
- Green Deal
- Renewable Heat Incentive
- Legal and financial structures

# Cabinet 27 February 2012

## RESOLVED:

- a) That the interim Energy Strategy approach be approved.
- b) That the Director of Economy, Transport and Environment and the Director of Culture, Communities and Business Services be requested to implement this Strategy approach, through a programme of pilot projects and feasibility studies, **in consultation with the Executive Member for Environment and Transport, and that a working party be established to lead this.**
- c) That detailed business cases be prepared for schemes and be considered by Cabinet in due course.
- d) **That the Chief Executive conduct a review of the medium and long term sustainability of the County Council's economic, climatic, energy and social policies.**

# Conclusion

- Energy issues could present opportunities as well as a significant economic challenge
- Renewable technologies could offer solutions but potential issues and risks need to be explored
- Pilot and feasibility studies will help to shape a long-term Energy Strategy and Action Plan
- HCC and community impacts will be explored
- An Energy Strategy – building on the approach outlined today – will be considered by Cabinet later this year

# Solar PV Programme

- June 2011 Cabinet approve procurement of £3.5m programme of PV
- Procurement proceeds through the YPO framework
- Preferred Contractors selected
- October 2011 Cabinet approve £250k for a pilot scheme and detailed survey work
- 31 October 2011 Government announce changes in tariffs.

# Tariff Changes

- Feed in Tariff to be halved
- Effective from 12 December 2011
- Legal challenge launched to the Government's announcement
- High Court rule process is 'legally flawed'
- Government appeal - twice
- Supreme Court rule in March 2012 that the governments proposals were 'unlawful'

# Impact on Hampshire

- Reduced feed in tariffs impacted on the business case
- Payback went from 9 to 19 years
- Zero return on investment
- Zero Net Present Value
- Uncertainty about the appeal outcome
- High risk to the Council if the programme was implemented

# Other options?

- Basingstoke Transition Network
  - Could their model work for Hampshire?
  - Longer lifespan (35 not 25 years)
  - No roof maintenance costs allowed
  - Higher fuel price inflation
  - Higher RPI than 'Green Book' rates



# PV in Hampshire

- Prices are continuing to fall – but not yet enough
- PV can play a part in energy reduction
- There are already >20 arrays on our schools
- This includes the Eco Schools programme
- They generate over 100,000 kWh per year