

# ENERGY STRATEGY E-BULLETIN

**Issue 3: August 2020**

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## WELCOME TO THE ENERGY STRATEGY E-BULLETIN

Welcome to the third strategy update for stakeholders. This edition focuses on the critical topic of energy efficiency, which will have a vital role to play in meeting net zero emissions. The more efficient we are with the energy we use, the greater our ability to reduce energy demand and lower our reliance on fossil fuels that lead to harmful emissions. A number of key themes have been identified within the working group, and we outline these in this update. We are conscious of the role of government as an energy user, and an overview of progress on delivering the Energy Management Strategy for Central Government is also provided.



*Thomas Byrne*

**Thomas Byrne**  
Director, Energy Strategy

## KEY ISSUES ARISING IN ENERGY EFFICIENCY

Energy Efficiency is about transforming the way we use energy. If our homes and businesses don't need as much power to operate, then energy bills are reduced, putting more money in the consumer's pocket, and helping businesses to improve their competitive advantage. In particular, increasing insulation, upgrading windows, and using better building fabrics reduces heat and energy loss, and can reduce the risk of fuel poverty and improve the health outcomes of the most vulnerable in society.

### **How is this being addressed?**

Following analysis of the Call for Evidence responses, the Energy Efficiency workstream has identified four key themes:

### **1. Establishing a new Energy Efficiency Target**

There is currently no energy efficiency target in Northern Ireland, beyond our contribution to the achievement of the UK's target towards the EU Energy Efficiency Directive (EED). EED 2012 set a headline target of 20% reduction in energy consumption by Member States by 2020, which was increased in the revised EED 2018 to a 32.5% reduction by 2030.

Establishing an energy efficiency target could potentially act as a strategic driver although any target must be both meaningful and measurable. A key issue is whether a target should focus on energy savings or carbon reduction, or some combination of both.

### **2. Enhancing the Regulatory framework and Raising Standards for Energy Efficiency**

Updating existing NI building regulations was a recurring theme in the Call for Evidence responses, with some respondents stating that stricter enforcement of standards would be a powerful policy lever in driving energy efficiency. We will consider regulatory steps required to increase the energy efficiency of domestic and non-domestic buildings.

Consideration will also be given to the use of minimum standards for energy efficiency. It will be important that any emerging policy options recognise that tailored approaches are required for different building tenure types, including, for example, social housing, the private rental sector and owner occupied homes.

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### **3. Encouraging Investment in Energy Efficiency in Existing Buildings**

It is estimated that 85% of building stock that will exist in 2050 has already been built, so there is an ongoing requirement to future proof existing buildings.

We will therefore consider approaches to increase the energy efficiency of the existing building stock through retrofitting measures. Options for future financial support to drive energy efficiency will be an important element, as well as considering mechanisms to empower consumers and businesses to make informed decisions.

### **4. Building Capacity and Capability in the Sector**

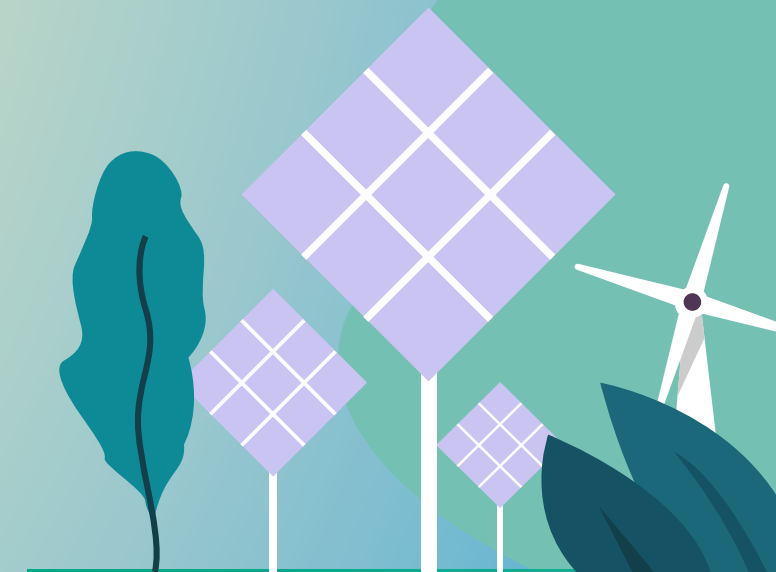
Any major retrofit programme of existing buildings, coupled with improved standards

for new builds, offers considerable opportunities to create jobs and grow the green economy across Northern Ireland, particularly post Covid-19. We will consider how best to develop supply chains and build the capability and skills of the sector to ensure they are well placed to respond to those opportunities and demands, as well as the importance of quality assurance and trusted installers.

### **Research into the Future Policy Direction of Energy Efficiency**

DfE commissioned Ove Arup in December 2019 to undertake a comprehensive research study to identify a road map of energy efficiency policy levers. The aim of this work is to provide a robust evidence base to support the design, development and implementation of energy efficiency

policy going forward. The research should be finalised in the Autumn and will be published in due course. It will set out a range of recommendations for energy efficiency policy up to 2050.



## ROLE OF CENTRAL GOVERNMENT IN ENERGY EFFICIENCY

Meeting net zero carbon by 2050 represents a huge opportunity for the NI Civil Service (NICS) to lead by example. To help ensure NICS meets Climate Change objectives, DfE sponsored the 'Energy Management Strategy and Action Plan to 2030 for NI Central Government', which was formally launched in May 2019. Central government is the largest aggregated energy consumer in Northern Ireland and the Energy Management Strategy offers the opportunity to provide leadership on energy efficiency and improve decarbonisation efforts.

It outlines two core objectives:

1. establish effective energy management processes that unlock value;
2. put in place a target to reduce overall energy consumption within Central Government by 30% by 2030 (from a 2016/17 baseline year).

### Progress so far

Delivery of the action plan began immediately after the launch and, despite Covid-19, work continues at pace. A range of projects were commissioned including: staff energy awareness; energy surveying to identify energy improvement opportunities; construction cost analysis for low energy buildings; and energy procurement services, among others. Business cases are being developed to help improve energy metering and information collection across the central government portfolio. Work also continues to identify future projects and explore financing and investment opportunities.

Delivery of the action plan continues and the next 12 months in particular promise to be an incredibly exciting time for energy in Northern Ireland, with benefits and opportunities for the region that will last for decades to come.

The full strategy is available at <https://sibni.org/project/energy-management-strategy-and-action-plan-to-2030/>

