Micropower Bill proposal.

Analysis of responses to the consultation paper “Small is powerful”

Introduction
At the end of last year, Shiona Baird MSP launched a public consultation on:

“a bill to require the Scottish Executive to introduce financial and administrative measures to support the development of small-scale renewable energy generation by households and businesses.”

The consultation exercise was launched on December the 12th 2005 and ran for 12 weeks until the 6th of March 2006. During that time, 53 responses were received; 20 from organisations and 33 from individuals. The high proportion of responses received from individuals perhaps reflects the perceived benefits that micropower installations offer to householders.

The organisations who responded include many of the NGOs who are actively campaigning on energy and environment issues, as well as statutory non-governmental bodies and organisations representing the renewables industry as well as general business interests.

Of the twenty organisations, fourteen chose to answer some or all of the questions posed in the consultation paper. The remaining six offered general comments on the draft Bill proposal.

In addition to the organisations, there were many responses from individuals. These can be divided into twenty who offered unqualified support for the Bill proposal, and a further twelve whose support was accompanied by other comments on micropower.

A list of all those who responded is given in Appendix 1.

Questions
The consultation asked respondents a series of key questions:

1. What are your views on the proposed approach of legislating to require targets to be set for micropower?
2. Should targets be set by the Scottish Executive or local authorities or both?
3. At what level(s) and over what time frame(s) do you think micropower targets should be set?
4. How frequently and by what means do you think reporting on progress towards meeting targets should take place?
5. What are your views on the following specific measures in the bill? (for background about these measures, please see section on ‘What will the Green Micropower bill do?’)
   (a) Requirement for micropower in all new developments
   (b) Council tax and business rates rebates for micropower installers
   (c) Permitted development status for micropower devices
   (d) Renewable obligation certificates for micropower generators
   (e) Renewable fuels or renewable heat obligation
   (f) Guaranteed capital grants for micropower

6. Are there any other specific measures to promote micropower that should be included in the bill?

7. Is there anything else you would like to add?

Responses from individuals
Twelve individual responses gave a range of comments alongside broad support for the micropower proposal. The comments can be summarised as follows:

- Micropower in general needs more publicity (although presumably targets and other measures will provide this in time);
- There should be more stringent targets for larger homes, as these are more wasteful;
- A one-off cash subsidy of £90 may not be enough given the high capital costs of many micropower installations;
- Electricity suppliers should be made to adopt net metering rules, whereby excess power can be sold back to the grid for a specified minimum proportion of sale price;
- Electricity and energy companies can’t be relied upon to introduce cheap and easy micropower, so legislation is required;
- Both security of supply and energy efficiency benefit from energy being generated close to where it will be used;
- Targets for micropower generation should be introduced in the short term given the immediacy of the threat from climate change;
- Measures to promote micropower should be introduced in such a way to reduce the administrative burden while remaining effective;
- Any money earmarked for the construction of new nuclear power stations would be better spent on the promotion of micropower;
- The UK building trade is largely ignorant of developing technologies in the alternative energy field and is (understandably) unwilling to install energy efficiency measures beyond existing standards;
- Tax on biofuels should be reduced to make it competitive with conventional heating oil.
Responses from organisations
While most individual responses chose not to answer the questions directly, preferring to merely outline their general views on micropower, the majority of organisations who responded used the questions to help them frame their response. This has allowed us to show the respondents views in a numerical format.

It is significant that a large majority of the respondents strongly supported the general principles of the Bill proposal, although there were differences of opinion on the details of how the measures should be introduced and managed.

For each of the questions, a summary of answers is given reflecting the balance of views.

Question 1: What are your views on the proposed approach of legislating to require targets to be set for micropower?

Thirteen of the twenty organisations who responded answered this question directly, and of those, eleven supported the premise that it is appropriate to legislate to require targets to be set for micropower. One respondent was opposed to the setting of targets while one more was equivocal about the wisdom of mandatory targets. Of the seven organisations who did not directly answer the question, five were supportive of micropower, but stopped short of advocating a legislative approach.

Question 2: Should targets be set by the Scottish Executive or local authorities or both?

Ten organisations answered this question. Eight believe that responsibility for setting targets should be shared between the Executive and local authorities. The other two did not believe that targets were appropriate. No respondents felt that the Executive alone should set targets.

Question 3: At what level(s) and over what time frame(s) do you think micropower targets should be set?

Among the eight respondents who answered this question directly there was very little consensus as to the appropriate level and time frame of micropower targets. According to the comments that accompanied their answers, respondents feel that targets should be challenging while retaining an element of simplicity. The favoured time frames varied from the short to the long term.

Question 4: How frequently and by what means do you think reporting on progress towards meeting targets should take place?

Nine respondents answered this question directly. The bulk of respondents favour either annual or bi-annual reporting, although one response called for quarterly reporting. There was a range of reporting methods favoured, among them a national website, reports placed before parliament and a publicly
released report. All the respondents who answered this question agreed that an open and regular reporting process was vital to the successful operation of a system of micropower targets.

Question 5: What are your views on the following specific measures in the bill?

a. Requirement for micropower in all new developments.

Of the eleven respondents who answered this question, no less than ten believe that there should be a requirement for micropower in all new developments.

b. Council tax and business rates rebates for micropower installers

Eight of eleven respondents believed that council tax and business rates rebates for micropower installers are appropriate.

c. Permitted development status for micropower devices

Nine out of eleven respondents agreed that micropower devices should have permitted development status. Interestingly, two respondents felt that rooftop mounted wind turbines were of questionable benefit, and should not receive permitted development status.

d. Renewable obligation certificates for micropower generators

Again, nine out of eleven respondents felt that owners of micropower devices should be eligible to receive ROC funding under the Renewables Obligation (Scotland) Order.

e. Renewable fuels or renewable heat obligation

Eight out of eleven supported the idea of a renewable fuels or renewable heat obligation, although some respondents did not believe that such a measure should be included in this Bill. Others warned that such an obligation would be very difficult to administer.

f. Guaranteed capital grants for micropower

Nine out of eleven respondents agreed with the awarding of capital grants to support those wishing to install micropower devices.

It is notable that all of the specific measures proposed to encourage the increased use of micropower received support from a large majority of the respondents.

Question 6: Are there any other specific measures to promote micropower that should be included in the bill?
Question 7: Is there anything else you would like to add?

There were a range of comments made in answer to these questions. They can be summarised as follows:

- A mandatory feed-in tariff should be considered;
- Net-metering would encourage more micro-renewables;
- Embedded benefits of micropower should be reflected back to the generator;
- Local authorities should implement community decentralised networks;
- Buildings of the Government Estate should be at the heart of a push towards micropower;
- There should be a Scottish Code for Sustainable Building;
- There must be more training to ensure enough installers of micropower devices;
- Rooftop mounted wind turbines make a powerful statement of intent, but they can be limited in their usefulness;
- There should be a greater link between micropower and efforts to tackle fuel poverty;
- Any measures to promote micropower should be developed in a way that does not compromise local landscape and the wider environment;
- There should be more support for community energy projects, to encourage a culture of local self-sufficiency;
- While it is important to encourage micropower, it is essential that this is combined with a drive towards greater energy efficiency;
- The energy debate should focus more on demand side management;
- If micropower is to flourish, the British Electricity Trading and Transmission Arrangements (BETTA) will need to be addressed.

Conclusion

There was a definite split between the responses offered by individual respondents, and those submitted by organisations. The individual respondents were united in their support for greater support for micropower, while organisations were divided between those who were totally supportive and those who were more equivocal. Organisations that did not come out in total support of micropower included the CBI (who are opposed to any increase in regulation for businesses), the National Grid (who outlined some of the practical difficulties to be faced in moving from a centralised to a decentralised network) and SNH (who are doubtful as to the effectiveness of legislating for micropower targets). There were also two small scale micropower installers who are not in favour of rooftop mounted wind turbines, although they were supportive of other forms of micropower.

It is highly significant that none of the respondents, even those who outlined doubts about the practicalities of legislation, were opposed to micropower in principle. All the respondents felt that micropower has an important role to play in reducing Scotland’s greenhouse gas emissions.
Particularly notable was the response to question 5, about the specific measures to encourage the take up of micropower. Of the respondents who answered this question, there was a clear majority in favour of each option. Respondents did not show a preference for either carrots or sticks in encouraging the development of micropower in Scotland, feeling instead that both approaches have a valid role to play.
Appendix 1
Full list of those organisations and individuals who submitted a response to the “Small is Powerful” micropower consultation.

Organisations:
• Argyll, Lomond and the Islands Energy Agency (ALIEnergy)
• CBI Scotland
• Element Engineering
• Energy Action Scotland
• Energy Saving Trust
• Friends of the Earth Scotland
• Micropower Council
• National Grid
• Responsive Load
• RSPB Scotland
• Scoraig Wind Electric
• Scottish Borders Council
• Scottish Natural Heritage
• Scottish Renewables Forum
• Scottish Solar Energy Group
• SEPA
• Solar Power Scotland
• South Ayrshire Council
• World Alliance for Decentralised Energy
• WWF Scotland

Individuals who offered unqualified support:
• Anderson, Gus
• Brandl, Dr Almut
• Brown, Ken
• Cawston, Dr Peter
• Collie, Lizbeth and Taylor, Jem
• Cummings, Jacqui
• Holt, Rosemary
• Jones, Dr Gus
• Jones, Tessa
• Linturn, Stephen
• Macintyre, Donald
• Macleod, Heather & Parrott, John
• Mawson, Saille
• Mothersson, Keith
• O’Donovan, Jane
• Puplett, Daniel
• Smith, Jennifer
• Sondermann, Sigrun
• Stadler, Irmgard
• Sutherland, Alex
• Turnbull, Roy

Individuals who offered support with additional comments:
• Andrews, Hugh
• Bairstow, Alex & Skelly, Thomas
• Beevers, Alan
• Clark, G&H
• Dale, Patricia
• Grams, George
• Kennedy, Alan
• Reed, Sean
• Shanks, Iain
• Stevenson, Araya and Gordon
• Thomas, Vic
• Wilson, B&J