



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

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## **WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT**

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**Title:** The Welsh Assembly Government's Energy Policy Statement

**Date:** 15 March 2010

**By:** Jane Davidson, Minister for the Environment, Sustainability & Housing

Today I am launching the Assembly Government's strategic approach to energy, *A Low Carbon Revolution*.

The Assembly Government recognises that climate change is the greatest environmental, economic and social challenge facing the planet, and in One Wales we set out our strong commitment to tackling this threat.

Globally we have already seen around a 1°C rise in average global temperature, but the latest climate change science indicates that unless we quickly reduce our emissions of greenhouse gases, the world will probably be another 3°C hotter by 2060 and there will be much higher risks of catastrophic global climate changes.

At the same time, supplies of fossil fuels are under growing pressure, with the prospect of higher energy prices and increasing concerns about the security of supply of energy. There is therefore both a moral and a practical imperative to move rapidly to a situation where we are much less dependent on fossil fuels – a low carbon economy.

In the global fight against climate change we believe Wales should be at the forefront of the transition to a low-carbon economy. Energy – how we generate it and how we use it - is the key issue in meeting this challenge.

We recognise that Wales will need to reduce by 80-90% its use of carbon based energy, resulting in a similar reduction in our greenhouse gas emissions. Accordingly we are keen to maximise the amount of energy we generate from renewable sources, and minimise the amount of energy we use through adopting energy efficiency measures and constructing sustainable buildings.

Our Energy Policy Statement shows how we will achieve this, setting out in detail our ambitions for low carbon energy in Wales. The statement builds on the results of our energy consultations over the last two years on the Renewable Energy Route Map and the Bioenergy Action Plan for Wales. It also draws on the work of the Wales Climate Change Strategy, the National Energy Efficiency and Savings Plan, the Green Jobs Strategy and the Ministerial Advisory Group on Economy and Transport's report on "The Energy Sector".

The statement also reflects the UK policy position, the work of the UK Climate Change Commission and the UK National Policy Statements on Energy and Renewables.

The statement includes a three tier hierarchy of our ambitions:-

First, we will maximise energy savings and energy efficiency in order to make producing the majority of the energy we need from low carbon sources more feasible and less costly.

Second, our energy needs in a modern society will remain considerable, and must be met securely from low carbon sources. We will move to resilient low carbon energy production via indigenous (and thus secure) renewables, on both a centralised and localised basis.

Third, we will ensure that this transition to low carbon maximises the economic renewal opportunities for practical jobs and skills, strengthens and engages our research and development sectors, promotes personal and community engagement and helps to tackle deprivation and improve quality of life.

This represents our over-arching commitment to sustainable energy development and will be delivered through a number of Assembly Government frameworks such as the National Energy Efficiency Savings Plan and our Green Jobs Strategy.

As explored in detail in the 2008 Wales Renewable Energy Route Map, the location, geography and climate of Wales means that we have considerable indigenous and thus secure renewable electricity resources that can be captured effectively by modern technologies. The route map concluded that it is quite feasible for us to produce more electricity from renewables than we consume, around 35TWhr per year, within 20 years.

Developments since the Route Map was published, especially in respect of offshore wind, indicate that we could now revise to a figure greater than this. The Energy Statement shows that Wales has the potential to produce more than twice as much renewable energy as we consume as a nation by 2025 - with about 40 percent of this from marine, a third from wind and the rest mainly from sustainable biomass power or smaller local heat and electricity generation projects using wind, solar, hydro or indigenous biomass.

We estimate the total investment potential in Wales to be £50 billion in large renewables and other low-carbon electricity projects alone over the next 10 to 15 years. This is in addition to the £350 million investment in the energy performance of Welsh homes that could be potentially be stimulated over the next 3 years through the new Wales Strategic Energy Performance Investment Programme, *Arbed*.

The importance of local and community generation to our ambitions should not be underestimated, as we should use all the tools available to us to promote low carbon energy. We recently launched a new community-scale energy generation project, one that will provide support and financial assistance to communities to assess the viability for community-sized wind, biomass and hydroelectric schemes.

The Energy Statement also sets out the potential benefits of Feed in Tariffs for community renewable energy projects. Supporting communities to take action to reduce their carbon footprint and become more self-sufficient in energy and other resources is a key element of our Climate Change Strategy.

Wales is fortunate to have over 1,200 kilometres of coastline with significant amounts of marine energy. Support for research and development is vital to fully exploit this. And we continue to work on the Marine Renewable Energy Strategic Framework study to collate all the relevant environmental data for the seas of Wales.

The Marine potential in Wales includes the huge tidal range of the Severn, and we have been working with the UK Government on the Severn Tidal Power feasibility study. We have also contributed funds to the Severn Tidal Power Embryonic Technology Scheme, and we hope the emerging technologies being considered might find application in other tidal locations or even in river flow.

Wales once led the world in carbon-based energy. Our goal now is to do the same for low carbon energy. Responding to the challenge of climate change and achieving our ambitious objectives will require concerted and cross-cutting efforts, not just by all departments of the Assembly Government but by people, communities and organisations in all sectors across Wales.