



Evidence on Draft Climate Change Plan

Economy, Jobs and Fair Work Committee

February 2017

Introduction

Stop Climate Chaos Scotland (SCCS) is a civil society coalition campaigning for action on climate change. Members include environment and international development organisations, student unions and trade unions, community groups and faith groups. We believe that the Scottish Government should take bold action to tackle climate change here at home and play its part in supporting climate justice around the world. We are grateful for the opportunity to share the views of the coalition on the aspects of the Draft Climate Change Plan which relate to the remit of this Committee.

Overview

- The Draft Climate Change Plan sets out a positive vision of a low carbon future which is cleaner, healthier and more prosperous. However, SCCS remains concerned that the Draft Plan contains little detail on how that vision will be achieved and therefore lacks credibility in its current form.
- The Draft Plan contains very few new policies, despite the UK Committee on Climate Change clearly setting out the areas where new policies or policy developments were needed as recently as September.
- While progress can be made on areas such as waste and peatland restoration under this Draft Plan, the worst performing sectors will continue to perform poorly. Experts have repeatedly said that the transport, agriculture and heating sectors needed more action from Scottish Government. However, these are the weakest sections of the climate plan, offering little in emissions reductions and providing little in terms of credible, measurable policy.
- In areas such as energy efficiency, which the Scottish Government has designated a National Infrastructure Priority, bold new policy action is lacking. The Draft Plan moves too slowly with too little funding and does too little to tackle fuel poverty.
- The Draft Plan is not measurable. Despite the welcome adoption of a whole energy system approach, the Plan does not clearly establish how policies will result in emissions reductions in each sector. In addition, some sectors contain almost no measurable outputs or timed milestones by which progress towards outcomes can be measured.

Recommendations for improving the Draft Plan

Our recommendations are split into those which pertain to the whole Draft Plan and those which are sector specific policy recommendations.

Draft Plan recommendations

- The Scottish Government should ensure that every policy has sufficient detail to allow readers to assess the impact of that policy on meeting Scotland's climate targets or providing additional co-benefits.
- The Draft Plan should be amended to include more new policies, particularly in sectors which have historically underperformed such as transport and agriculture. This should include changing some proposals into policies.
- The Draft Plan should be amended to ensure that every policy outcome is measurable with clear expectations on outputs, milestones and outcomes.

Sector specific recommendations

- Energy efficiency: The Scottish Government should support all homes to reach at least an EPC band 'C' by 2025. The roll out of the new Scottish Energy Efficiency Plan must set clear objectives, start earlier and be properly funded to deliver the transformational change which Scotland's homes and buildings require.
- Heating: Whilst the ambitions on heat in the Draft Plan are set very high, the policy action to deliver them is lacking. Every new home should have a connection to low carbon heating such as solar, heat pumps or district heating.

Electricity

The Electricity sector contains a very ambitious emissions trajectory, with a vision for the sector to produce negative emissions by the mid 2020s, through carbon capture and storage (CCS) applied to bioenergy. The Draft Plan embraces a vision of putting renewable energy at the heart of energy generation, as advocated by SCCS. The Draft Plan makes a welcome move to bring forward the date for realising the Scottish Government's ambition to achieve an almost completely decarbonised electricity grid (at level of 50g per kW) from 2030 to 2025.

Progress since RPP2

The electricity sector has seen significant progress since RPP2, and the target of 50% of Scotland's electricity needs coming from renewables being met ahead of schedule. In 2015 renewables generated 59.4% of the equivalent of Scotland's electricity needs.

Appropriateness and effectiveness of the proposals and policies for meeting the annual emissions targets and contributing towards the 2020 and 2050 targets

The Draft Climate Change Plan contains an emissions reduction envelope for the electricity sector which sees emissions becoming negative in 2027 due to the anticipated role of CCS. In our view, this raises questions about the credibility of the Plan given that the UK Government has moved away from supporting CCS and the Scottish Government has little devolved power to push ahead. Furthermore, by building in negative emissions in the electricity sector, the Plan allows other sectors, including those such as transport and agriculture, where the UKCCC has called for stronger action, to implement only modest emissions reductions at a much slower pace.

Our asks

The Plan should not assume that the electricity sector will generate negative emissions by 2032 but should instead set out policies and proposals to increase emissions reductions from sectors such as transport, residential and agriculture.

Heat (in "Residential" and "Services")

The services and residential sections of the Plan sets out policies and proposals relating to energy efficiency and heat for both domestic and non-domestic buildings. Whilst the emissions reduction ambitions in relation to heat are large, going further than have been anticipated by others including the CCC, the routes to achieve that ambition lack credibility. Much of the planned expansion of heat relies on new policies which are yet to be established, instead of rolling out existing technology and supporting Scottish low carbon heat businesses. If further detail cannot be included in this Plan, the ambition should be tempered and policy effort increased elsewhere.

Progress since RPP2

The last RPP proposed that this Plan would include new policies to support the increased deployment of renewable heat. Whilst this Draft Plan contains a high level of ambition on heat, it contains little detailed policy with which to realise that ambition.

Appropriateness and effectiveness of the proposals and policies for meeting the annual emissions targets and contributing towards the 2020 and 2050 targets

The recent Energy of Scotland report by WWF Scotland¹ anticipated 40% renewable heat penetration by 2030, achieved through a roll out of heat pumps alongside new district heating regulation to enable more homes to access low-carbon heat. In comparison, the Plan anticipates seeing low carbon heat in 80% of homes and 94% of non-domestic buildings by 2032. However, the planned pathway for achieving those ambitions appears to contain far less in terms of policy action than the Energy in Scotland report advocates. This raises questions around the credibility of the Plan.

Appropriateness of the timescales over which the proposals and policies are to take effect

The Draft Plan suggests that there will be almost no progress in achieving mass roll out of low-carbon heat over the next decade, but anticipates a dramatic increase in deployment from the mid 2020s. However the Plan contains no new policies to support such an increase. Furthermore, there are no new policies or proposals to support even the modest shift to from 14% (if the 12% of electrically heated homes are included) to 18% by 2020. The rapid increase by 62% in 7 years relies on a yet to be determined technical fix to support the shift away from gas. This in turn relies on the UK Government to make decisions on the long term future of the gas network – decisions that are not expected until after 2020 at the earliest. This approach not only delays the mass roll out of low carbon heat technologies but it ignores existing technologies which could be used now, with a focus on off gas grid homes.

Behaviour change and wider benefits

The Plan does not detail the findings of behaviour change research in the sections on the Residential and Services sectors. However, Chapter 5 and Annex B on behaviour change both reference research using the Individual Social Material or ISM model of behaviour change, including research in the areas of domestic heat and energy efficiency. These show strong public support for energy efficiency measures and suggest some clear steps for the Scottish Government to take in relation to domestic heat.

Our asks

1. Establish a clear, credible path with detailed policies and milestones for achieving the ambitions on heat. This should include an earlier start in the shift to low carbon heat, building on existing success in heat pumps and district heating and growing Scottish low carbon heat businesses.
2. Include new policies that will support the scale of transformation in heating envisaged, such as the use of building regulations and changes to planning, minimum standards, finance and the regulation of district heating.

Energy efficiency (in “Residential” and “Services”)

Policies and proposals on energy efficiency in both the Residential and Services sectors are disappointingly weak. SCCS and others have consistently called for all homes to be brought up to an EPC C rating by 2025 in order to make a substantial impact on cutting fuel poverty and reduce emissions. Under our proposals, this would be achieved through a significant increase in spending on and uptake of energy efficiency measures in the immediate term. However, this Plan contains no significant increase in spending or any clear details on how regulation will be used to leverage private finance, and no credible detail on how the proposed doubling in uptake in measures will be achieved.

Progress since RPP2

Around 100,000 households have received an energy efficiency install through HEEPS since RPP2. However, both RPP1 and RPP2 committed to introducing regulation of energy efficiency in the private sector to make Scotland's homes warmer and significantly reduce fuel poverty. Despite a consultation promised by June 2015 on regulation in both private rented and owner occupied homes, the Scottish Government is now expected to consult on regulating just the private rented sector later in 2017. We are concerned that this delayed and limited consultation will result in further delays in achieving the necessary emissions reductions and realising the positive social, health and economic benefits resulting from improved energy efficiency.

Appropriateness and effectiveness of the proposals and policies for meeting the annual emissions targets and contributing towards the 2020 and 2050 targets

The Plan does not provide detail of the emissions reductions expected from energy efficiency improvements in either the Residential or Services sectors. Instead, reductions are modelled for actions across the whole sector. This makes it difficult to assess whether the policies and proposals are appropriate in meeting the annual emissions targets and contributing to wider targets. The Plan does not contain any new energy efficiency policies, nor does it provide new policy detail on how the 2015 commitment to make energy efficiency a National Infrastructure Priority will be realised.

Appropriateness of the timescales over which the proposals and policies are to take effect

A significant part of the policies and proposals in this section are dependent on the Scottish Energy Efficiency Programme ("SEEP"), which is the vehicle intended to deliver the National Infrastructure Priority on energy efficiency. However, despite the National Infrastructure Priority being announced in June 2015, SEEP is only being consulted on now, at the same time as the Draft Plan. Whilst consultations are currently taking place on various aspects of energy policy, including SEEP, it is concerning that so much of the success of the Plan in relation to energy efficiency relies on a programme which does not yet exist and for which no clear scenario has been established for delivery. It is also concerning that the energy efficiency delivery timeline in the Residential sector suggests that uptake of measures will double from 2017 to 2018 but lacks any detail as to how this will be achieved. Furthermore, no further increase in uptake is envisaged between 2018 and 2032.

Even more concerning is the pace of change which amounts to 1.35 million measures by 2032 or 90,000 per year. In contrast, experts across the fuel poverty field advise that at least 127,000 measures are needed each year to tackle fuel poverty.

Our asks

1. Improve the vast majority of homes to EPC band C or above by 2025, thus saving an estimated 1million tonnes of CO₂ a year by 2025, while lifting homes out of fuel poverty, improving public health and creating jobs. This should be achieved by setting this as a clear objective for SEEP and by embedding appropriate policies in the Draft Plan.
2. Regulate on the energy efficiency of private homes at the earliest possible opportunity
3. Increase the 2017/18 budget for energy efficiency and commit to further increases over the RPP3 period.

For more information, please contact:

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ⁱ By Ricardo Energy and Environment. This led to the Energy of Scotland report
http://assets.wwf.org.uk/downloads/ricardo_energy_report_web.pdf