Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith /
Climate Change, Environment and Infrastructure Committee
Cynhyrchu ynni adnewyddadwy yng Nghymru/ Renewable energy generation in Wales
RE10

Ymateb gan Cymdeithas Llywodraeth Leol Cymru (CLILC) / Evidence from Welsh Local Government Association (WLGA)



INTRODUCTION

- 1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities and three fire and rescue authorities are associate members.
- 2. The WLGA is a politically led cross-party organisation, with the leaders from all local authorities determining policy through the Executive Board and the wider WLGA Council. The WLGA also appoints senior members as Spokespersons and Deputy Spokespersons to provide a national lead on policy matters on behalf of local government.
- The WLGA works closely with and is often advised by professional advisors and professional associations from local government, however, the WLGA is the representative body for local government and provides the collective, political voice of local government in Wales.

General Points and comments

4. WLGA welcomes the opportunity to feed into this study of renewable energy generation by the Climate Change, Environment and Infrastructure Committee. The comments are offered in light of the 'deep dive' led by Welsh Government, which looked at barriers to scaling up the level of renewable energy generation in Wales. It also considered how best to retain wealth and ownership within Wales.

- 5. WLGA fully supports the 'energy hierarchy' in terms of reducing use, improving energy efficiency and then maximising use of renewables as we seek to move away from fossil fuel dependency. With financial support from Welsh Government, WLGA is running a Transition and Recovery Support Programme (TaRSP) which is designed to support local authorities (LAs) in dealing not only with climate change but also with the nature emergency, achieving green, inclusive growth and recovery from the economic impact of Covid and Brexit. The work on climate change incudes both mitigation measures (carbon reduction) and adaptation (which amongst other things includes behaviour change). The focus of the work is on the four pillars of the Public Sector Route Map to Net Zero: procurement, transport, buildings and land use. In all four areas there is a vitally important role for renewable energy.
- 6. The **grid capacity** issue that was highlighted in the deep dive is a significant one. WLGA has been working with Welsh Government and LAs to support efforts to move fleet to electric vehicles. Financial support has been provided to LAs to install changing equipment in council depots. In a number of cases grid capacity has been identified as a problem. In some of these cases LAs are investigating the potential to generate renewable energy on site in order to overcome this. Whilst the capacity problems in Mid Wales are well-known, localised shortcomings have also been identified at depots in other regions. The Welsh Government proposals to work with Ofgem to take a 'whole system' approach and to address consenting issues are welcome.
- 7. WLGA is also supportive of the drive to maximise local community benefits as a result of the investments that will need to take place over the coming years and the emphasis on innovation in what is a fast-moving sector. Developments in terms of green hydrogen are of particular interest in that respect, with LAs already trialling use of hydrogen in larger vehicles such as Recycling Collection Vehicles. At a recent masterclass run under the TaRSP, Ynys Mon and Pembrokeshire Councils both presented on the work they are undertaking, aimed at capitalising on renewable energy sources (wind, solar and marine) with a view to using green hydrogen at scale in the future.

Brief comments on the recommendations

Recommendation 1 – vision to at least meet energy needs from renewables; take action to reduce energy demand and to maximise local benefits.

8. Support.

Recommendation 2 – scale up local energy plans to national plan by 2024 to match renewable energy generation with demand.

9. Two pilot local area energy plans (LAEPs) are already underway with councils in Conwy and Newport and similar work is also being undertaken in Pembrokeshire. It will be important to learn from these LAEPs and work to build the picture across Wales. This will support the efforts noted above by providing intelligence to support development of the grid infrastructure. Hopefully, there will be opportunities identified as part of this process to marry local generation/supply with local demand via direct provision, as part of a more decentralised approach to energy supply. As storage technology improves, such solutions may become more feasible, avoiding the loss of energy associated with long-distance transmission across the grid.

Recommendation 3: help citizens reduce demand, improve energy efficiency and use energy to support the vision

10. On top of their own in-house efforts, LAs have a critical role to play in their wider communities. For example, as the local planning authority, transport authority and the body responsible for housing services and waste and recycling collections, LAs can influence local behaviour in many ways to support the objectives of this recommendation.

Recommendation 4: development of advice services and trusted suppliers/ installers

11. As above, LAs can support Welsh Government to ensure quality is maintained through their various roles including building control/inspections and housing inspections.

Recommendation 5 and 6 - Grid: look at options for flexible grid connections for renewables and energy storage solutions; press Ofgem to create a Wales Energy System Architect

12. Support (see comments above).

Recommendations 7 to 9 – Consenting and licensing: review of consenting to ensure a timely process; identify marine strategic resource areas by 2023; streamline the process for developing Celtic Sea projects including delegation of powers to Wales

13. WLGA is supportive of these measures. One of the commitments made by LAs and included in New Zero Wales is to identify opportunities for the use of LA-owned land, including the potential for renewable energy generation. Considerable work has already been undertaken by the WG Energy Service, working with LAs at local and regional levels to identify a pipeline of potential projects. Anything that can be done to streamline the process (including permits) will assist in bringing the pipeline projects forward.

Recommendations 10 to 13 – Finance: explore ways of drawing down additional investment; prioritisation of local and community ownership; support for supply chain development; look at options to support via Non-Domestic Rates and procurement

14. All of these measures will be important to explore. LAs have looked into opportunities to support investment in renewable energy schemes. This has included options such as making forward commitments to purchase the energy generated from schemes, to meet their future energy requirements. This could then provide a guaranteed income stream to help repay investment costs (e.g. this was considered in relation to the original Swansea Bay tidal lagoon proposals). Any such advance purchase would still be subject to procurement requirements, however. This can impose restrictions on the ability of LAs to make commitments to a single, specific project.

Recommendations 14- 17 – Scale up Community and local energy: extra resources to support these sectors and build capacity; ensuring input to Ynni Cymru from the community sector; improved access to the public estate for the community energy sector; production of quidance on shared ownership

15. Involvement of the community sector can help to build local support and overcome local resistance to projects where it exists. LAs have a key role to play in supporting the community sector and working with the to maximise local benefits, in line with Well-Being Plans. Where appropriate, there should, too, be potential for LAs to be involved in helping to shape projects on non-LA-owned land on the public estate within, or of relevance to, their area.

Recommendations 18-20 – Maximising economic and social value: working with UK Government to bring investment to ports and maximise supply chain benefits; maximise installation of renewables on business and industrial sites.

- 16. WLGA, for some time now, has been supportive of exploring and capitalising on portrelated development opportunities to service the offshore industry and other low
 carbon energy projects. Research work on this undertaken for Welsh Government¹,
 and subsequently for WLGA, over a decade ago pointed to supply chain benefits, skills
 opportunities, research and development potential and inward investment. It identified
 barriers to port development as being:
 - Port infrastructure and capacity constraints
 - Uncertainty over which ports would be the focus for investment
 - Planning restrictions and environmental issues.

¹ Economic impact of low carbon energy on Welsh ports | GOV.WALES

Recommendation 21 – Innovation: call on Ofgem to develop a Welsh regulatory derogation to enable energy business model innovation in support of the wider recommendations.

17. WLGA supports this call.

FOR FURTHER INFORMATION PLEASE CONTACT

Tim Peppin

Welsh Local Government Association One Canal Parade Dumballs Road Cardiff CF10 5BF