

# Energy Research Partnership Notes of 3 October 2008 meeting



**MEETING DATE:** 3 October 2008

**LOCATION:** BERR Conference Centre, London

**CHAIR:** Simon Virley - DECC

## **ATTENDEES:**

### **Members:**

David Clarke	ETI
Prof Brian Collins	DfT
Tom Delay	Carbon Trust
David Eyton	BP
Mike Farley	Doosan Babcock
Iain Gray	TSB
Joe Greenwell	Premier Automotive Group
John Loughhead	UKERC
Ron Loveland	WAG
Ian Marchant	SSE
Hunter Danskin	DECC
Siobhan Peters	HMT
Graeme Sweeney	Shell
Alison Wall	EPSRC
Nick Winser	National Grid
Nick Otter	Alstom

<b>Secretariat / Analysis Team:</b>	Mike Colechin,	E.ON UK
	Jonathan Dinmore	GO-Science
	Farida Isroliwala	DECC
	Jonathan Radcliffe	ERP Analysis Team
	Ian Welch	National Grid

<b>Non - Members:</b>	Jeanie Cruickshank	DECC
	David Curran	DECC
	Oona Muirhead	SEEDA
	Brian Nixon	Scottish Enterprise
	Hunter Danskin	Defra
	Jim Skea	UKERC
	Carolyn Reeve	DIUS
	Adrian Ewer	John Laing Plc

<b>Apologies/ Not present:</b>	Pam Alexander	SEEDA
	Prof John Beddington	GCSA
	Jonathan Brearley	OCC
	Geoff Norris	No.10 Policy Unit

# Energy Research Partnership Notes of 3 October 2008 meeting



---

Paul Golby	E.ON UK
Peter Bance	Ceres Power
Alistair Buchanan	Ofgem
Alice Hume	CBI
Prof Michael Kelly	DCLG
Paul Lewis	Scottish Enterprise
Turlogh O'Brien	Arup
Sue Ion	Royal Academy of Engineering
Siobhan Peters	HMT
Andrew Smith	DIUS
Willy Rickett	DECC

## **Chair's introduction**

Simon Virley chaired the meeting. Machinery of Government changes had been announced that morning, and Willy Rickett had been called away to brief Ministers of the new Department, to be known as the Department of Energy and Climate Change. Simon welcomed Adrian Ewer from John Laing as an observer, noted the apologies and welcomed those attending as alternates.

Minutes of 4<sup>th</sup> July meeting were agreed.

## **Carbon Trust / Technology Strategy Board / Energy Technologies Institute**

Simon Virley introduced Tom Delay who provided a short update presentation on the work that he, Iain Gray and David Clarke had been doing on joint strategy development and co-ordination of activities, responding in particular to the actions from the last ERP Plenary meeting i.e.:

- to road map current industry energy innovation activities and identify their individual roles within this landscape.
- to develop a joint plan and identify key milestones for their common strategy development.

Tom reported that regular contact and meetings continued between the three Chief Executives. Their organisations were already working together with shared attendance and activities at relevant working groups and joint technical calls such as Marine and Offshore wind. This was done with the understanding each had different ownership with diverse operating models which were complementary and strengthened their collaborative offering.

Their joint working strategy continued to be developed and they hoped to share it with ERP by December.

# Energy Research Partnership Notes of 3 October 2008 meeting



Comments and questions on the presentations included:

- How in practice their distinctive capabilities and activities worked with their varying operating models and project allocations. The Carbon Trust were independent from industry and could allocate tasks independently; meanwhile the ETI had private partner ownership to determine priorities. The range of support and value of projects differed, with the ETI focussing on large projects that were likely to make a large impact / proof of scalability specifically in the energy sector, while the TSB provided complementary funding for energy technologies within the context of its more general support for the UK's industrial sector.
- It was difficult to spot the gaps in support for different technologies among the three, based on their short presentations, but it was recognised that only a snapshot could be provided in the time available. The TSB offered to give a more comprehensive presentation on what they were doing at a future date.
- A need for clear communication on the positioning of the three organisations in the context of the larger energy innovation landscape, identifying how they work with other players such as the Research Councils and ETF in particular. For example the ETF was designed to support demonstration to fill near market gaps, but how does this draw on earlier technology development driven by the other organisations? It was agreed that a grid to describe this larger interaction drawing out conclusions on where the gaps were for technology developments would be useful. ERP's work on technology mapping would also help understand the gaps and opportunities.

## **Energy Innovation Landscape**

Jeanie Cruickshank explained that extra resource was available to work on the energy innovation landscape, and that as part of this, and following up from the July meeting, her team would be contacting members to get their views.

David Curran explained the draft energy innovation leaflet, which was aimed at a wider stakeholder group: to explain the main forms of support for energy innovation and where to go for help. Views were welcomed from members on:

- the format: i.e. whether to have a hard copy leaflet or website, probably hosted on the Business Link website.
- the content: how to ensure that it explained the energy innovation landscape as clearly as possible.

The meeting was reminded that the leaflet was in response to ERP members' comments at previous meetings..



## **ACTIONS:**

- **Carbon Trust / Technology Strategy Board / ETI** to circulate their agreed joint working strategy to members by December.
- **Jeanie Cruickshank (BERR)** to contact ERP members to get their views on the energy innovation landscape.

**ERP Members** to feed views on the energy innovation landscape leaflet to Jeanie Cruickshank or David Curran

## **Demand Side Technology Innovation**

Simon introduced Jim Skea who provided a discussion-opener on demand-side technology innovation and where ERP might focus in the future, raising the following points:

- demand side solutions had the potential to make a strong contribution across all the energy policy goals
- there is a diverse set of technologies on the demand side, making it complex to identify where these solutions currently sit in the innovation system and the organisations/funding (public and private) that support them. Clarification of potential gaps in technology support and barriers to progress is needed.
- RD&D on the demand side forms a small proportion of total energy innovation. In some sectors deployment was more important than support for early stage innovation.
- he questioned who ERP might need to engage with, in order to deliver an effective response to these issues
- demand for heat was critical as it accounts for almost half of UK energy use and CO<sub>2</sub> emissions

Comments / Discussion focused on:

- the barriers to demand side technologies; whether these will be addressed by more effort on research and development or on deployment? It was suggested that further mapping of where the UK should focus was required with a gap analysis of the areas in which further research is needed. There was also a role for Government in helping to deploy these technologies either in public buildings or through procurement.
- the ERP had tended to have a supply side focus and this was reflected in the membership. The question was raised as to whether there was a role for the

# Energy Research Partnership Notes of 3 October 2008 meeting



ERP to engage on the demand side. This could be done directly, through membership, or indirectly through demand side partnerships such as through the Low Carbon Vehicle Partnership or Energy Efficiency Partnership for Homes.

- the demand side technologies relied on policy and carbon pricing and therefore policy development needed to proceed in parallel with technology development to drive the innovation in this area.
- the behavioural aspects were important but the key factors in adopting these technologies were unclear, as were the policy interventions needed to drive deployment. Related to this were questions around how sustainable were evaluations of behavioural changes and how quantifiable the evidence base was, given the varied quality of some of the available data. It was concluded that more evaluation on behavioural changes was needed to support policy developments and influence energy users.
- there was a need to look outside the UK to see what was happening internationally, where there were lessons to be learnt and opportunities for technology transfer. Some potential examples of this included: the demand side research in the transport sector by France, Sweden and USA; the building research being dominant in some parts of Europe; China was ahead in deploying the technologies and how were they doing this. There was also a need to look at areas international bodies were focussing efforts such as the IEA.
- It was felt that the energy efficiency impacts of some technology developments on the demand side were not recognised, and there was a need to develop a road map for the effective deployment of energy efficiency technologies.

## **ACTIONS:**

- **ERP Analysis Team:** to develop proposal for further analysis of demand side issues, specifically targeted at establishing what role ERP might have in this space.
- **Co-Chairs:** to consider inclusion of further item on heat and energy efficiency policy in future meeting agenda, to coincide with DECC's forthcoming heat and energy efficiency consultations.
- **Co-Chairs:** to review ERP membership and consider how it can engage more with the demand side and SMEs, directly or indirectly.

## **UK Engagement in International Energy Research and Innovation**

## Energy Research Partnership Notes of 3 October 2008 meeting



Simon invited Nick Otter to provide an update on the work being done to establish UK engagement with the international energy innovation landscape, a follow up on action from the July meeting.

Nick led a discussion which identified a clear need to engage with and influence EU and international policy. Nick outlined the aim of the work:

- to take a strategic view of where international energy innovation fits
- to sign post potential priority areas
- to inform different players and encourage a co-ordinated UK approach to ensure added value

and the planned outcomes:

- to have a position paper with a draft for the March 2009 ERP meeting and a more robust draft for the June 2009 meeting.
- to have a more active role in the engagement of EC on the SET plan; helping to define priorities for a programme of activities playing to UK strengths and recognition that UK funding system was different to others'
- identification of ways of accelerating progress; and a more flexible way of assigning EU research funds

Members' comments and questions included:

- There was a need for improved UK engagement with EU initiatives (such as EIs and EERA), and this needed to be done early at the development stage if it were to be influential.
- The funding system in the UK was complex with fragmented executors of research. If priorities for engagement were established at an early stage, ways to respond could be devised.
- ERP could have a role in international engagement on the boundaries between government and industry. As examples: providing input to development of responses to G8 negotiations through the IEA's Energy Technology Perspectives work programmes, the EU's Zero Emission Fossil Fuel Power Plants (ZEP) Technology Platform, and the Australian Institute on CCS.
- There was a suggestion that the EU Commissioner on Energy could be invited to a future ERP meeting.
- There was concern about the level of input which members could provide to this work, considering all the other activities in which they were already involved.

# Energy Research Partnership Notes of 3 October 2008 meeting



- Some members had international reach through their member organisations and there was a question of how ERP could take advantage of this.
- It was suggested that ERP could look at utilising the TSB's Knowledge Transfer Network (KTN) mechanism as a tool for improving international engagement.

## **ACTIONS:**

- **Co-Chairs:** to consider inviting someone from the EU Commission to a future ERP meeting.
- **ERP members:** to identify appropriate contacts within their own organisations for the Analysis Team to liaise with as they develop this activity.
- **ERP Analysis Team / International team** to prepare a position paper on progress for the March / April ERP Plenary meeting.

## **AOB / Closing Remarks**

### **New Industry Chair**

Simon announced Nick Winser had been selected as the next Industry Co-chair. Nick would take over the role from Paul Golby in January. Ian Welch would take over from Mike Colechin as part of the secretariat.

It was suggested that once Nick was in post, the Co-Chairs should undertake a full review of the current membership.

## **ACTION:**

- **ERP Secretariat:** Schedule a review of current ERP membership in light of new private sector co-chair.

Simon reminded the members of some action points:

- **ERP Members:** to provide contacts for the Analysis Team to use when developing the ERP responses to HMG's heat and energy efficiency consultations