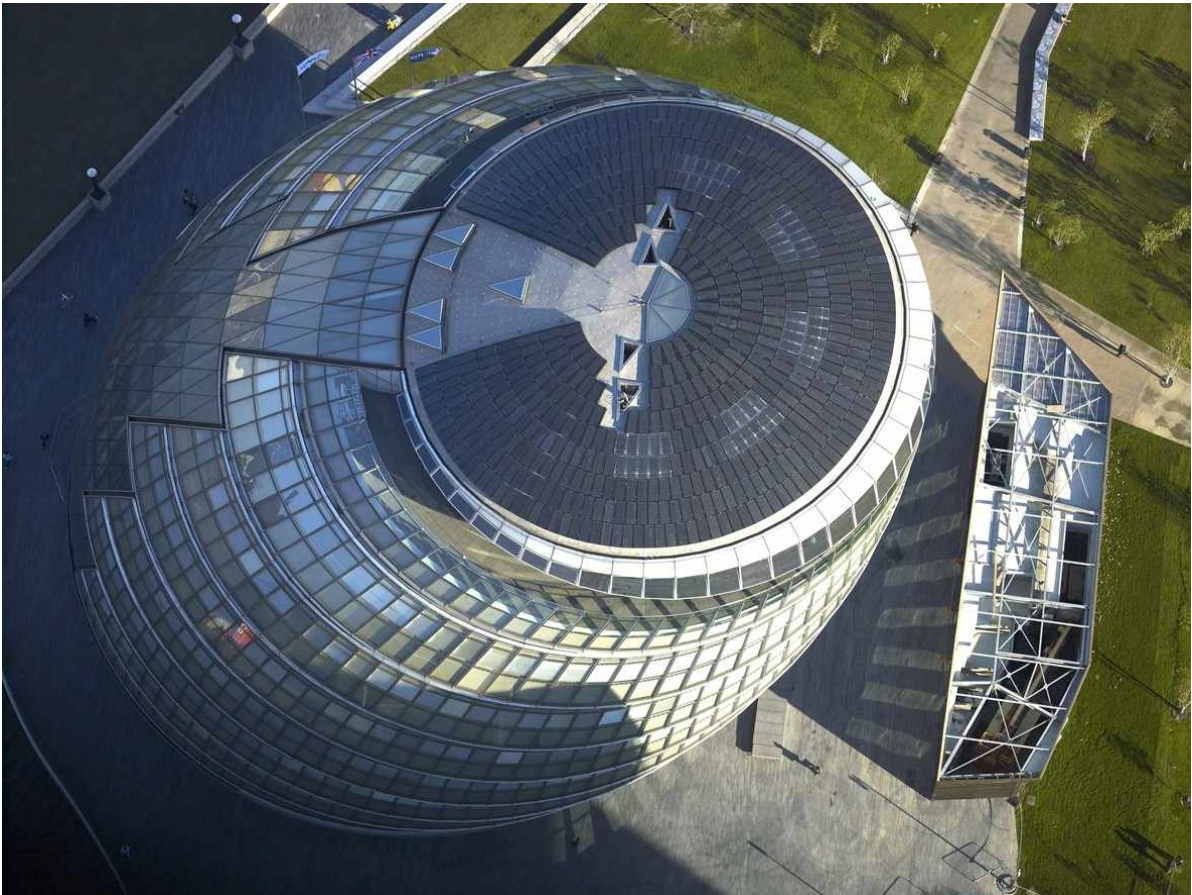


Annual Report 07-08



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Foreword

London this year has taken more bold steps towards securing a sustainable energy future.

The revised London plan requires new residential developments over 150 units to provide 20% of energy requirements from renewable sources. The LEP's upcoming Low Carbon Designer Toolkit will assist London's developers, engineers and architects with the energy analysis of new developments. We are also working with the London Development Agency to train planners in all London Boroughs to help deliver these targets.



Fuel poverty is an important new area of work for the LEP. With rising fuel prices, more and more Londoners are struggling to pay their energy bills. The LEP has formed a new fuel poverty task group which is championing a London wide approach to dealing with the problem.

This has been a challenging year for the LEP, as staffing constraints meant that we could not progress our work as fast as we wanted to. However, the LEP secretariat now has an excellent new team in place. With our partners we are developing new ideas and implementing new activities.

During the coming year, in January 2009, the LEP will celebrate its 5th anniversary. With continuing engagement from our partners, we will strive to make a practical contribution to the delivery of the Mayor's Climate Change Action Plan.



David Green

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Introduction

Launched by the Mayor of London in January 2004, the London Energy Partnership (LEP) uses the power of partnership to enable London to respond to the challenges of climate change, security of energy supply and fuel poverty. The Partnership brings together a range of sectors and organisations to deliver sustainable energy activities more effectively.

The Partnership's aims are:

- Assist in the delivery of London's carbon dioxide reduction, fuel poverty and security of supply targets;
- Provide a single voice for sustainable energy in London and achieve a sea change in thinking about sustainable energy by key stakeholder;s
- Enable a number of high-profile, London-wide initiatives that deliver social, environmental and economic benefits;
- Create commercial opportunities in sustainable energy and help to build London's green economy.

The partnership has been chaired since its inception by David Green, Chief Executive of the UK Business Council for Sustainable Energy, supported by a steering group with representatives from key London stakeholders. The LEP's activities are coordinated and supported by a small secretariat based at the Greater London Authority.

This report, covering the period 1 April 07 to 31 March 08, summarizes the main achievements of the partnership, lists key activities of the LEP secretariat, steering group and task groups, and outlines the projects the partnership has been working on.

Key achievements in 2007-08

Paving the way for the delivery of a low carbon London

The LEP continued its work aimed at identifying mechanisms to lever the extra investment needed to deliver the Mayor's climate change targets. This year we released a report on 'Implementing Delivery Mechanisms for Financing London's Low Carbon Future' and have commissioned further work aimed at developing a leasing mechanism to accelerate the roll-out of low carbon technologies.

Heat networks are central to delivering the Mayor's 25% decentralized energy target. At present, there is a lack of information about existing heat networks to which new projects might be able to connect. The LEP has thus initiated a community heating database project.

The LEP still receives requests for the use of the Renewable Energy Toolkit (published in 2004) from energy and development professionals both in and from outside of London. However, the more stringent requirements of the revised London Plan require an updated tool and the LEP is now finalizing the Low Carbon Designer Toolkit.

This year also saw some of the LEP's earlier work bearing fruit with the London Development Agency (LDA) launching its Green Concierge scheme. This provides a personalized service to householders who want to reduce their carbon footprint. The LEP's Energy Efficiency Task Group commissioned a feasibility study for this type of 'able to pay' service in 2005 and the LEP subsequently assisted with developing the prototype.

Furthermore, the LDA has now commissioned a technical and commercial feasibility study for heat off-take from Barking Power Station. This project was initially promoted by the LEP Community Heating Task Group, which facilitated a meeting between key stakeholders.

Building London's skills base

Implementing the targets of the Mayor's Climate Change Action Plan and the revised London Plan requires new skills from a range of professions. To facilitate relevant skills development and training provision, the LEP has established the *Low Carbon Skills for London Forum* with representatives from key stakeholders in the London skills arena. Furthermore, we have been working with the London Development Agency to develop training modules for planners to help them deliver the London Plan energy targets.

Promoting equitable climate change solutions

With rising fuel prices, the number of people in fuel poverty in London has been on the increase, especially vulnerable households with children and pensioners. No single agency can tackle this problem and there is a need for a more coordinated approach across London. The LEP has thus initiated a Fuel Poverty Task Group that aims to become the hub of London-wide action on fuel poverty. The group is now developing a plan for action.

Funding

The LEP is grateful to the Greater London Authority (GLA), the LDA, the Energy Saving Trust and DEFRA for providing funding to help deliver the LEP's activities in 2007-08.

During this financial year, the LEP secured a total of £163k from external sources for projects and to support core funding. The GLA provided an additional £31k project funding, as well as employing the Partnership Manager and hosting the two Project Managers. In-kind contributions have been received from numerous partners. In particular, the LEP chair and Task Group chairs have invested considerable time to help deliver the partnership's activities.

Secretariat

The LEP secretariat saw a complete change in staff during 07-08. Paula Kirk left in June 07, while Suzanne Le Mière moved to the GLA Energy Team. Recruitment of the new team was not completed until December 07, which inevitably resulted in the LEP having to scale down its activities for a few months. Ute Collier, the new Partnership Manager came to the LEP from the Environment Agency. Ross Hudson

moved from Southwark Council to take up the post of project manager, while Simon Evans has joined the LEP as project manager on a one year secondment from Islington Borough Council.

The GLA committed in March 2007 to funding the Partnership Manager post on a permanent basis. The Project Manager posts remain dependent on external project funding and are currently on 12 month contracts running until November and December 08 respectively.

Throughout the year, the LEP secretariat team has worked closely with colleagues from the GLA, the Mayor's Office, LDA and London Climate Change Agency to ensure that the LEP's work is coordinated with other activities of the GLA group and makes an effective contribution to the Mayor's Climate Change Action Plan.

Organisation

Membership

The LEP welcomes membership to the London Energy Forum from organizations and professionals with an interest in London energy matters. Forum Members receive regular newsletters and are invited to attend the Annual Forum event for free. Currently, there are more than 800 members on the Forum database.

Participation in the steering group and task groups is by invitation only. Currently, more than 40 partners are actively involved in the steering group and task groups.

Steering Group

The Steering Group held 3 meetings during 07-08. Steering group members as of May 08 are listed in Appendix 1. Steering group meeting minutes are available on the LEP website.

Task Groups

The LEP work programme has been developed by members and is constantly evolving in response to rapid innovation and the changing policy environment in the field of energy and climate change. To best address this dynamic, the Partnership has established a number of Task Groups to take forward projects and deliver progress towards the Partnership's objectives.

During 07-08 the LEP had 4 active groups:

1. Community Heating/CHP

Chair: Michael King, Associate, Combined Heat and Power Association

Main activities during 07-08:

The group initiated and secured funding for a data gathering and mapping project to identify and support the development of London's heat networks; promoted the establishment of CHP Low Carbon Consultant accreditation through CIBSE; explored marketing and knowledge-sharing opportunities with the GLA and boroughs; organised and undertook knowledge sharing site visits to the Citigen, Natural History Museum and Pimlico CHP schemes.

2. *Low Carbon Skills for London*

Chair: Prof. Tony Day, Professor of Energy Engineering, London South Bank University (until February 08, position currently vacant)

Main activities during 07-08:

The Low Carbon Skills for London Forum came out of the LEP *Skills for a Low Carbon London* report. With a broad range of members with a stake in the 'green skills' arena, the Forum met three times during 07-08, developing terms of reference and its 08-09 work plan. The Forum also enabled stakeholder input in to LSC funded research in to environmental technologies skills sets.

3. *Fuel Poverty*

Chair: Mark Johnson, Operations Director, London Warm Zones (from February 08)

Main activities during 07-08:

Group members initially came together in July 2007 in response to the growing concern about fuel poverty in London. Initial activity was restricted in 07-08 by LEP staffing constraints and the absence of a group chair. Fully launched in February 08, the task group now has a chair, a draft action plan and a work plan for 08-09. The group also worked with National Energy Action to run a London-focused seminar on policy changes and improvements to delivery mechanism for fuel poverty mitigation.

4. *Finance*

Sophie Justice (until January 08), Lorna Shearin (as of January 08), both Director, Royal Bank of Canada

Main activities during 07-08:

The LEP published and disseminated a report prepared by consultants Ernst & Young entitled 'Implementing delivery mechanisms for financing London's low carbon future'. The group then commissioned ESD to work on the further development of a low carbon leasing vehicle financing mechanism to enable the rollout of low carbon / micro-generation technology solutions in London, funded primarily through a Sustainable Development Partnership and Innovation Fund grant from DEFRA. This work began in 07-08 and the research will conclude in early 08-09.

Discussions were also held with key stakeholders about the possible relaunch of Task Groups focusing on Energy Action Areas and Biomass. Decisions about LEP work in these areas will be taken in 08-09.

LEP Projects

Low Carbon Designer

This electronic toolkit will assist London's developers, engineers and architects with the energy analysis of new developments. It allows users to input data to consider energy demand and supply in the context of the Mayor's energy hierarchy. The Toolkit's output reports can inform energy statements and so improve the consistency of planning applications. The first version of the toolkit is undergoing final testing and will be made available at www.lep.org.uk in early summer 2008.

Training for Planners

In this project, the LEP has been supporting the LDA in developing and promoting training sessions for Borough Planning Officers, focusing on sustainable energy solutions. Another aspect is the dissemination to regional and planning bodies of the university and continuing personal development modules developed by the LEP in early 2007. The dissemination work is expected to enhance the role of London as an exemplar city in sustainable planning through the project modules being the basis of similar training in other regions.

Energy Action Areas

A review of the successes and shortcomings of the first phase of the LEP's Energy Action Area (EAA) project was initiated in 2006 and involved interviews with key stakeholders. The current secretariat has brought this to completion with further interviews and facilitated sessions, which also began the scoping of a second phase of EAAs. The review report will be available on the LEP website shortly.

Community Heating networks database

This project will provide a database and maps of London's Community Heating and CHP networks, allowing building designers, developers and planners to consider connecting to and developing London's decentralized heat networks. London South Bank University has won the contract for this work and initial datasets should be available in early summer 2008.

Website and Communication

Over the last 12 months, the LEP website (www.lep.org.uk) received a total of around 7500 visits. The website is updated regularly with news about the LEP and its partners. All LEP publications (see updated list in Appendix 2) are available for download from the site.

Furthermore, some information about the partnership is available on the GLA website (no statistics available).

The secretariat has re-started a regular newsletter, with the first edition circulated to the Forum members in January 2008. The newsletter will be produced on a quarterly basis, featuring news about the partnership, news from partner organisations, London energy stories and information about new funding sources.

Events

Due to staffing constraints, it was not possible to hold a Forum event this financial year (March 07). The next Forum event will take place in City Hall on 3 July 08.

In March 2008, the LEP supported a National Energy Action/DEFRA fuel poverty seminar in London. The event was addressed by LEP chair David Green and the LEP secretariat worked with NEA to ensure the event structure and content was pertinent to London and that key stakeholders were among the audience.

During the year, LEP staff have made a number of presentations to external audiences:

Sustainable Energy Ireland Visit April 07
Financing Renewable Energy Projects event April 07
London Boroughs Energy Group May 07
London Environment Coordinators Forum June 07
City Of Stockholm visit June 07
City of Edinburgh visit June 07
EST regions conference November 07
UK Trade and Investment Energy Briefing February 08

The LEP also hosted the first meeting of the London Energy Advice Centre stakeholder group.

Looking forward to 08-09

During 2008-09, the LEP plans to focus its activities in the following areas:

- Launch of the Low Carbon Designer Toolkit, as well as a woodfuel supply chain report and guide to assist developers and Borough planners meet the targets of the London Plan.
- Completion of phase 1 of the London Community Heating database to help developers identify heat networks they might be able to connect to, thus contributing towards London's 25% decentralized energy target.
- Relaunch of the Energy Action Area Initiative, to showcase the rapid roll out of a variety of low carbon measures in defined low carbon zones.
- Implementation of the Fuel Poverty Task Group Action Plan, working with key delivery agents to reduce the number of people in fuel poverty in London.
- Working with the 'Low Carbon Skills for London Forum' to facilitate skills development and training provision so as to ensure London has the skills capacity to meet the targets set out in the Mayor's Climate Change Action Plan.
- Examining the feasibility of a leasing mechanism to increase the deployment of microgeneration and energy efficiency technologies and accelerate emission reductions, especially in the commercial sector.

A particular challenge will be to secure funding for both core costs and project activities.

Appendix 1:*Members of the LEP Steering Group as of 15 May 08*

| | | |
|------------------------------------|--|---|
| Roger Madelin | Joint Chief Executive | Argent Group plc |
| Wayne Smith | National Business Development Manager | British Gas |
| Keith Horgan | Account Manager | Carbon Trust |
| Michael King | Associate | Combined Heat and Power Association |
| Michael Sozansky | Market Development Manager | EDF Energy |
| Sheila Keating | London Regional Manager | Energy Saving Trust |
| Andy Deacon | Strategy Manager | GLA |
| Shirley Rodrigues | Head of Environment | GLA |
| Penny Bramwell | Head of the Sustainable Development Unit | Government Office for London |
| Lucy Padfield (Vice Chair) | Energy Manager | London Boroughs Energy Group/Islington Borough Council |
| Robert Tudway | Senior Policy Advisor Climate Change Partnership Manager | LDA |
| Ute Collier | Engineering Director | LEP secretariat |
| Paul Yiannouzis (Vice Chair) | | London Climate Change Agency |
| Jared Boow | Policy and Project Manager (Environment) | London Councils |
| Samantha Heath | Director | London Sustainability Exchange |
| Mark Johnson | Operations Director | London Warm Zones |
| tbc | Representative | Mayor's Office |
| Andrew Cooper | Head of On-site Renewables | Renewable Energy Association |
| Lorna Shearin | Director | Royal Bank of Canada Capital Markets |
| Tony Day | Professor of Energy Engineering | South Bank University |
| David Green (Chair) | Chief Executive | UKBCSE |

Appendix 2: Updated list of LEP publications

All publications are available for download from
<http://www.lep.org.uk/library/reports.php>

(January 2008) Implementing Delivery Mechanisms for Financing London's Low Carbon Future

(March 2007) Skills for a Low Carbon Britain

(March 2007) Planning Policy: making it happen - capacity building of planners and others implementing energy Policy in London – project report

(March 2007) London Wind & Biomass study summary report

(February 2007) Making ESCOs Work: Guidance and Advice on Setting Up & Delivering an ESCO

(November 2006) Investing in London's Low Carbon Future: Summary report

(November 2006) London Carbon Scenarios to 2026

(November 2006) Guide to developing an Energy Action Area

(November 2006) Feasibility Study into the Potential for Non-building Integrated Wind and Biomass Plants in London: Final Biomass Report

(October 2006) Guidance Notes for Wind Turbine Site Suitability

(July 2006) Towards zero carbon developments: supportive information for Boroughs.

(January 2006) Feasibility Study into the Potential for non-building integrated Wind and Biomass Plants in London: Wind Study Phase 1: Assessment of Constraints & Opportunities

(January 2006) Feasibility Study into the Potential for Non-building integrated Wind and Biomass Plants in London: Wind Study Phase 2: Site Assessments & Guidance

(June 2005) Final Report: Sustainable Energy Training and Pilot Support Programme for Local Authorities

(September 2004) Integrating renewable energy into new developments: Toolkit for planners, developers and consultants

(September 2004) Skills and Jobs from Renewable Energy Policies and Targets

(September 2004) Renewable Energy in London (series of 5: the role of planners, the role of Councillors, the role of developers, the role of property management companies; and the role of housing association)