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UK CAN CUT GAS DEMAND BY A QUARTER BY 2030

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The energy security plan needs to address two urgent questions at once: how to protect consumers from rising energy costs, and how to halt the flow of money to Russia from importing fossil fuels. Retrofitting the UK's buildings answers both, while supporting the transition to net zero. The UK can cut its gas demand by a quarter and gas imports in half by 2030.

E3G's proposal for a <u>Home Energy Security Plan</u> sets out the steps the government needs to take to secure an 80% cut in the amount of gas we import from Russia this year. Coupled with advancing solar and onshore wind projects already in the planning pipeline, the UK could cut the amount of gas we get from Russia by 100% within a year.

Continuing this trajectory for homes – based on the <u>CCC's Tailwinds scenario</u> – deploying insulation, efficient appliances, heat pumps and clean district heating from now until 2030 would save 25% of final energy demand in homes.

With action to reduce our gas dependence to 2025 across a broader range of sectors, including industry, and by deploying planning-permitted renewables, we could eliminate Russian gas four times over by 2025. Overall, action in buildings – homes, commercial and public buildings – to reduce gas dependency, including electricity savings that reduce the need for gas in electricity generation, can save 18.5 bcm of gas by 2030. This equals 24% of the UK's total demand for gas, and half of its gas imports.

Less current Russian imports (3.2 bcm), this could enable the UK to divert up to 15.3 bcm of its current gas needs to the EU – equivalent to 10% of the EU's current imports of Russian gas. If the EU takes similar action to reduce its gas dependency to 2025, 15.3 bcm could cover 30% of the EU's remaining import needs, which can be met by countries other than Russia without the need to resort to new gas infrastructure.



While challenging, this can be achieved. The imperative is there and tackling energy efficiency in buildings is the solution. We should take inspiration from Ukraine's power engineers: while at war, they were able to <u>unplug from Russia's electricity grid and synchronise with Europe's in a fortnight</u> – a move that was supposed to take a year.

E3G recommendations for the Energy Security Plan

- ► Set a target to reduce UK gas demand by 25% by 2030.
- ► Set out and implement a plan to <u>reduce gas dependency in commercial, public</u> and industrial sectors, and boost home grown renewables.
- ► Implement a <u>Home Energy Security Plan</u> to accelerate investment in reducing our homes' gas dependency, prioritising fuel poor households, by:
- Increasing support for energy efficiency through existing schemes (Home Upgrade Scheme, Local Authority Delivery Scheme, Public Sector and Social Housing Decarbonisation Funds).
- 2. Removing legacy policy costs from power bills and paying for them via the Exchequer.
- 3. Accelerating the take-up of the most efficient appliances.
- 4. Launching a major new public information campaign.
- 5. Expanding the Boiler Upgrade Scheme to speed up the electrification of heat.
- 6. Introducing a comprehensive training offer to fill skills gaps.
- 7. Incentivising energy efficiency by amending the stamp duty system.
- 8. Accelerating the phase-out of gas boilers in new build homes.

About E3G

E3G is an independent European climate change think tank with a global outlook. We work on the frontier of the climate landscape, tackling the barriers and advancing the solutions to a safe climate. Our goal is to translate climate politics, economics and policies into action.

E3G builds broad-based coalitions to deliver a safe climate, working closely with likeminded partners in government, politics, civil society, science, the media, public interest foundations and elsewhere to leverage change. More information is available at www.e3g.org

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