Energy Micro-Briefing

31/10/26-09/11/26

Prepayment

Ofgem has lifted the ban on British Gas agents force-fitting prepayment meters. Ofgem and the government have stated that BG will be under close scrutiny to prevent a repeat of the 2023 prepayment scandal, when vulnerable people were fitted with prepayment meters without regard to their needs or proper attempts to reach a compromise first. This is something we want to keep an eye on. Please let me know if you see any cases cropping up!

Cooling

The DNV consultancy has released a report stating that 'By 2035, cooling alone will be 13% of all electricity demand – double the aggregate demand for either EV charging or AI data centres.' This reaffirms the need discussed in previous EMBs for the government to formulate a plan to ensure that sustainable cooling solutions are the ones that get uptake nationally.

Legislation

The government has brought the Energy Independence Bill before parliament. Elements to be discussed include powers to increase ministerial control of energy crisis responses; better data-sharing on vulnerable households; regulation of the energy markets; £30,000 fines and advertising bans for private rented accommodation breaching efficiency rules; and reorganization of government schemes and funding around energy including the creation of a Warm Homes Agency. If you have time to read over the EIB and want to send me your thoughts, I can make sure they get to our politicians.

Global Energy Markets

Last week, the UAE's Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) saw the CEO of Abu Dhabi National Oil Company (ADNOC), Sultan Al Jaber, state that global oil stockpiles were critically depleted and new storage capacity had to be built to preserve the world from future shocks. Since the beginning of the Iran

war, over a billion barrels have been released from global inventories, leaving around 6 billion, of which, according to Saudi Aramco CEO Amin Nasser, 'Only 10% or less is available' in practice. These are of course petrostate oil executives with a vested interest in insuring strong support for and investment in their industry; Oil prices are falling and JPMorgan now estimates that the global oil market is returning to surplus as the war in Iran seems to stabilize following the US mid-terms. Nevertheless, the concerns of ADIPEC and ADNOC indicate a real fragility in fossil-fuel dominated global energy markets at the moment, even if recovery is forthcoming.

Environment and Climate Change

In last week's response to the budget, I noted that the government's plan to make Britain more friendly to AI data centre construction risked undermining its energy affordability and climate ambitions. Now the BBC is reporting on several newly planned data centres planning to use in-house gas-fired power plants until they can connect to the grid. If this path is taken, not only will these still drive household bills up, by increasing the price of gas (which provides ~59% of our electricity generation), they will also produce substantial greenhouse gas emissions and local pollution.

Research

A running theme this week is sponsored research papers not being linked in articles announcing their results, making it impossible for me to check their methodology. Polling by Survation conducted on behalf of the End Fuel Poverty Coalition has found that '42% of the public believe the level of profits that have been made by the energy industry since 2020 are completely unacceptable, with 17% saying they are fairly unacceptable. Just 5% believe that the profits are completely acceptable with 13% saying they are fairly acceptable. … Opposition to these profits cuts across all political persuasions. 54% of the public who say they will consider voting Reform at the next general election believe the profits are unacceptable as do 59% of people tempted to vote Conservative. 57% of those who would consider voting Labour thought the profits unacceptable as well as 63% of those considering the Lib Dems, 50% of possible Green voters, 49% of Restore supporters and 54% supporting other parties.' The fact that opposition to energy company profits is second-lowest

amongst the ‘eco-populist’ Greens makes me question these numbers, but alas, I can’t check the methodology.
Meanwhile, a survey by Liquid Gas UK has found that ‘Four in five rural off-grid homeowners fear EPC reforms could mean replacing heating systems unnecessarily’, or possibly that ‘Four in five rural off-grid property owners would be concerned if improving their Energy Performance Certificate (EPC) meant changing to a heating system that might not suit their home’, depending on which bit of the announcing article one reads. These do of course mean different things, and it’s clear that ‘the Trade Association for the LPG and bioLPG industry in the UK’ has a vested interest in opposing new EPC reforms under which ‘homes heated mainly by oil or LPG would not achieve a C on the new Heating System rating’. What *is* of interest is the point that ‘Of the 100 homeowners polled, 54% of polling respondents said they could afford less than £2,500 towards EPC-related improvements, while 24% could afford nothing.’ This is a small sample size, but does raise a genuine issue with the costs of energy efficiency for off-grid households. There are many of these in City of Lancaster - as many as 95% of all households in its southernmost two Lower layer Super-Output Areas (LSOAs), 1000-3000-person areas used for statistical measurement.

What I’ve been up to

For one thing, I’ve started on my new work on the closing end of the Advice Matters project! But on energy… On Thursday evening, I had the opportunity to talk to Greenpeace Lancaster about my upcoming research project on the impacts of climate change in the district, which was well-received and inspired lots of useful questions that can point the way for further research. Of particular interest was a discussion I had afterwards about the disproportionate risks disabled people face from heating, storms, and flooding. This is a hard subject to get BEFs for given its worst impacts are in the future, but if you encounter any cases around disabled (or otherwise vulnerable!) people struggling with extreme weather I’d love to hear them.