Power to the People: Engagement Matters

Everyone uses energy. It underpins the health and wellbeing of our nation, helping people to stay warm, safe, and comfortable. It powers our homes, schools, hospitals and businesses and drives our economy. It's how we stay connected, both physically and virtually.

The UK has led the world when it comes to tackling the amount of carbon we emit – and we should be proud of our progress. Emissions have reduced by almost half since 1990, and at the same time the economy has grown 75%.[1] Rapid decarbonisation in the power sector has enabled our success, but to continue to move forward and meet our Net Zero target we need to take the next big step - and transform the relationship people across the country have with energy.

The next phase of the energy transition will need to involve, and work for, ordinary people. It should improve and change homes, communities, and businesses across the country for the better. The transition to clean, sustainable energy sources is not just a matter of environmental responsibility; it's an opportunity for innovation, progress and improved lives.

Net Zero won't be possible without significant, potentially disruptive infrastructure - new pylons, wind farms, solar panels, and nuclear power plants. It will mean adopting new technologies and services that may seem unfamiliar at first, but will soon become a part of daily lives.

The next Government must work with industry and wider society to instigate a national conversation about how we make the transition work for all: navigating the challenges it brings and ensuring people have access to the right information, advice, and support throughout.

82% of people are concerned about climate change.[2] But it is clear that they need help and support to make the right decisions for where they live, their families and lifestyles. Homes, businesses and other buildings all need an upgrade:

- **97% less loft and cavity wall insulation was installed in 2021 than in 2012.[3]** The cheapest unit of energy is the unit that does not get used. Global, volatile energy prices highlight the potential, and urgency of improving the efficiency of homes and buildings across the country.
- **45% of gas and electricity meters are not smart.[4]** Digitisation is the backbone of a modern, efficient energy system. Without it people cannot take advantage of automation and responding to price signals – so that they can use more low carbon energy when it is plentiful, cheap and clean.
- **17% of the UK's total emissions output is from home heating[5] and around 90% of homes are heated from fossil fuels.[6]** Moving away from gas heating will not only help reduce energy bills in the long term, it's essential that we decarbonise heating in order to achieve the Government's target of a 15% reduction in energy consumption of buildings and industry by 2030, and Net Zero carbon emissions by 2050.

In an era of high and increasingly volatile energy prices, the revolution in low-carbon energy is the long-term solution. New technologies mean that people can take advantage of energy when it is cheapest and cleanest, with the help of a modern, smart grid. From batteries and heat pumps to electric cars and smart appliances — we will transform the very nature of energy demand. Rethinking the current retail market arrangements will be key to unlocking the potential for positive change, making things fairer, improving quality of life for people today and for future generations.

The next Government will need to oversee a huge but positive change. More choice for customers through smarter technologies and a market where energy companies can compete on building trust and innovative services, as well as on price. Together, we can build a new, better relationship between people and the energy system they rely on.

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[1] Powering our Net Zero Future (Department for Business, Energy and Industrial Strategy, 2020)
[2] DESNZ Public Attitudes Tracker – Summer 2023 (DESNZ, 2023)
[3] Analysis: Cutting the 'green crap' has added £2.5bn to UK energy bills (Carbon Brief, 2022)
[4] Smart Meter Statistics in Great Britain: Quarterly Report to end December 2022 (DESNZ 2023)
[5] The Sixth Carbon Budget, Buildings (Climate Change Committee, 2020)
[6] British energy security strategy (HM Gov, 2022)