



On Wednesday January 18 we hosted a live webchat with Energy Secretary Chris Huhne. Below is the transcript of the chat.

2:15  Afternoon all, we're getting ready to put your energy questions to Energy Secretary Chris Huhne. He'll be with us from 2:30, so please add your question in the box below.

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2:17 Comment From Steven Heath

The rapid transition from a primarily loft and cavity wall subsidy to a self-funding regime, with a subsidy focused on solid wall insulation will result in a steep decline in the take up of simple and cost-effective energy efficiency measures, leaving millions of homes under-protected. Such an immediate decline would be catastrophic, hitting capacity to an extent that risks the successful delivery of the Green Deal – surely the introduction of a 5 year period for the change from loft and cavity wall insulation to solid wall insulation would allow for a measured transition. Could Chris Huhne explain why this has not been considered within the Green Deal?

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2:17 Comment From Guest

Carbon Reduction Initiative (East), Bruce Pittingale: DECC figures show they expect loft insulation jobs to fall by 93% and cavity wall insulation to fall by 67% on the introduction of Green Deal, Greg Barker says watch out for solid wall insulation, which is planned to grow! What are you going to do about the millions that have yet to carry out the basic insulation measures?

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2:20 Comment From Friends of the Earth

The Big Six energy companies have left Britain dependent on gas-fired power and spiking gas prices have left us struggling with yoyo'ing bills. Yet you're granting permission for way more new gas power stations than we need. Why?

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2:23 Comment From David Ramsay

I understand that it is expected that a total of £18 billion will be saved and there will be an outlay to implement smart meters of about £11BN. Given the size and complexity of this rollout is the Minister prepared to publish the detailed business case for this because frankly I think it is hogwash and requires independent scrutiny?

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2:28 Comment From Ann West

Family finances are stretched to pay last year's electricity bills let alone this year's - how can you possibly justify consumers having to pay windfarm developers millions to stop generating electricity when the grid can't cope with the load?

 Share

2:28 Comment From Gemma Bowen of Consumer F

Given that many people who live as permanent park home residents do not have a direct contractual relationship with the supplier of energy to their park, how will Mr Huhne ensure that all residents have access to energy efficiency measures in the future?

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2:28 Comment From Michael Stiff


Chris I am interested to know how the government intends to advertise the Green Deal due to commence in October this year to the consumer in the UK. I am worried that there is a lack of awareness in the scheme amongst the general public which may lead to its failure.

 Share

2:29 Comment From Shaun

When are you going to get tougher on Energy companies inflating prices by massive amounts but only reducing them by a small fraction?

 Share


2:30  Thanks for all of your questions - we've got lots coming in! The Secretary of State will be with us soon, and there's a nice range of topics to discuss already.

 Share


2:32 Comment From George Lindsay

When will DECC release the report detailing the real cost increases associated with our (virtually unilateral) mad rush to green energy? I believe that these costs are extremely damaging to the UK economy especially when the impact will have an unmeasurable impact on worldwide carbon emissions!

 Share

2:34  Chris Huhne has just arrived and is answering the first question - lots coming in so we'll be very busy!

 Share

2:35  Hi George Lindsay. We produce a very detailed estimate in the annual energy statement and are committed to doing so every year. We have nothing to hide on this. The bill impact of our policies we estimate to be a reduction of 7 per cent in 2020 thanks to energy saving outweighing the increased price impact, but this benefit depends of course on what you think the oil and gas price will be. The higher the oil and gas price, the better our policies will be for british consumers.

 Share

2:36 Comment From Tom Lloyd

Social landlords are being excluded from the affordable warmth element of the Energy Company Obligation and have little to gain from the hard to treat allocation. Isn't this a missed opportunity to help housing providers address fuel poverty in some of the most vulnerable households in the country?

 Share

2:41



Hi Shaun. We have been getting tough. For example, we have insisted that energy companies tell you before they put their prices up (when amazingly they used to be able to put up prices and then tell you). We are making it easier to compare tariffs through Ofgem's insistence on reducing the number of tariffs now at 400 or so. We have made it quicker to switch with a three week time limit. And we keep encouraging people to shop around because Ofgem reckons that you can save £200 a year. And we want people to take advantage of the loft and cavity wall insulation offers so we heat our homes and not the atmosphere. In the longer run, we are encouraging more competition in the market by making it easier for small suppliers (we have for example increased the number of customers they can take on before they have to contribute to some of the Decc schemes). Our electricity market reform is also designed to bring in new investors, and we are working with Ofgem to ensure that the wholesale market is completely open and transparent as a lot of small companies worry that the market could be rigged against them.

 Share

2:41

Comment From thinkinsulation

Insulating a home is one of the most effective ways of making a property more energy efficient and reducing fuel bills. What will the Government do to help encourage homeowners to take-up Green Deal funding early on?

 Share

2:42

Comment From David Street

I would be interested to know how the government actually intends to roll out Green Deal with involvement from SME's. There is little or no information about how to engage in the process at this point, the big players are clearly positioning themselves to be involved. I agree public awareness will need to be increased, but ultimately this needs to provide an opportunity for growth in a sector not just provide big players with the ability to increase their profits.

 Share

2:43



Hi Michael Stiff. Good point on the Green Deal, but remember that we are still in the design stages of the scheme with the Green Deal and Eco consultation closing only today. We will now produce the statutory instruments (based on last year's Energy Act). When we come to launch, we have a special fund of £200 million announced by the Chancellor to support the new scheme and that will help spread the word. We are also working with the potential suppliers to make consumers aware.

 Share

2:47



Hi there Friends of the Earth. We can't get from one side of the Grand Canyon to the other in a single jump - it takes time to do it safely! We have to decarbonise the electricity system substantially by the 2030s, and there is bound to be a short term role for unabated gas in the interim just because so much of our old plant is coming off line (about a fifth). And remember that gas saves about half of the carbon compared with burning coal. In the long term, we should be able to use gas to generate electricity safely with carbon capture and storage - taking the CO₂ and storing it safely - and that is worth bearing in mind too.

 Share

2:47 Comment From E2B Pulse

The government's appeal against a High Court Ruling over proposed cuts to solar Feed-in Tariffs has been deemed "unlikely" to succeed. Instead of risking further conflict, should the government not just accept the legal ruling and re-engage with the solar industry to support what was a thriving industry? Can you confirm that the government will stick to the 21p rate?

 Share

2:48 Comment From JimBarrie

A good way to help people cut down on their energy bills would be to not bring the solar pv industry to a shuddering halt with an ill conceived slashing of the feed in tariff wouldn't it?

 Share

2:48 Comment From Mary

In BusinessGreen today DECC was quoted as confirming by email to the editor that the feed-in tariff would not go below 21p for installations made between 12.12.11 and 31.03.12 - when will DECC make an official statement to confirm this please?

 Share

2:49



Hi David Ramsay. On smart metres, we have published the economic impact assessment and indeed updated ones. So the details of those calculations are out on the website. Happy to field any particular points if you are still unconvinced when you have read them. In fact, I do wish more researchers would come in to Decc and talk to our economists before putting out fruitcake forecasts.

 Share

2:52



Hi Ann. When the wind is very high, there is sometimes a safety case for switch off but this does not undermine the case for turbines any more than someone falling off a ladder means we should stop using ladders. All forms of generation get constraint payments at different times when the National Grid has to balance out supply and demand, simply because sometimes things cannot be switched on and off quickly enough (for example to cope with the kettle surge in the Coronation Street ad break). We are also working to reduce the need for this with better forecasting and IT systems.

 Share

2:53 Comment From Simon

Now that Obama's Jobs Council has called for an "all-in approach", which includes expanded oil and gas drilling and new pipelines, and that the US gas prices have halved because of the utilisation of shale gas, when will the UK see the same benefits from reduces gas prices and families removed from fuel poverty by giving shale gas the go-ahead?

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2:53 Comment From Karolin Schaps

Bulgaria today voted to ban shale gas fracking due to environmental concerns. Will the UK ban shale gas fracking too seeing it can be linked to tremors measured near drilling sites?

 Share

2:53 Comment From Martin

You clearly are not taking account of the forecast substantial drop in gas prices predicted when shale gas kicks in. Apparently there are vast reserves under the UK which could make us self sufficient and even a net exporter. In these tough times shouldn't you be focusing on this to rescue the economy instead of relying on useless windfarms!

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2:55 Comment From Chris

Is there any way in which companies can be forced to write on the bottom of their bills whether their tariff is cheaper with another company?

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2:56 Comment From John Altamura

Can you tell me, how effective do you think this Big Energy Week campaign will be? I think if people knew how easy it was to save money using switching websites rather than having to speak to sales people, they would feel more comfortable with switching and saving themselves money, knowing they weren't being ripped off. Moving on from Big Energy Week, what can be done to show people just how much they can help themselves with their energy bills?

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2:57



Here's to E2B Pulse, JimBarrie and Mary, the key point about the cuts in the solar feed-in tariff is the dramatic fall in the price of panels mainly due to the enormous new production facilities in China. These came on stream in the last year, and the impact may not have ended, boosting the value of the tariffs. We had to act quickly to ensure that the scheme is stable in the long run, and not doing so would have led to a worse boom followed by a worse bust. We have consulted on 21 pence as a tariff, and we will not be fall below the proposed levels for systems with an eligibility date between 12th December and 31st March.

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3:02



Chris Huhne answers your questions

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3:03

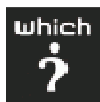


Responding to Simon, Karolin Schaps and Martin on shale gas. First, if shale comes on stream in big quantities it MAY lead to price cuts, but the consensus is still that it will only offset some of the impact of the big increase in world demand due to far east catch up (with very high growth feeding through to gas demand) and the switch in big economies like Germany, Italy and Japan from nuclear to other generating sources including gas. Not a single roast dinner has yet been cooked in the UK with shale gas, so let's wait a little longer to see what the real impact may be.

There are worries, of course, about the exploitation of shale gas largely centred on the potential for the fracking process - the pumping of chemicals and water into the well to break up the rock and release the gas - to contaminate water tables. This appears to have happened in parts of the US, but this may be due to old oil and gas works before proper environmental controls. It may also be due to the exemption of the shale gas industry from the US Clean Water Act. We will DEFINITELY NOT exempt the industry from any environmental regulation, and indeed they do not want to be exempted because of the potential public problems if they were. So a lot of the more extreme problems reported from the US - including the over-estimated ability of some householders to set fire to the water coming out of their kitchen taps - will not happen here.



3:05



Thanks so much for all your questions. So far we've had questions on smart meters, the 'big six', shale gas and the solar feed-in tariff. There are lots more in the queue and we'll try to get through as many as possible.



3:06



If you've just joined us and you want to see what's happened so far, scroll to the bottom of the live Q&A to see what's already been asked.



3:06



Hi Gemma Bowen of Consumer Focus. About a quarter of a million people live in Park homes (if I remember rightly) and I think they get a raw deal far too often, particularly where they are forced to buy their energy through the site owner. We are working to see what can be done to help, and to ensure that Park Home owners can install Green Deal measures. Another issue is how to measure the energy use and the potential savings, and we are looking at that too. More broadly, I want us to look not just at energy but at the whole broader issue of Park Home residents' rights. They have too often been the Cinderellas of our housing.





3:08

Comment From Guest

Good to have clarity on FITs from now to 31st March, even if it is much overdue. Can you now say if you will table regulations so the cut to 21p can come as soon as possible - even if you lose in court. Then the 40 day period could start counting down now.



3:09  Hi Tom Lloyd. I just don't agree that social landlords have little to gain from the hard to treat allocation, as our figures show that there are similar amounts (proportionally) of solid wall homes in the social housing sector as elsewhere. Because most social homes are now up to decent homes standard, it makes sense to concentrate affordable warmth where the biggest problems are.


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3:11 Comment From colin
why when energy prices are going up are all the energy companys doing away the domestic care tarrifs for poeple in fuel poverty.

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3:12 Comment From repealtheact
Plans for a massive expansion of renewable energy will cost families an average of £400 a year each, a report warned. Are you just misleading the public about the costs of Green energy?

 Share

3:13  Hi John Altamura. No! I hope it is going to be very effective, but we have to just go on working to spread the word about the chances people have to get a grip on energy bills by checking that they are with the cheapest tariff, switching if not, and taking advantage of the insulation offers out there. Nearly 120 events have been organised across the country as part of Big Energy Week, and I was really impressed by the advisers at the Westfield shopping centre in Shepherds Bush, London and what they could do to help. For example, one of the problems is those people - often elderly - who can't access the internet, and uswitch are offering a service where they can send in a copy of their recent energy bill and get back information by post on whether there is a cheaper supplier. But the fact is that only about 15 per cent of us check and switch every year, which is way lower than a lot of much less expensive purchases. If people realised how much they could save, I am sure they would do much more and we are trying to make the whole experience as painless and easy as possible.


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3:15 Comment From Laura Evans
Hi - Will all communities benefit from the Green Deal? and how will the government ensure that all households will benefit from the £14bn of private sector investment that is available for improvements and insulation? What role with local authorities play in this?


 Share

3:15 Comment From Laura
Are you looking into how the 'big 6' are incentivised for energy efficiency, it seems like the CERT targets aren't enough to really push consumption lower? Ultimately if a supply company makes more money the more gas that flows, why would they push energy efficiency first?


 Share

3:17  Just to let you know, there's only 15 minutes left of the webchat. We're trying to get through as many questions as possible, and make sure we touch on all of the topics raised. But I'm afraid if you haven't yet asked your question there might not be time to answer it.


 Share

3:18  Hi Chris. We could do that, and it is one idea that we and Ofgem are looking at as it would make it a lot easier! Not surprisingly, the energy companies do not like the idea of advertising a rival's cheaper tariff and there is a real practical issue about whether companies would know another company's best deal, and whether it would be liable if it got it wrong. We are working more broadly on better billing, and on making it easier for people who really do not like comparing to get a trusted third party to take control and switch for them.


 Share

3:22  Here's to repeal the act, this is nonsense on stilts. There is no such increase in the cost to families, but what there are is a load of rather silly think tanks trying to differentiate themselves in a crowded market by coming up with wild and woolly estimates to get headlines in the Daily Mail and the Daily Telegraph. They would save an awful lot of people some high blood pressure moments if their so-called economists bothered to pop in to Decc and get put right on some elementary A-level howlers. All our figures are there to see on the website, and we are committed to updating them every year. We have **SAVED** families money compared with the last government by removing the levies for carbon capture and storage and the renewable heat incentive. Overall, the impact of our policies on bills in 2020 is estimated to **CUT** bills by 7 per cent.


 Share

3:25  Hi Colin! Give credit where it is due, because we have replaced the old voluntary discounts with a statutory scheme which represents a substantial **INCREASE** in the money going to help priority groups in fuel poverty, in particular some 600,000 pensioners on pensioner credit will get a £120 discount. We are also going to tackle the causes of fuel poverty through the Green Deal, so that this is not just ameliorating the problem through discounts but dealing with it at its roots.


 Share

3:27  It's very nearly 3:30 so we'll have to wrap up soon. Chris Huhne will squeeze in a couple more answers before the end.


 Share

3:28  Great question Laura. I only wish we could come up with the holy grail, which would be a way for energy companies to make MORE money the LESS energy they sold. This is the great Negawatts (not Megawatts) concept from Amory Lovins. We are working on it in the context of the electricity market reform, but no-one has cracked it yet and the fallback is regulation like CERT which requires particular behaviour of the companies. Eco will replace CERT and will be a big step forward.


 Share

3:31  Hi Laura Evans. Our aim is that literally everyone should be able to benefit from Green Deal (unless of course their home has been recently built to a very high initial energy saving standard). It is a whole-house refit scheme so everyone will be able to get a survey, see what the recommended measures are, and decide whether to proceed to instal them with the payback from the savings on the energy bill. In practise, there will be some more difficult places and with such a new pioneering scheme we will have to work on sorting out the gremlins: for example, in a block of flats there may be great benefits, but what if a small minority of tenants or leaseholders can't be bothered and block it? But in principle it should be able to bring our housing stock up to modern energy efficiency standards and equip us for the low carbon future in 2050.

 Share

3:32  Hi everyone! Thanks very much for all your questions and I'm sorry I have to go now. With best wishes for very small energy bills!

 Share

3:33  And thank you from Which? - it's been a great opportunity to host this debate. We're closing comments now, but if you'd like to join in the debate about energy in the UK, join us on Which?Conversation: <http://bit.ly/zuk04J> or find out more about Big Energy Week at www.bigenergyweek.org.uk