

**Combined Heat and Power Association
Press Release**

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Tory 'Quality of Life' Report Breathes Fresh Life into the Energy Debate

The Conservative Party's Quality of Life Policy Group's report is published today, 13 September, reigniting the debate on how best to meet the challenge of securing sustainable, low carbon energy supplies for our future.

Graham Meeks, Director of the Combined Heat and Power Association, today welcomed the publication of the

"The Commission has taken an honest and objective look at our current low-carbon energy policies and has recognised that in many respects existing approaches simply don't work.

"Facing a situation today, when the next generation of power stations will be as wasteful as the last by dumping huge amounts of valuable heat to the atmosphere, it is clear that we need a rethink. In setting out a strategic approach that embraces a broad spectrum of low-carbon technologies and resists the temptation to pick winners, the Commission's paper provides that opportunity.

"And by addressing heat as a central element of our nation's energy supply, the report represents a radical departure from previous policy reviews. The comprehensive proposals for encouraging the development of low-carbon heat supplies, from microCHP to district heating and large-scale heat capture projects, have the potential to deliver major efficiency gains and unlock massive carbon savings.

"The Association welcomes this report. At a time when our energy policy still has too many holes, it provides many elements of the strategy we need to tackle climate change on a broader and more effective front."

The Quality of Life Group's report includes proposals to:

- introduce a waste heat levy for all power stations, to encourage the efficient use of this waste heat;
- introduce a 'feed-in tariff' for microgeneration, with reduced council tax and business rates for those using microCHP;
- strengthen the incentives provided by the EU's Emissions Trading Scheme, by supporting the market price for carbon through a climate change levy and proposing auctioning of all carbon credits;
- give local authorities a key role in tackling climate change, by developing local energy strategies for heating.

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Notes for Editors

1. Combined Heat and Power (CHP) or cogeneration is one of the key technologies identified by UK and European governments as playing a lead role in efforts to tackle climate change and enhance our energy security. By utilising the heat rejected from the process of power generation, CHP is able to deliver significant cuts in carbon emissions relative to conventional arrangements for the supply of heat, cooling and electricity. Today in the UK CHP is delivering around 5 million tonnes of carbon savings and meeting 7% of our electricity needs, with the potential to more than double this contribution with the right policies in place.
2. The Combined Heat and Power Association is one of the leading industry bodies active in the sustainable and clean energy sector. The Association is a representative body supported by member subscription. It has over 50 members active across a range of technologies and markets, from microCHP to major utility-scale energy plants serving industrial processes and city-wide district heating systems. Our aim is to support our members' interests through the development and maintenance of positive market conditions for CHP.
3. The Quality of Life Policy Group, chaired by John Gummer and Zac Goldsmith, will publish its final report on Thursday 13 September at the Royal Institute of British Architects. The report can be downloaded from <http://www.qualityoflifechallenge.com/>.