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Written evidence for the UK Environmental Audit Committee's inquiry, technological innovations and climate change: community energy

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Abstract

Government should support the creation of a regulatory sandbox for community energy groups as this will produce greater innovation and ultimately lead to new energy services and markets for the UK. The regulatory sandbox is a tool being used by governments across the world enabling for experimentation with new business models within a contained environment (i.e. limited timeframe and number of participants), under supervision of a government body/agency. The results of the sandbox help inform policymakers on new developments in innovation and how regulation can be adapted to enable new business models.

Broad citizen engagement with the energy system is limited by the UK's current reliance on the supplier hub model. Given the potential for inequity and the need to facilitate citizen engagement in the energy transition, Government should commission a joint review by Ofgem, BEIS, MHCLG and CMA on how collective self-consumption (where local groups share locally generated renewable energy amongst themselves) can deliver consumer engagement and protection in a transitioning energy system and identify the associated regulatory constraints.

Keywords: Energy transition, UK government, Community energy.relationships