



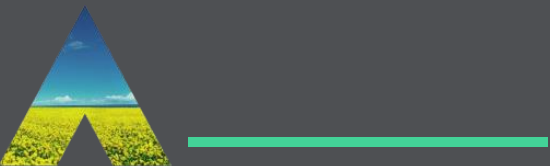
Wood Heat Forum Member Meeting

20th August 2024



REA Competition Law Policy

- REA's compliance with all aspects of UK Competition Law applies to all activities of REA including its subsidiaries Member Forums, committees, working groups, technical groups, and sub-groups and any other such meeting:
 - Members are not permitted to discuss competitively sensitive information, or to use REA as a conduit for such discussions
 - Competitively sensitive information covers any non-public strategic information about a business's commercial policy. It includes, but is not limited to, future pricing and output plans
 - Please note this session is being recorded for note taking purposes.



Agenda

| Time | Topic | Speaker |
|--------------------|--|--|
| 14:30-14:35 | Welcome and Introductions | REA Team / Terence McCracken |
| 14:35-14:40 | Introduction from our new CEO | Trevor Hutchings |
| 14:40-14:55 | BUS Update | DESNZ – Michael Shea |
| 14:55-15:15 | Scotland Update | Scottish Government – Lorna Orr, Peter Jenkins |
| 15:15-15:35 | Political Update | REA - RM, KR, MS |
| 15:35-15:50 | Updates on other REA work: Ofgem, Metering, HABMS, Welsh Heat Strategy, Air Quality, Sustainability, EUDR, consultations | REA – PA and MS |
| 15:50-15:55 | Wood Heat Conference | REA and Terence McCracken |
| 15:55-16:00 | Questions, Other Events & Thanks | |



Introduction from our new CEO



Trevor Hutchings, REA CEO



Guest Speaker

Boiler Upgrade Scheme (BUS) update

Guest Speaker: DESNZ, Michael Shea



Department for
Energy Security
& Net Zero



Guest Speaker

Scotland – New Build Heat Standard review update

Guest Speakers: Scottish Government – Lorna Orr and Peter Jenkins



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Scottish Government update – New Build Heat Standard and Bioenergy

REA Wood Heat Forum

August 2024

2024HeatStandard@gov.scot



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New Build Heat Standard: highlights

- NBHS prohibits the use of direct emissions heating across all new buildings and limited conversions with some exceptions –
 - heat networks,
 - **emergency back-up** and,
 - as part of conversions (if not feasible)
- Passed by the Local Government, Housing and Planning Committee on 12 September 2023
- In force for building warrants applied for on or after 1 April 2024 and does not apply retrospectively
- Possibility of dispensation in rare circumstances where compliance is not feasible

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCOTTISH STATUTORY INSTRUMENTS

2023 No. 177

BUILDING AND BUILDINGS

The Building (Scotland) Amendment Regulations 2023

| | | | | |
|-------------------------------------|---|---|---|----------------|
| Made | - | - | - | 6th June 2023 |
| Laid before the Scottish Parliament | - | - | - | 8th June 2023 |
| Coming into force | - | - | - | 1st April 2024 |

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 1 and 54(2) and schedule 1 of the Building (Scotland) Act 2003(1), and all other powers enabling them to do so.

In accordance with section 1(2) of that Act they have consulted with such persons as appear to them to be representative of the interests concerned.

Citation and commencement

1. These Regulations may be cited as the Building (Scotland) Amendment Regulations 2023 and come into force on 1 April 2024.

Amendment of the Building (Scotland) Regulations 2004

2. Subject to regulation 6, the Building (Scotland) Regulations 2004(2) are amended in accordance with regulations 3 to 5.

Amendment of regulation 2 - interpretation

3. In regulation 2(1) (interpretation)—

(a) for the definition of “direct emission heating system” substitute—

““direct emission heating system”, in relation to a building, means a fixed combustion appliance installation (other than a fixed combustion appliance installation which is a source of production from which thermal energy is distributed by a heat network) the purpose of which is to produce thermal energy by which space

(1) 2003 asp 8. Section 1 was amended by section 6(2) of the Public Services Reform (Scotland) Act 2010 (asp 8). Paragraph 5(2) of schedule 1 was amended by S.S.I. 2014/364.



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- **Consultation** – two consultations in the period 2019 – 2022
- **Engagement** – significant stakeholder engagement during consultation period – external working group, six online workshops, 12 industry interviews
- **Impact assessments** - Island Communities Impact Assessment, BRIA, EQIA
- **Research** – emissions from different technologies, island-specific clean heat considerations, use of hydrogen, use of clean heat in affordable housing
- **Building capacity** – skills and supply chain engagement, Affordable Housing Supply Programme funding



Review: Key principles – any amendment to the regulations needs to:

- Address concerns on the resilience of communities during periods of extreme weather
- Maximise the level of emission reductions from new buildings
- Deliver the best outcomes for human health and the environment
- Respect cultural practices where appropriate

| Step | Purpose |
|---|--|
| 1. Review of previous consultation responses, research, and engagement notes | To identify specific concerns previously raised, and whether any solutions to the issues were identified. |
| 2. Workshops and individual stakeholder engagement (including with local authority building standards officers) | Gather feedback post-implementation and discuss possible regulatory amendments identified in step 1 above. |
| 3. Amended position drafted | Including internal clearance and Ministerial processes |
| 4. Amendment of regulations and associated Parliamentary process – e.g. Committee sessions | Updated regulations based on the above (as soon as possible post-recess) |
| 5. Publication of amended technical handbooks | Clarification of new position |

- draft Bioenergy Policy Statement – consultation closed in June
- It sought views on priorities and principles for the use of bioenergy, as well as views on the potential to scale up domestic production of biomass via planting of perennial energy crops
- 58 responses from both individuals and organisations across the sector
- Responses currently being analysed and we may look to further engage with the sector in the subsequent months to confirm our interpretation of the data

Draft Bioenergy Policy Statement

March 2024



Political update

The Labour government will have been in power for nearly two months by the time parliament returns on 2 September. In this time we have seen a King's Speech, a major statement on the public finances, an overhaul of the planning system, and of course the wider announcements across renewables including CfD pots, GB Energy, solar farms, etc.

30th July – 2nd Sep: Summer Recess

12th Sep – 7th Oct: Conference Recess

30th Oct: Budget and spending review

2nd Nov: Conservative party members vote for new leader

Conferences:

14th – 17th Sep: Liberal Democrat, Brighton

22nd – 25th Sep: Labour, Liverpool

29th Sep – 2nd Oct: Conservative, Birmingham



DESNZ Ministerial Team



Ed Miliband MP
Secretary of State for Energy Security and Net Zero

- Overall responsibility for the Department
- Owner of Government's "Clean Power by 2030" mission
- Formerly held the equivalent role in government 2008-10



Sarah Jones MP
Minister of State (joint DESNZ and DBT)

- Minister for Industry
- Role held between DESNZ and DBT
- Responsibilities include green finance, CCUS, and industrial decarbonisation



Lord Hunt of Kings Heath
Minister of State (Lords)

- Former DECC minister 2008-10
- Responsibilities include nuclear, and individual planning decisions



Kerry McCarthy MP
Parliamentary Under-Secretary of State

- Minister for Climate
- Responsibilities include international climate and energy policy, carbon budgets, and Net Zero Strategy



Miatta Fahnbulleh MP
Parliamentary Under-Secretary of State

- Minister for Energy Consumers
- Responsibilities include Warm Homes Plan, clean heat (including BUS) and heat networks



Michael Shanks MP
Parliamentary Under-Secretary of State

- Minister for Energy
- Responsibilities include GB Energy, renewables and biomass, and REMA
- Spoke with Trevor Hutchings soon after appointment



Other relevant appointments



Rachel Reeves MP

Chancellor of the Exchequer - HMT

- Overall responsibility for HM Treasury
- Shadow Chancellor 2021-24
- Coined 'securonomics' – belief in a stronger state for a more resilient economy



Angela Rayner MP

Deputy Prime Minister

Housing, Communities and Local Government Secretary - MHCLG

- Deputy Leader of the Party, second in command to the Prime Minister
- Overall responsibility for MHCLG policy
- Also responsible for “New Deal for Workers’ Rights”



Darren Jones MP

Chief Secretary to the Treasury – HMT

- Responsibilities include spending reviews, infrastructure spending, planning and skills policy



General Election: What has the REA done?

- During the election we analysed and responded publicly to the main parties' manifestos.
- We published and circulated widely our [First 100 Days action plan](#), spanning our Strategic Pillars.
- We have published [messaging against common anti-Net Zero arguments](#).
- We have analysed and responded publicly to the Government's legislative programme as set out in the King's Speech.
- We have released a series of technology specific blogs and policy papers.
- We will continue to organise site visits on your behalf for Ministers and local MPs.



REA Post Election activities

- We have written to all the relevant Ministers and special advisors, reintroducing the REA and our members.
- We have spoken to Minister Shanks and several senior civil servants at DESNZ and Defra to set out our priorities and understand how to support their objectives.
- We have re-appointed Chairs of our APPGs.
- We have written a template letter to MPs you can use as an engagement tool.



EA activities (cont.)

Labour party conference

- We are attending Labour party conference and hosting a large event with other trade associations in the energy sector in the secure zone. Please get in touch with us with your conference plans, we'd be delighted to see you there.

Site visits

- We can lead in organising visits from relevant ministers and local MPs to your offices / sites / plants / facilities. Please get in touch with us if this is of interest.

Contact us

Rollo Maschietto – rmaschietto@r-e-a.net

Kishan Rana – krana@r-e-a.net



Government Updates continued

❖ What Labour has said on heat so far ...

Heating and Cooling in the Labour Manifesto

- Extra £6.6 billion over the next parliament to **upgrade five million homes**
- **Warm Homes Plan** will offer grants and low interest loans to support investment in insulation and other improvements such as solar panels, batteries and low carbon heating to cut bills.
- Work with the **private sector**, including banks and building societies, to accelerate home upgrades and low carbon heating.
- Take steps to ensure we are **building more high-quality, well-designed, and sustainable homes**

❖ Our understanding of Labour's position on Bioenergy and Biomass

❖ Horizon scanning – what else are we waiting on?

- Cross Sectoral Bioenergy Sustainability Framework Consultation
- Future Homes and Building Standards Consultation
- Future policy plans on industrial decarbonisation, heat networks and domestic heat.



Government Updates continued

❖ Government Engagement since election

- Michael Shanks
- Sarah Redwood
- Tunde Ojetola
- David Capper
- Sarah Jones

Heat Pillar – First 100 Days

- Expand the Boiler Upgrade Scheme to accelerate residential decarbonisation.
- Promote commercial decarbonisation with the introduction of a fuel switching tariff.
- Deliver industrial decarbonisation by designing a Heat Contracts for Difference mechanism.
- Support delivery of green finance products, working with private lenders to support low carbon heat deployment.
- Reform Local Area Energy Planning to speed up build out of heat infrastructure.
- Deliver a strategic plan for gas in the grid.

❖ Biomass Heat MP Briefing



Update on other REA work

Metering

- Proposed clamp-on-meter cross-checking to demonstrate meters are not inaccurate.
- Meter banking
- Recommendation paper → DESNZ → Consultation?
- Continue to follow rules

Ofgem

- REA quarterly meetings – contact us with issues you'd like us to raise
- Main issue raised:
 - Metering – 10-year interpretation

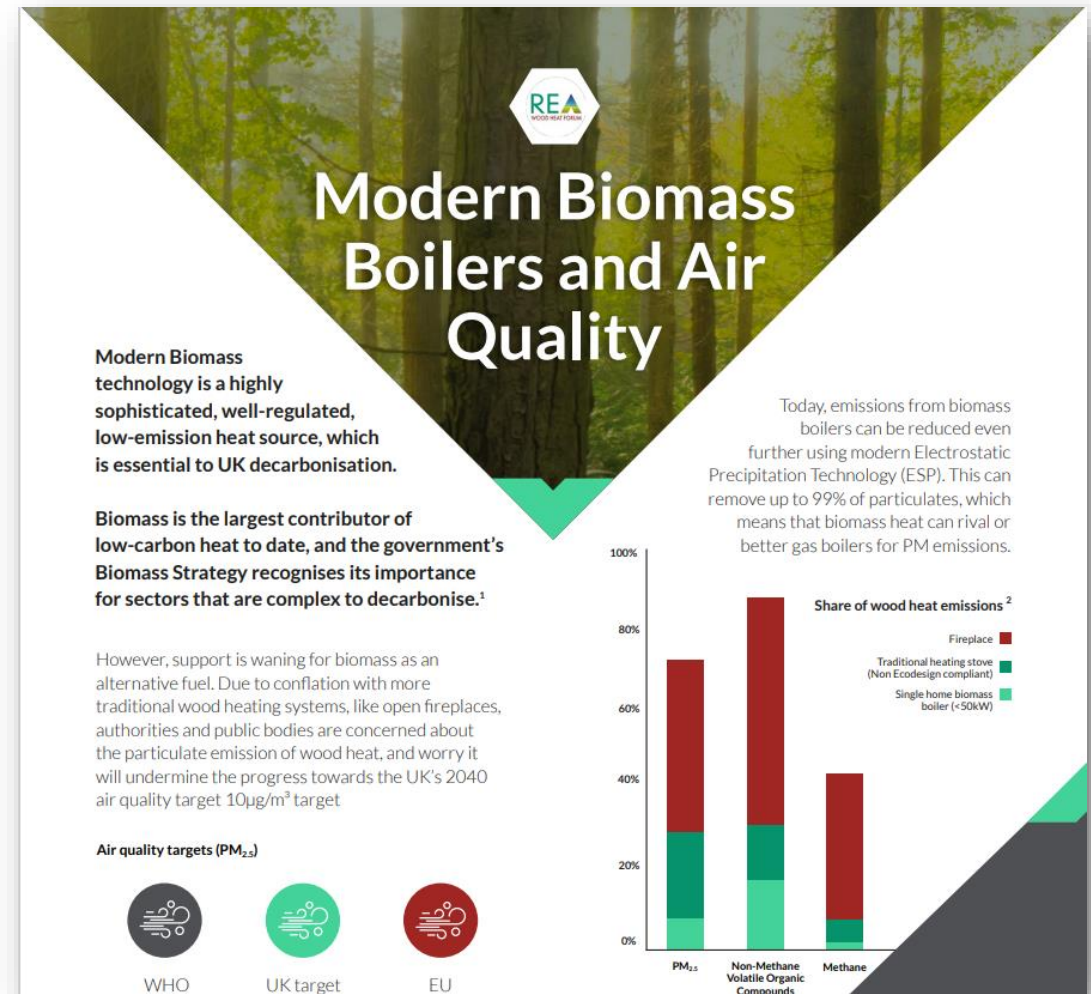
*To comply specifically with the meter recalibration requirement set out above at 7.8, participants **can choose to either recalibrate or replace their meter**. All meters must be recalibrated or replaced within ten years (or sooner, in line with the manufacturer's instructions) of their initial installation.*

HABMS

- Involved in discussions with HETAS, MCS and DESNZ on evolution of scheme to ensure fit for purpose for all scales of biomass boilers

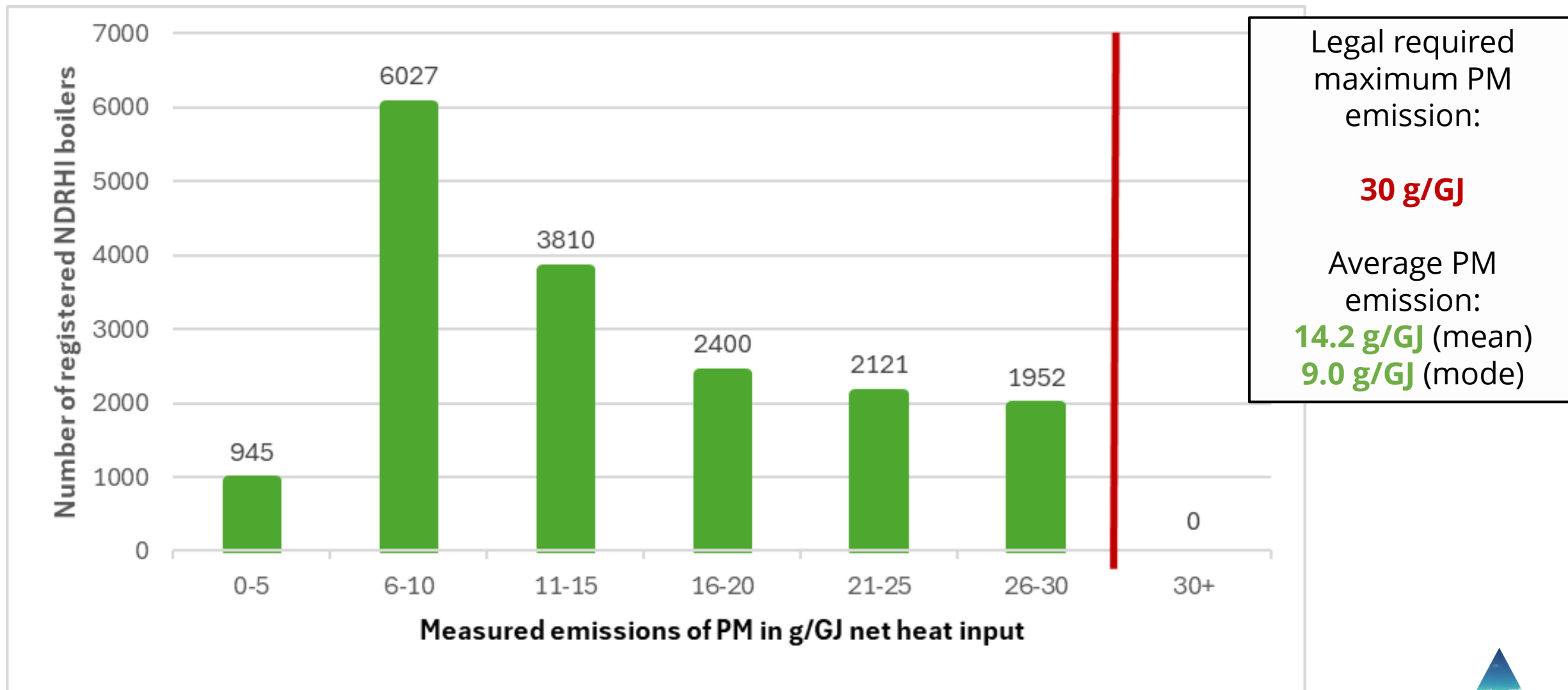


- Leaflet published and shared with members
- Shared with DESNZ, DEFRA, Local Authorities, Woodsure
- Stage 2 – a more detailed report on Air Quality and Biomass Boilers
 - Ofgem FOI request – emissions certificates data analysis



Air Quality Graphs – PM Emissions

@reassociation

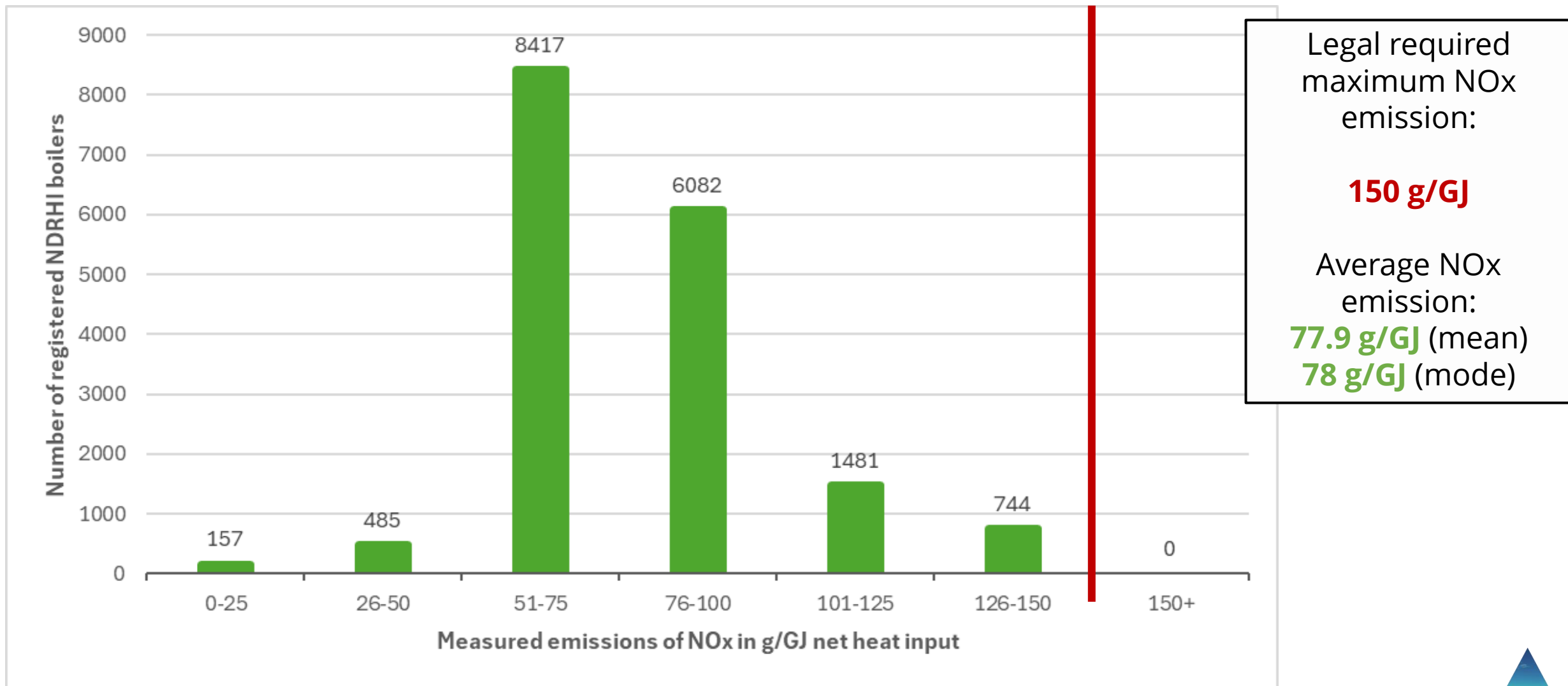


N.B This includes all ND RHI registered biomass boilers aside from those requiring environmental permits



Air Quality Graphs – NOx Emissions

@reassociation



N.B This includes all ND RHI registered biomass boilers aside from those requiring environmental permits



Update on other REA work

Welsh Heat Strategy – 15th July

- This strategy will guide the Welsh Government's approach to decarbonising space heating and hot water for buildings, as well as industrial heat. The release today follows industry engagement last year, which the REA has previously fed into.



Sustainability

- Upcoming introduction of Regulation on Deforestation Free Products (EUDR) in the European Union
- The Regulation applies to all products placed on the market from 30 December 2024 (30 June 2025 for small businesses).
 - Concerns about potential impact on the UK market?
- REA – Sustainability Briefing



Consultations

- Heat Network Zoning (Closed 26 February)
- Bioenergy Position Statement – Scottish Government (Closed 12 June)
- UK Emissions Trading Scheme Scope Expansion: Waste (Closed 2 August)
- Cross Sectoral Bioenergy Sustainability Framework Consultation (Date TBC)





WOOD HEAT 2024

16th & 17th OCTOBER

THE DELTA NOTTINGHAM BELFRY

**THE UK BIOMASS HEAT INDUSTRY
CONFERENCE**



Wood Heat Conference 2024

Topics and Sessions

- Spotlight on Biomass Heat Done Well
- Air Quality
- Sustainability
- Industry Governance and Standards Updates
- Evolving Home Grown Biomass Supply
- Engaging the New Government

Tickets

- Tickets are available for the:
 - Conference
 - Dinner
 - Conference & Dinner
- Member or UKPC discounts are available

Speakers

- DESNZ, Ofgem
- UKPC, Woodsure
- AMP, Reheat, Innasol
- Biomass Connect

Sponsorship

- Various sponsorship packages are available – which can include exhibitor/table-top stands
- Contact Amalia Moca, Business Development Executive, amoca@r-e-a.net to discuss

Open submissions

- Opportunity to feature in our 'Biomass Installation Spotlight – Biomass Heat at its Best' session
- Details for how to put yourself forward will be released soon



Other upcoming REA events

WHF Steering Group Elections

Nominations to sit on the Wood Heat Forum Steering Group will be opening up in Autumn 2024

Details on how to put yourself forward will be announced shortly



UK Green Gas Day 2024

Running annually since 2012, UKGGD is the largest industry gathering in the UK focused on green gases.

5th September 2024

National Motorcycle Museum - Birmingham

Organised by REA & CNG Services

REA **cng**services



Townhall – Further Discussion on REMA

August 30th 11:00-12:30

RWM and EFD 2024

Birmingham, September 11th – 12th



Thanks

As always if you have any questions please get in touch:

All heat enquiries:

heat@r-e-a.net

Poppy Airey

Senior Policy Analyst

pairey@r-e-a.net

Mark Sommerfeld

Deputy Director of Policy

msommerfeld@r-e-a.net

