Midlands Energy Hub
BEIS – Local Capacity Support program

Michael Gallagher – Regional Energy Projects Manager
Midlands Energy Hub

- BEIS funded initiative
  - Support the capacity of LEPs and Local Authorities to identify and deliver local energy strategies and projects.
  - Address capacity gap of local authorities and LEPs, and improve the regional and national communication channels
  - 9 LEP areas with a locally based Senior Energy Project Officer available in each to provide support on Energy Projects.
Midlands Energy Hub

• The support we are providing to local authorities and LEPs will provide resource to understand and utilise energy opportunities and challenges in their local area, undertaking the initial stages of development for priority projects.
The Regional Energy Team

Midlands Energy Hub

Head of Energy Services
Nottingham City Council
Wayne Bexton

Regional Energy Projects Manager:
D2N2 LEP
Michael Gallagher

Regional Senior Energy Projects Officer:
Black Country LEP
(Name)

Regional Senior Energy Projects Officer:
Marches LEP
(Name)

Regional Senior Energy Projects Officer:
Leicester & Leicestershire LEP
(Name)

Regional Senior Energy Projects Officer:
Greater Lincolnshire LEP
Jack Hayhoe

Regional Senior Energy Projects Officer:
Greater Warwickshire LEP
Ayat Ahmed

Regional Senior Energy Projects Officer:
Coventry & Warwickshire LEP
Mark Gibbons

Regional Senior Energy Projects Officer:
Stoke & Staffordshire LEP

Regional Senior Energy Projects Officer:
Greater Birmingham & Solihull LEP
(Name)

Regional Senior Energy Projects Officer:
Worcestershire LEP
Alex Pearson
Team Summary

• Michael – Energy efficiency, Solar PV – domestic, social, commercial, construction
• Ayat – Waste management and carbon abatement strategies for Dubai’s Government
• Alex - Heat pumps, micro wind turbines, solar thermal, solar PV and biomass.
• Mark - Chartered Engineer with particular experience in Distributed Generation
• Jack - Flexible commodity energy sector supported businesses with their utility and project procurement processes
Local Approach

- LAs and LEPs are key actors in facilitating the transformation of our energy system
- Why does it matter to them:
  - Retain businesses, enhance productivity, increase economic growth, improve health, cross-sector cost reduction, meet carbon emission reduction targets
Regional Approach

- Strength of a regional team
  - Diverse skill set
  - Sharing of knowledge and good practice
  - Joint venture approach
  - Multi-project portfolio
    - Economy of scale
    - Increased investor interest
Challenges

- Lack of resource / ambition – more than half of local authorities have made little or no progress on energy and climate change
- Where LA’s are actively addressing energy and climate change, performance is very varied
Challenges

• Restrictive project development capacity and capability amongst local authority and LEP teams
• Lack of capital for the initial stages of project development
• Lack of scale of projects to attract private investors – most projects fall below £10m
Energy Strategies

• Midlands LEPs have developed / are developing individual energy strategies.

• These will:
  • Identify energy opportunities and challenges across each LEP area, for power, heat and transport
  • Set out energy demand and carbon emissions trajectories
  • Provide a focus for low carbon energy projects
  • Assess the economic potential associated with this transformation, and inform the Local Industrial Strategy – important for future funding.
Linking Energy Strategy to the Local Industrial Strategy

- Energy strategies to be written with LIS in mind
- Refer and link to BEIS Industrial Strategy and Clean Growth Strategy so it translates across into the LIS
- LIS broader focused than the energy strategies, they will be more strategic and high-level
- Each group writing each LIS will be able to make their own decision about how to incorporate the energy strategy
Objectives of the Hubs

1. Increase number, quality and scale of local energy projects being delivered
2. Raise local awareness of opportunity for and benefits of local energy investment
3. Enable local areas to attract private and/or public finance for energy projects
4. Identify working model for teams to be financially self-sustaining after first two years
Activities of the Hubs

- Hubs will help LEPs and their local authorities through the following stages:

  - Agree priorities: Shortlist of projects and programmes, Detailed work plan
  - Feasibility & business case: Options, Risks, Approximate costs and benefits
  - Design & planning: Design Site(s), with permission, Detailed costs and revenues
  - Financing: Detailed financial model, Due diligence, Investment decision
  - Procurement: This will depend on project type
  - Implementation: Assist with ensuring project is carried out as proposed
How objectives will be met

• Targeting realistic, deliverable projects
• Attending events / networking / knowledge sharing
• Funding bids, build relationships with private investors
• Set short, medium & long term goals
• Build a robust project pipeline
Thank you

Any questions?

Michael Gallagher – Regional Energy Projects Manager

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