

MARKET INSIGHT JANUARY 2021

Dear Colleague,

2020 was the year that renewable energy generation outstripped fossil fuel generation in the UK. This is a significant milestone. The next challenge is to achieve the Energy White Paper ambition of an electricity system largely based on renewables.

In that context the government's current consultation on "[Enabling a High Renewable, Net Zero Electricity System](#)" is important for us all to engage with. Regen is working with members to think about the structure of energy markets, renewables support mechanisms and system operation required – we will also be setting up an event for our sector to debate these issues.

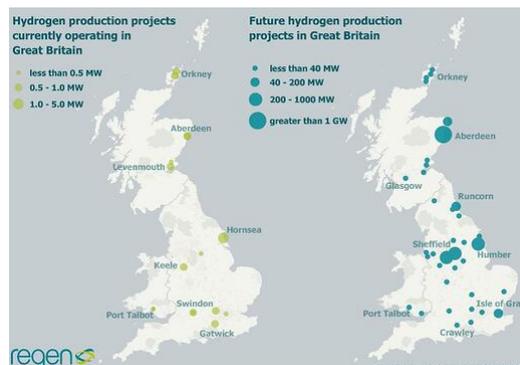
Critical to 'high renewable, net zero' will be flexibility and storage. Regen's Electricity Storage Network's annual conference this week examined the details of the policies, markets and technology that will be required, building on the milestone of over 1GW of battery storage – you can read more about that and how to catch up on the sessions in this bulletin.

Also critical is getting the infrastructure in place to enable the electrification of transport and targets for heat pumps and this month's bulletin has more on Regen's Distribution Future Energy Scenarios for WPD and SSEN which aim to provide a solid basis to underpin their investment plans, which will be submitted to Ofgem this summer.

The government's announcements at the end of 2020 set out the level of ambition. Our focus for 2021 will be working with our members and our partners on turning that ambition into the detailed policies required for investment to flow at the scale required.

Merlin Hyman
Chief executive
Regen

Market Insight



Building the Hydrogen Value Chain

This insight paper investigates the hydrogen value chain, from production to end-user, and assesses how this complex and multifaceted energy solution can best be supported by targeted policy interventions.

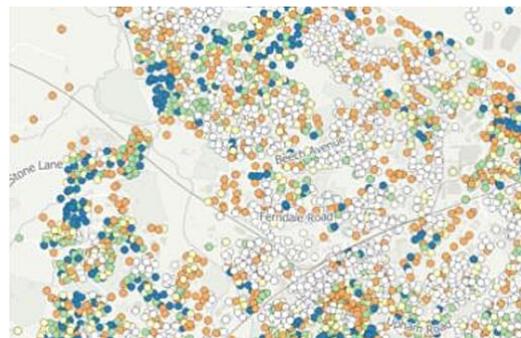
[Find out more](#)



Markets that underpin security and quality of electricity supply across Britain's transmission system

In this episode, Colm Murphy, head of electricity market change delivery at National Grid ESO and our Electricity Storage Network director Rachel Hayes, discuss the back to basis role of markets to balance the system and accelerate the transition to renewable energy.

[Listen online here](#)



Scottish and Southern Electricity Network DFES 2020

From July to December 2020 Regen worked with Scottish and Southern Electricity Networks (SEN) to undertake the 2020 edition of their Distribution Network Future Energy Scenarios (DFES) analysis, for both the North of Scotland and Central Southern England licence areas.

[View the press release here](#)

[Download the reports here](#)



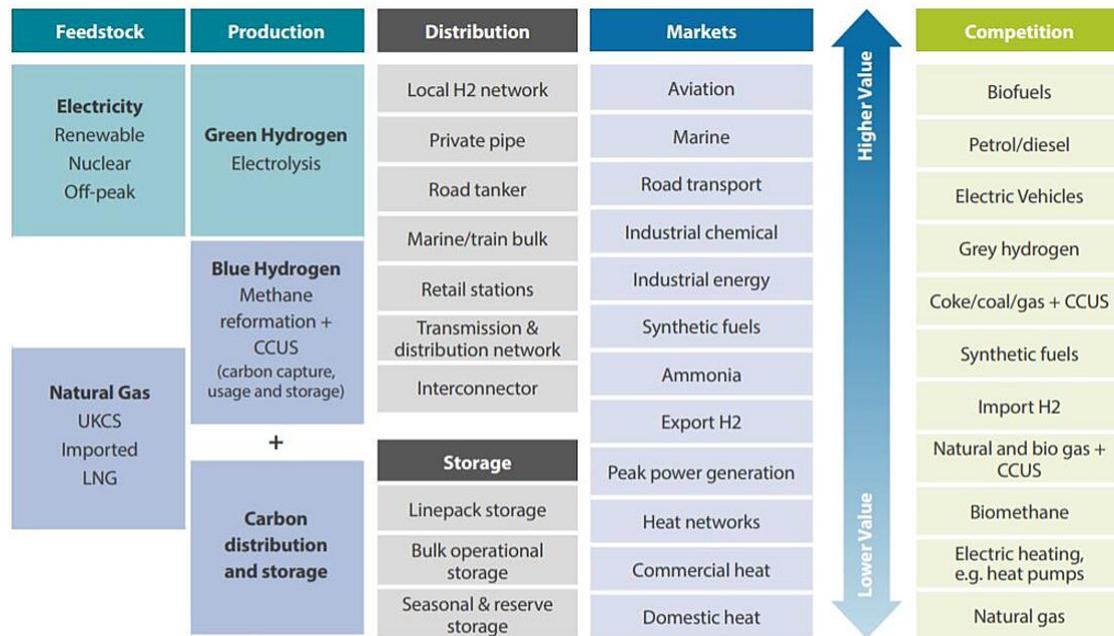
Electricity Storage Network Annual Marketplace

At the end of January we heard from industry leaders and influencers, joined a debate on the mineral supply chain, judged the latest in storage innovation and took a sneak peak into National Grid's control room. Catch up with the replays online.

[Watch online here](#)

Graphic of the month

The hydrogen value chain



The hydrogen value chain is complex with multiple distribution channels, markets, and competitors. This is good news in terms of the opportunity to develop an exciting new industry, but it does mean that policy makers need to tread very carefully when thinking about market-building policy interventions.

Regen's graphic of the month explores some of the components in the hydrogen value chain, including:

- The manufacturing process, for which there are several technology options and feedstocks.
- Distinct markets and value propositions for hydrogen products, ranging from existing uses to new high-value applications in transport and industrial processes.
- Competition from grey hydrogen, natural gas, diesel, electricity, biofuels, coke, aviation fuel and battery storage.
- Distribution options, including onsite production, local and private networks, road, marine and rail bulk tankers, as well as through gas distribution pipelines.
- Alternative uses as a feedstock for chemical processes and for the manufacture of synthetic fuels, and as an important multi-vector balancing fuel, enabling the transmission and storage of very low-cost renewable electricity produced at times when electricity supply exceeds demand.

[View the paper online here](#)

Events

Local leadership workshop: net zero planning

23 February

Join us for an interactive webinar on net zero action planning, based on the findings from our recent paper [Local leadership to transform our energy system](#). This free online webinar is for local authority officers tackling their local carbon emissions, looking for guidance with planning a pathway to achieving net zero. In this workshop, we'll be sharing our research and recommendations on best practice for local authorities undertaking net zero action planning, as well as showcasing local authorities' further along in this journey as part of a knowledge sharing opportunity.

[Book online here](#)

Wind Power for our Communities

3 February

Jodie Giles, senior project manager responsible for the delivery of the community energy support programme at Regen will be joining the line up of speakers for Bath and West Community Energy's upcoming webinar 'Wind Power for our Communities'. This webinar will explore the role, potential and benefits of community owned wind power both generally and in the context of the Bath & North East Somerset Council Local Plan consultation.

[Book online here](#)

Western Power Distribution Net Zero Communities Forums

17 March and 25 March

These free online forums are for communities interested in energy, climate activists, advanced community energy groups, local authorities, and anyone working with or supporting community energy organisations. The events will bring together local energy stakeholders to learn from each other, hear the latest from Western Power Distribution (WPD) and collaborate to develop new ideas. WPD will give an update on their Net Zero Communities Strategy, with group discussions on key topics around energy efficiency and fuel poverty, low carbon heat, innovation, data and low carbon transport, learning from leading community energy projects in these areas.

Book online for [17 March](#) or [25 March](#)



Finally, we are proud to be a membership organisation and I invite those of you who aren't yet members to join us:

- Regen membership – [find out more or join here](#).
- The Electricity Storage Network membership – [find out more and join here](#).
- Bespoke local authority membership – contact hwilliams@regen.co.uk

If you are a member and have any job openings that you would like to advertise with us, please contact Hannah hstanley@regen.co.uk

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