

Assessment of the Effect of Climate Change Policies on Industrial Energy Use DEFRA

Entec has been commissioned to carry out this important project for the Global Atmosphere Division of DEFRA. The project will use and develop an existing model to assess energy use, the uptake of energy saving technologies and the resulting profile of energy use and carbon dioxide emissions from nineteen industrial sectors (e.g. water sector, chemical industry, iron & steel industry) up to 2020. Entec has teamed up with Cambridge Econometrics to deliver the project.

The effect of implementing all cost effective and all technically feasible energy efficient technologies within the sectors on energy demand and carbon dioxide emissions will be investigated. In addition, the effect of the various climate change policies (i.e. emissions trading, climate change levy, negotiated agreements, the Carbon Trust and capital allowances for energy efficient technologies and combined heat and power) will be modelled to establish their influence on energy use and carbon dioxide emissions. The effect of fuel price sensitivities will also be examined together with the overall effect that the policies may have on industrial output.

The results of the work will have a number of uses. Whilst primarily enabling the UK to meet its reporting obligations to the UN Framework Convention on Climate Change and the EU Monitoring Mechanism, the results of the work will also enable the UK to assess the anticipated impact of the Climate Change Programme.

*Helping enable the UK
to meet international
climate change
obligations*

