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Conserve energy, conserve cash

"YOU can't run Britain like a grocer's shop!" said an exasperated trade union leader recently. He was referring not only to Mrs Thatcher's humble economic education, but also to the government's uncompromising arithmetic policy of restricting current expenditure by taking pennies, regardless, off every item.

The only lines in Britain's shop to remain untouched have been ones close to Mrs Thatcher's heart: defence, law and order, and nuclear power — the latter benefiting from a £10 billion spending programme over the next decade. Energy conservation, on the other hand, she has been content to leave to market forces.

Officials in the Department of Energy are not impressed, according to an internal memo recently leaked to the media, which draws attention to "a sharp and visible contraction in the government's conservation programme". The problem, says the memo, may be that "apart from improving the building regulations, we have in fact no proposals on the conservation front which do not call for extra resources either in terms of money or staff. At the present time, both are clearly not starters."

Another leaked document — this time minutes of a meeting of the 'Committee of Ministers on Energy Conservation' — shows that the junior minister concerned with conservation, Mr John Moore, is unhappy with Prime Ministerial attitudes. "Mr Moore" say the minutes "felt the committee could achieve little without the evidence of a political will from [Mrs Thatcher]".

The UK has not, in the past, come out well in international comparisons of measures taken to conserve energy, and it seems that the country is slipping further down the league. In its orgy of cutting spending, the government has:

- scrapped plans for 14 regional home energy saving advice centres (saving £500,000 a year)
- announced the closure in June of a scheme to help businesses improve inefficient boilers, insulate buildings, and install or improve combined heat and power schemes (saving £25 million over 2 years)
- halved the budget for assisting individuals to insulate their homes (saving £12.5 million).

But conservation needs more than the price mechanism alone. As the Secretary of State for Energy, Mr David Howell, said last year, there has to be "sensible and sensitive" government intervention or the energy conservation programme will be unbalanced. Pressure is

rising on Mrs Thatcher to take cognizance of this. Last month a syndicate of ten organisations including the Electricity Consumer's Council, the increasingly important Parliamentary Liaison Group for Alternative Energy Strategies, and other bodies with a long record of serious concern with the energy scene, requested that the Select Committee on Energy should turn its attention to the effect of spending cuts on the conservation programme; and it seems likely that it will follow their lead. The committee should do so, as a matter of priority, for the leverage on primary energy consumption of a pound spent on conservation is probably very great.

This is to say that a pound spent on conservation can save more energy than a pound spent on production can produce. According to some estimates, the factor can be as high as three. And judging by French plans (reported in *Le Monde*) to save 10 million tonnes of coal equivalent by spending £6 billion in industry, the French government itself — despite its ambitious nuclear programme — is aware of these relativities.

David Howell, opposition spokesman on energy, told *Nature* this week "Britain spends peanuts on conservation. We want a step-change in attitude". And the attitudes we need to change are those which see energy production as a matter of investment, but energy conservation as a matter of giving grants. The Central Electricity Generating Board, the Gas Board, the National Coal Board actually advertise to encourage us to use more energy: 'cook electric' advertisements appear regularly on television despite the fact that electric heating consumes three times the *primary* energy of the equivalent gas heater or cooker. Power stations are only one-third energy efficient.

As the Department of Energy memo has it: "If the funds spent on conservation replace the same or greater amounts spent on supply, should it matter that they are going to private companies or individuals rather than, say, the CEBB or the NCB?" Certainly not if the true blue objective of an energy policy is to ensure that the economy is unrestrained by constraints on energy supply. The economy can be released from energy costs more rapidly, more continuously (with less lumping of capital, unlike the £1 billion per nuclear reactor), and most likely, more cost-effectively. If you conserve energy, Mrs Thatcher, you conserve cash; and you conserve it rapidly, with payback times that are within the lifetime of your parliament. Is that not sufficient political incentive? □