

Siemens announces partnership with local government leaders to help unlock over £100bn of clean energy schemes

A network of mayors and council leaders is joining forces with one of the world's biggest manufacturers to try to unlock a pipeline of clean energy projects worth more than £100bn as part of the UK's drive to meet net-zero emissions and the Paris Climate goals.

Siemens has signed a partnership agreement with UK100, a network of 94 political leaders from across the UK to work with the Department of Business, Energy and Industrial Strategy (BEIS) to bring together financing from local authorities, private capital and government investment to create clean energy projects at significant commercial scale.

This partnership builds on the development of five Local Energy Hubs which are being established by the Department of Business, Energy and Industrial Strategy (BEIS). Located in the North West; Yorkshire, Humber & the North East; Greater South East; Midlands; and the South West, these Hubs provide practical support and expertise to LEPs and local authorities to help them undertake the development for priority energy projects, up to the point where they are able to secure finance. [1]

At last year's UN Climate Change Conference (COP24) the UK government signed the final statement calling for a stronger partnership between national governments and Local Government on achieving the Paris Climate goals. [2]

A survey of local authorities by UK100 and an extrapolation of local energy transition strategies developed by Siemens have shown that there is a pipeline of over £100bn clean energy projects which could be rolled out with support from both public and private sector participants. However, only a small proportion of these are at the point of commercialisation, with the remaining at either conceptual or feasibility stages. [3]

Developing projects at scale can be hampered by convoluted and confusing procurement processes, as well as bureaucracy and slow decision-making. UK100's survey showed that both investors and local councils are calling for more support from central government by providing additional development capital, a single gateway to apply for support as well as support in developing a business case for clean energy projects. [4]

Polly Billington, Director of UK100, a network of local leaders committed to 100% clean energy by 2050, said:

"Siemens commitment to this partnership is a sign that the private sector is taking local energy schemes seriously and can help local government to play its part in meeting our ambition of net-zero emissions."

Carl Ennis, Managing Director, Siemens Smart Infrastructure, said:

"Local government is in a strong position to help the UK shift to 100% clean energy. We will work with Local Energy Hubs to develop clean energy action plans which will make credible business cases to attract investors and make sure that these plans have support from local communities."

Siemens are currently working on a number of smart, clean energy schemes with local authorities across the UK, including the Triangulum project in **Manchester**, which aims to cut energy bills and flatten peak demand on the power network through increased use of renewable and low-carbon energy resources.

Today's announcement reflects the desire to scale-up and bring together such projects so that they can attract large investment. For instance, Siemens have found that their work with Manchester City Council could save upwards of 42,000tCO₂ – the equivalent of taking 18,000 cars off the road. [5]

The announcement comes as **Bristol** City Council has launched a global search for a partner to deliver up to £1 billion of investment to support its goal of becoming the UK's first carbon neutral city by 2030.

The Bristol City Leap project, run in partnership with Bristol Energy, will establish a joint venture with an organisation or group of organisations to support the delivery of its ambition. The energy company will deliver smart energy propositions, such as local tariffs and innovative services, designed to reduce carbon and peak power demand. More than 180 organisations – including tech firms, investors and energy companies, have expressed an interest in supporting the plans. [6]

Marvin Rees, Mayor of Bristol, said:

“It's good to see the private sector investing significant resources into working with cities to drive emissions to zero. Bristol is already leading the way through the Bristol City Leap project and we look forward to working with Siemens and other partners in making Bristol a hub for the low carbon economy, creating new, clean energy jobs.”

The **Humber LEP region** produces approximately 13,899 ktCO₂ with a £18.8429 billion GVA each year. This means it has higher emissions than Kenya, a country of more than 50 million people and several industrialised cities. Siemens have developed a local energy strategy which capitalises on local strengths to build out the UK's first regional Hydrogen Economy in tandem with Carbon Capture Use and Storage (CCUS). CCUS has the potential to resolve the Humber's high carbon dioxide (CO₂) emissions without compromising the Energy Intensive Industries, contingent businesses, supply chain and the community of the area. Supporting the initiative taken by Drax, National Grid Ventures and Equinor, CCUS could facilitate Britain's first 'carbon negative' power plant with carbon-free gas by the mid-2020s, which would reduce the Humber's emissions by 13MTCO₂e per year, effectively making the entire region carbon neutral. [7]

In the **Midlands**, Siemens are supporting Europe's largest Smart Energy Network Demonstrator at Keele University. Keele has the largest university campus in the UK and, with 12,000 students and staff across 350 mixed-use buildings, is a size similar to a small town.

The project, which is part-funded through the European Regional Development Fund (ERDF) and BEIS, will create a decentralised energy system that will provide Keele with the infrastructure to monitor and manage its energy across the campus. It is also the first facility in Europe for at-scale living laboratory research, development and demonstration of new smart energy technologies and services in partnership with business and industry. [8]

The first stage of the UK100-Siemens partnership will be a series of regional workshops intended to develop business cases for investment and outline what policy and procurement changes may be needed to get integrated, at-scale clean energy projects off the ground to address the climate emergency.

The first regional workshop will be held in **Leicester** on 3rd October. This will be followed by the development of a freely available online repository to support local energy schemes to develop scalability.