

MAYOR OF LONDON

Darren Johnson AM

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Dear Darren

Thank you for your letter of 23 October 2015 informing me that the London Assembly Environment Committee has completed its investigation into solar photovoltaic (PV) generation. Please accept my apologies for the delay in responding to you, but your correspondence has only just been passed to me following an internal administrative mistake.

I thank the Committee for its interest in this area and the recommendations the report makes which I will respond to in turn below.

First of all I wanted to take the opportunity to remind you of the progress I have already made in increasing the amount of solar photovoltaics (PV) in London since I took office in 2008.

Over the last five years my London Plan policies have resulted in a commitment to install over 330,000m² of solar PV panels across approximately 450 large scale developments in London and save 240,000 tonnes of carbon in excess the national requirement. So far through my RE:FIT programme £3.1m is being invested in solar PV across 28 buildings, producing 2m KWh per annum and saving 1000 tonnes of CO₂ and through my RE:NEW programme £21m is being invested in solar PV across 5,500 homes providing 4,650m² of solar PV panels and saving over 1,200 tonnes of CO₂ per annum.

I believe these are significant advancements in the roll out of solar PV in London that would not have happened if not for my programmes. Please find below specific comments to the report recommendations:

Recommendation 1

The GLA's forthcoming London Energy Plan and any subsequent Energy or Environment Strategy should set out options for increasing domestic solar PV under different tenures, paying particular attention to landlords in the private rented sector including ways to engage with landlords and developers.

The upcoming London Energy Plan will provide an evidence base showing the potential for solar PV installations in domestic and non-domestic buildings in different areas of London taking technical and economic potential into consideration. At this stage it does not consider different tenures as we have been focussed on modelling different scenarios for how London could potentially meet its estimated energy demand in 2050.

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Development of the Environment Strategy will allow us to develop this further through working with stakeholders on the infrastructure (physical and organisational) required to meet demand in a low carbon, affordable, reliable and secure manner.

Recommendation 2

The GLA should only permit major developments where solar PV technology is included in the design or as a planning condition. This can be achieved through amendments to London Plan policy, reflecting planning changes that also make it easier to permit solar PV in conservation areas, and by applying this both to new build and retrofit proposals.

As borough policy has to be in conformity with the London Plan, this should also have an impact at local authority level and with homes and developments of all sizes. We encourage London boroughs to provide additional policy direction through SPDs following the approach of local authorities like Hackney and Camden.

The problem with prescriptive planning policy is that it distorts the market, reduces competition and only reflects a fixed moment in time that quickly gets outdated. My preference is to set outcome based policy which allows for innovation and advancement of technology such as my London Plan target to reduce CO2 emissions by 40 per cent over 2010 building regulations.

Recommendation 3

More generally, the GLA should continue to use appropriate planning conditions in major planning applications to maximise the contribution that on-site renewables such as solar PV can make, in light of recent changes to Housing Standards. This would be particularly relevant in GLA-funded schemes where the GLA could set specific delivery goals for solar power as part of the deal.

I am pleased to see that this report recognises the contribution the London Plan's policies are making towards the delivery of on-site renewable energy in new development across London and I can confirm that it is my intention is for this successful approach to continue to be applied. The most recently published 2014 monitoring figures highlighted that my London Plan requirements secured commitments for around £16m in PV panels and additional investment in other renewables. This equates to around 82,000 square metres of PV panels, about 8MW of new electrical capacity and equivalent to the demand of circa 16,000 homes in just one year.

In relation to GLA funded initiatives - such as the roll out of housing zones across London - the policies of the London Plan are considered and applied to ensure opportunities for incorporation of renewable energy (and other initiatives such as low carbon district heat networks) are incorporated as appropriate to the scheme. It is not considered prudent to mandate quotas or delivery requirements for particular technology types, as this ignores site specific circumstances which can dictate the most appropriate on-site renewable energy technology chosen for a particular development.

Recommendation 4

The GLA should conduct research that would examine in greater detail the reason for the capital's poor performance, particular evident in the outer boroughs, in generating electricity from its residential rooftops. This could be done as part of or following the work on the London Energy Plan. The results will help the Mayor draw up more effective solar policies within his Environmental Strategy and the London Plan.

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We have a good understanding of why Londoners have installed solar PV to a lesser extent than other urban areas. For example, London has a high proportion of conservation areas. We will continue to work with community energy groups, the solar industry and the London Sustainable Development Commission to clarify specific barriers to PV installation better, especially in outer London, and what tangible actions the Mayor can take to help overcome these barriers.

Recommendation 5

The Mayor should lobby the Government against its proposals to cut the FiT by 87 per cent, setting out the impact of these proposals on London in terms of solar PV deployment and solar jobs. He should argue for greater stability in solar PV policy, and gradual, predictable reductions in subsidies until at least grid parity is reached. He should also press the Government to restore the 'pre-accreditation' mechanism which helped community energy projects to manage longer lead times and to secure financing based on guaranteed rates.

I published my response to the Government's FIT consultation, in which I advocated a more sustainable approach which supported the solar PV industry and deployment, whilst also making the transition to be subsidy-free. My consultation response is available to view on the City Hall website at <https://www.london.gov.uk/what-we-do/arts-and-culture/freedom-information-fois/feed-tariff-consultation-response>.

Recommendation 6

The GLA's forthcoming London Energy Plan should clearly detail the expected renewable energy mix for London by 2025, and set out possible means to ensure solar PV meets its share. To do so, it should set out early priorities and a capacity target based on deployment potential. This will send a clear signal to the market that there is a major opportunity in London.

The London Energy Plan will provide options for the renewable energy mix for London by 2025 and 2050 across four scenarios some of which will assume that there is a more significant contribution from renewables than others. For solar PV this will include the deployment potential in each scenario which can be updated in the future with further knowledge of technological development and prices.

To support this, the technical and deployment potential for solar PV in light of technological development and falling prices must be reviewed comprehensively to ensure the actual potential for London is recognised.

Recommendation 7

Beyond the London Energy Plan, the Mayor's office should aim for higher ambition scenarios, setting out a timeline for developing a coherent, strategic direction with the view of making London one of the leading world cities for solar PV and for driving innovation. This is a separate work stream that also needs to be incorporated into the forthcoming London Energy Plan and any subsequent Energy or Environment Strategy.

More generally, the Mayor should engage more actively in developing policies for maximum capacity PV deployment, showcasing and promoting best practice and good examples of using solar PV in urban areas, for example by generating PV derived electricity from the TfL and wider GLA estate for London transport operational needs.

This would increase awareness among housing providers and owners as well as other sectors and give them confidence to follow through with planning for or retrofitting solar panels.

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This is clearly a recommendation for the next Mayor of London and therefore a recommendation I cannot really comment on, other than to say I believe there is a great opportunity for solar PV in the coming years as prices continue to fall, advancements in battery storage continue and we start to see the increased electrification of our heating and transport systems enabling more locally managed distribution systems.

Recommendation 8

The GLA's forthcoming London Energy Plan should set out options for supporting community energy schemes in London, including access to secure, long-term funding, and technical, legal and financial advice.

The first stage of the London Energy Plan, to be published at the end of February, will model different scenarios for meeting energy demand by 2050. It will not be a detailed roadmap for delivering energy solutions – we aim to develop this with stakeholders as the next stage of the Plan. However, we are currently working with representatives from community energy groups closely to discuss and develop potential actions the GLA can take to support community energy generation or energy demand reduction.

Yours ever,



Boris Johnson
Mayor of London