

Manifesto references

Page 10: “DSR participation in capacity markets saved US consumers \$12 billion”

Source: The inclusion of demand side capacity in the capacity market for PJM, a major US utility company, is credited with saving consumers \$11.8 billion USD in a single delivery year – savings of approximately \$200 USD per customer. This was reported in *PJM Market Monitor*, “Analysis of the 2013/2014 RPM Base Residual Auction Revised and Updated”, September 2010.

Page 11: “Delivering renewable heat through networks saves taxpayers up to £3m for every 1,000 homes served compared to equivalent solutions.”

Source: The non-domestic Renewable Heat Incentive tariff rates, which are used on heat networks, are up to 17p/kWh cheaper than domestic RHI tariffs. With an average heat demand of 16,000 kWh, the average UK household would spend £2,720 less per year, or £2.72m for every 1,000 households.

“DECC has identified more than £9.6 billion in achievable electricity waste savings up to 2030, equivalent to the annual operation of 14 new gas power plants and £11.2 billion in new capital investment.”

Source: [McKinsey analysis for DECC](#) showed there is an additional 92 TWh of electricity saving potential in 2030, with each TWh valued at £105m. This provides a total saving for consumers of £9.6 billion.

92 TWh is also equivalent to 14 power stations of 1 GW each, operating 6,500 hours per year. The investment cost for these power stations assumes a capital cost of £800 per kW of capacity (median cost of onshore wind, [IEA, Energy Technology Perspectives 2012](#)).

“Low carbon industrial waste heat could heat more than 660,000 homes at a lower cost than existing heat policies.”

Source: [Ecofys analysis for DECC](#) showed there is 11 TWh of technically recoverable heat in UK industry. This would be sufficient to heat 660,000 homes, assuming average annual heat demand of 16,000 kWh. More than 7 TWh of this heat was found to be economically recoverable already.