

## ENERGY MARKETS AND INVESTMENT IN TIMES OF WAR AND TRANSITION

### Comments made by Daragh Coleman, Energy Transition Expert at Imperial College, on Energy Markets and Investment in Times of War and Transition seminar organised by AccessWIE and hosted by the Arab Bankers Association on 4th July 2023

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1. There is good news and bad news about Net Zero in the UK.
2. Good news is that for the first time in history, technology actually exists to make a BIG impact on UK Net Zero.
3. Good news is that for the first time in 50 years, the UK doesn't need 'permission' from any other country to get on with Net Zero.
4. Good news is that the Green Energy Transition is the BIGGEST growth opportunity in the last 70 years for the UK Economy.
5. Good news is that if the UK makes progress with its own Net Zero, it can help less developed countries.
6. Good news is that UK has massively reduced its Greenhouse Gas Emissions, but NOT from Net Zero ambitions, but from profitable renewable technology projects.
7. Bad news is that the UK has become a World Leader in talking about Climate Change, Net Zero and Green Energy Transition, but the UK Government spends 'all but nothing' (0.1% of GDP) on it.
8. Bad news is the scale of the Green Energy Transition has been MASSIVELY underestimated by the UK Government. They calculate a 200% (2-fold) increase in UK electrical demand. The reality is that when 20million+ UK homes can't use gas or petrol or diesel, each home will have a 500% increase (5-fold) in electricity demand, which would cause the current National Grid to 'melt down'.
9. Bad news is that the cable from the National Grid to ALL 20million+ homes would also 'melt down', so every building in the UK would require re-cabling, needing an extra 50,000 electricians per year, which the UK could never supply.
10. Bad News is that battery electric vehicles are POLLUTING to build, drive and dispose of, and will eventually have to be replaced by green hydrogen vehicles powered by local wind or solar. Same vehicles, just without the giant batteries and driven by an ENDLESS supply of wind and solar, with the only bi-product of water.
11. VERY BAD NEWS is that the UK has left it too late to start, so we are now in a Supply Chain WAR, for Technology, Minerals and Resources with all other developed countries trying to do the same. Example is USA spending \$350 Billion on its Inflation Reduction Act mostly on the Green Energy Transition.
12. VERY BAD NEWS is that the UK Government believes the Private Sector will lead the UK Green Energy Transition, but they won't without 'seed investment' of 1% of GDP from UK Government, which would lead to a 4%+ increase in UK GDP, so its 'win / win', but the UK Government has ignored the opportunity for 5+ years and still is.