

THAW and Orkney Renewable Energy Forum (OREF) join forces to combat Fuel Poverty issues

Robert Leslie, Chair of THAW Orkney has highlighted the fact that “THAW Orkney has found that the situation in Orkney appears even worse than we first thought. Our staff have been in touch with almost 300 households since launching its service in early 2016. While fuel poverty is defined as having to spend 10% of income on all household energy, we’ve found that almost 20% of the households we have seen would have to spend over 40% of income to heat their homes adequately, putting them deep into the extreme fuel poverty category.”

As one aspect of addressing this growing problem, THAW and OREF have been discussing how best we can work together to tackle fuel poverty across the Orkney Islands and one initiative that has emerged is the wind turbine initiative.

OREF chairman Dr Gareth Davies said: “A large number of Orkney renewable energy generators, primarily privately owned domestic wind turbines, receive an income from Feed-in Tariff generation amounting to approximately £750 per kilowatt of generating capacity per year. The generating capacity for these turbines in Orkney is around 5000kW or 5MW in total.

“The benefit from these domestic turbines is gained by individuals, but is paid for through costs on all of our electricity bills. Often those on low incomes have poorly insulated houses and correspondingly large electricity bills, whereas, many of the more well-off have been able to insulate their houses and so pay less for their energy. Electricity therefore often takes a much larger proportion of the income of less well-off households, meaning that the burden of paying for the FIT falls disproportionately on the poor.”

In Orkney it is estimated that each domestic electricity customer pays approximately £32 per year towards FIT payments. This equates to around £320,000 being paid out annually from Orkney towards FITs. This means that the socialised cost to Orkney of a 5kW wind turbine is approximately £90 per year, compared to an income of around £3750 for the turbine owner.

Dr Davies explained: “Paying just £7.50 per month – £90 per year – for a 5kW turbine would represent approximately 2.5% of income. If we can get half of the nearly 5MW of small scale wind in the county to participate then this would provide THAW Orkney around £56,000 per year to invest in fuel poverty alleviation.”

OREF’s website outlining the initiative can be accessed at:

<http://www.oref.co.uk/renewable-energy-affordable-warmth-bodies-come-together-boost-funds-fight-fuel-poverty/>