



Putting people at the heart of the energy system

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The three disruptors that are reshaping our world



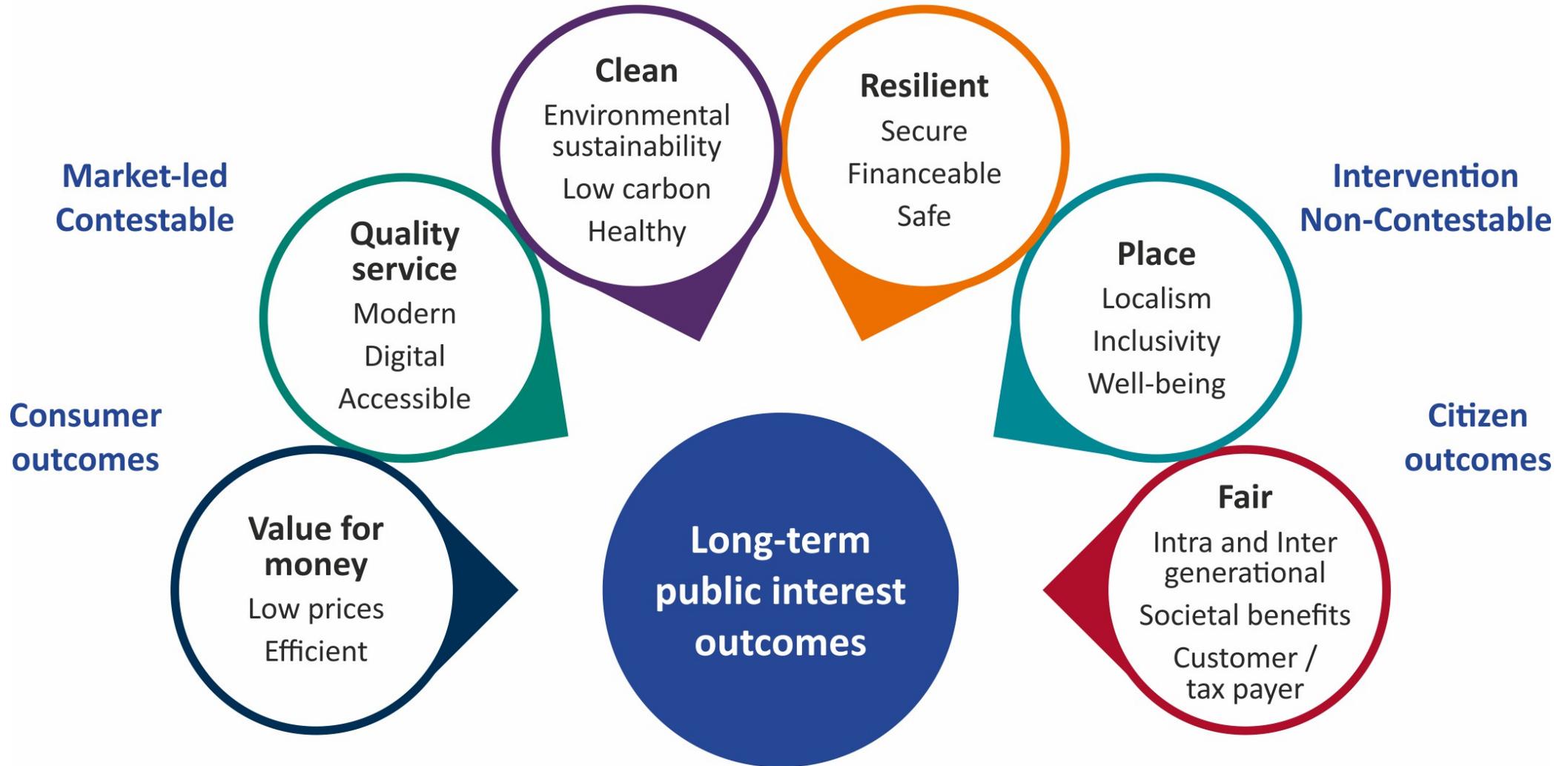
1. Technological change
2. Climate change
3. Societal change

Change needs to be done with people not to them

We need to be able to 'tell the story' about what this change means for consumers and citizens

Focusing on long-term public interest outcomes can help tell the story – our ‘New-Pin’ project identified the following as desirable

Managed markets



Policy and regulation are in the eye of the storm: five fundamental questions need to be addressed for a people centered energy system

1. What does efficiency look like - *when*:
 - the boundaries and way of framing the problem / market / sector are significantly changing; and
 - more social, integrated and circular business models are increasingly needed?
2. How important is optimal efficiency in *essential services* compared to a focus on relative benefits and distributional impacts (short and long-term)?
3. What weight should be given to wider factors? Crucially, social and environmental
4. How should risks and costs best be pooled in terms of who pays for what, when and how – national taxpayer, bill payer, specific communities or peer to peer?
5. Given the speed and pace of change, how to best use data – real time or historic - to solve emerging problems – and not stay focused on tackling yesterday's issues?



Companies can demonstrate corporate leadership rather than wait for institutional change: Our 'Fair Futures' project has identified four pillars for developing a 'Sustainable Licence to Operate'



1. **Public service values** - company philosophy and purpose. Implications for investors, ownership structures and company ethos and culture
2. **Collaboration and competition** - making best use of assets - including physical, people, natural and data. Implications for business models, partnerships, competition policy and regulatory structures
3. **Roles and responsibilities** - expectations around what is fair and how to work with stakeholders in this area
4. **Strategic narratives** - a positive, coherent and honest road map of where the company and sector are going