

**Regulating the diffusion of renewable energy technologies:
Interactions between community energy and the feed-in tariff in the
UK**

Submitted by Colin Nolden to the University of Exeter

as a thesis for the degree of

Doctor of Philosophy in Geography

In February 2013

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The difficulty lies, not in the new ideas, but in escaping from the old ones

John Maynard Keynes (1936)

Regulating the diffusion of renewable energy technologies: Interactions
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An ever increasing body of legislation and regulation is transforming the UK's energy system and its surrounding national energy framework. Depending on the mechanisms that result from this process, new forms of engagement with energy, particularly electricity, might emerge. The current trajectory of UK energy policy leans towards a centralised scenario with a portfolio of centralised renewable energy technologies (i.e. geographically concentrated such as offshore wind), nuclear power stations and gas fired power stations with the option of Carbon Capture and Storage technologies if it becomes a commercially viable option (CCC, 2011). Forecasts predict that a combination of these technologies could place the UK on the right path to reach its 2050 carbon reduction commitments (UKERC, 2008). However, this approach fails to take broader benefits of decentralisation and localisation into account and many official documents such as the Microgeneration Strategy (DECC, 2011a) and those surrounding Community Energy Online (DECC, 2011b) point to a need for greater public engagement in the generation of energy in order to 'derive greater benefits locally' (DECC, 2011a: 45). The question remains in how far these diverging objectives can be achieved within the current regulatory environment as there is a lack of coordinated incentives in place to facilitate the development of new scales and ownership structures capable of promoting new forms of engagement at scales below the point at which economies of scales apply. This thesis seeks to establish what barriers are preventing community energy with the capacity to increase acceptance of renewable energy technologies while also contributing towards climate change action, energy security and the strengthening of local economic cycles from becoming more widely embedded in the UK. The main focus is on how 'niche creation' policies such as the feed-in tariff might provide the basis for overcoming these barriers

by diffusing new scales and ownership structures of renewable energy technologies. Accompanying social innovations could potentially include more meaningful engagement with energy in general and renewable energy in particular, while also enabling communities willing to invest in renewable energy technologies to build resilient local energy infrastructures with the capacity to reduce the impact of increasing energy insecurity, fossil-fuel depletion and climate change constraints. In order to appreciate the potential of community energy in the UK, parallels are drawn to the governance of national energy frameworks in other European countries, Germany and Denmark in particular, that have provided the basis for successful community energy engagement.

Acknowledgements

First and foremost I want to thank my supervisors Dr Stewart Barr, Dr Robert Fish and Professor Michael Winter who provided me with the unique opportunity to undertake this research for their guidance, constructive suggestions and support throughout. Additionally I would like to thank the University of Exeter both as an institution and as a provider of my studentship, the Geography Department as an intellectual network and Amory 364 as an office for additional advice and support.

I would like to offer my special thanks all the interviewees who made this thesis possible. Without their time, contribution and enthusiasm this piece of research would have resembled no more than an intellectual exercise.

I would like to thank Reiner, Máire and Brenda for their support throughout. I would also like to thank all my friends for support, distractions and for being understanding in times of sudden mood swings.

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