



## BIC Energy Work Sector Report 2022 - 2025

## Co-Chairs Foreword

Our mission is clear: achieving clean power by 2030 is not only an environmental imperative, it is essential to affordable energy and independence from volatile fossil fuel markets and geopolitical instability. Delivering on our net zero commitments and ensuring a Just Transition means accelerating investment in renewable generation and the infrastructure that underpins it. At the same time, we must create good jobs, support communities, and ensure that no one is left behind in the shift to clean energy.

It was this shared recognition of the importance of the energy transition that shaped the British-Irish Council's Energy Work Sector Forward Work Plan in 2022. The period since the last work plan has highlighted emerging challenges, particularly around supply chain resilience and skills. That is why the UK is taking steps to strengthen supply chains and develop the skills base required to deliver the clean energy economy of the future.

The Council's role in facilitating collaboration is more important than ever. By sharing policy, evidence and best practice, we can respond collectively to these challenges and seize the opportunities of a low-carbon future across our islands. This cooperative approach benefits all administrations, and most importantly, the people and businesses we serve.

This report sets out the progress we have made together and the priorities that will guide us in the years ahead. Through continued partnership, we will deliver a secure, sustainable and fair energy system for all.

**Michael Shanks MP**  
Minister for Energy  
UK Government



Across Scotland, and indeed across all eight administrations of the British-Irish Council (BIC) and beyond, the accelerating impacts of climate change are becoming ever more visible. Decarbonising our respective energy systems and delivering a just and equitable transition to net zero, with renewable energy at its core, is paramount to protecting our communities and economies.

To tackle the climate crisis effectively and reduce future impacts, collaboration within and between governments is essential. The BIC Energy Work Sector plays a crucial role in this effort, offering a valuable forum for shared learning and capacity building to address this cross-cutting challenge.

Over the past three years, our administrations have worked together on a wide range of issues, from decarbonising heat and advancing offshore renewables, to exploring emerging technologies and supporting local and community energy. This mutual learning has been invaluable, and I am pleased that the new work plan will deepen this approach through structured peer reviews of energy policy. This will allow us to harness the expertise of all eight administrations and ensure it is put to best use.

A truly successful energy transition is one that is fair, inclusive and backed by public trust, and Scotland's leadership in Just Transition demonstrates how this can be achieved. Scotland is ensuring that workers, trade unions, communities, businesses and industry are active participants in shaping the transition, and that the benefits of cleaner, more secure energy systems are recognised and shared widely - which is essential for securing the support needed to deliver lasting change.

The following report outlines the progress delivered since 2022, providing an account of how our shared commitments are being translated into action. It underscores the need for an accelerated effort to achieve our shared ambitions and to carry forward the momentum already established.

**Gillian Martin MSP**  
Cabinet Secretary for Climate Action and Energy  
Scottish Government



## Introduction

The eight Member Administrations of the British-Irish Council (BIC) are working closely to maximise the economic and environmental benefits offered by new low-carbon technologies.

The Energy Work Sector was established in 2009 with two sub-groups covering marine energy and the electricity grid. These sub-groups were formally merged at the 25th BIC Summit in London in November 2015. The Summit meeting also agreed that the Work Sector would be chaired jointly by the Scottish and UK Governments. Since then, the Work Sector has covered a diverse variety of subjects.

This report summarises the Work Sector's activities since the last Ministerial in Jersey in February 2022. Since then, the Work Sector has focussed on the following themes:

- Decarbonising Heat
- Offshore Renewables (including Wind, Marine, Grid and Interconnection)
- New and Emerging Technologies (including Hydrogen and CCUS)
- Local and Community Energy



**5 In-Person Meetings**

**5 Virtual Meetings**

**1 Webinar (Decarbonisation of Heat)**

**2 Energy-themed Summits**



## 2024 BIC Summits

The ongoing transition to net zero has been a key focus of the BIC in recent years. In 2024, the two Summits in the Isle of Man and in Scotland saw Heads of Administration discuss shared priorities in this area. The 41st Summit on the Isle of Man focussed on the opportunities of the transition to renewable sources of energy, while the 42nd Summit in Edinburgh discussed ways in which members are working to ensure a Just Transition.

### 41<sup>st</sup> British-Irish Council Summit, Isle of Man, June 2024



The 41st Summit explored the development of renewables, with a thematic focus on: *“Unlocking the Economic and Social Opportunities of Renewables Across These Islands.”*

Political leaders were given a detailed presentation from Isle of Man Government officials setting out plans to develop offshore wind energy generation in Manx waters. This was of particular relevance to others in attendance with similar projects within their administrations.

Finally, principals met to discuss the ongoing work in each administration to develop renewables, harnessing the economic benefits coming from the technology and ultimately creating a greener future.



## 2024 BIC Summits

### 42<sup>nd</sup> British-Irish Council Summit, Edinburgh, December 2024



The 42nd Summit focussed on the theme: “*Financing the Just Transition.*”

Political leaders were given a presentation from Angus Macpherson, Chair of the former First Minister’s Investor Panel.

The presentation and following Q&A session explored the challenges around the Just Transition, particularly in relation to funding. Angus Macpherson set out several ways these challenges could be overcome.

During the plenary principals met to discuss the issue in more detail including initiatives being developed in their administrations to attract funding for this important area.



## Decarbonising Heat

One of the key challenges in successfully achieving a transition to net zero is the decarbonisation of domestic heating. Over the preceding three years all administrations have been working to address this issue, sharing ideas and best practice at BIC forums. These include overarching strategy frameworks but also granular policy interventions, such as financial incentives targeted at domestic households.

### Case Study 1: Government of Jersey’s ‘Low Carbon Heating Incentive’



In 2023, the Government of Jersey launched their Low Carbon Heating Initiative. This scheme offers financial support for islanders switching from fossil fuel-based heating systems to low carbon alternatives.

An individual can receive up to £9,000 for heat pumps or £4,000 for other technologies. Low-income households are eligible for up to £15,000.

The overall aim of this initiative is to aid Jersey’s efforts to reduce greenhouse gas emissions from heating.



### Case Study 2: Isle of Man Government’s Home Energy Schemes



The Isle of Man Government has been operating two home energy schemes in recent years, to encourage domestic retrofit and promote the cost-effective transition to low carbon heat. In combination these have reached well over 10% of island homes.

Building on the successes of these programmes, a new low carbon heating scheme is expected to be launched in the first quarter of 2026. This will support applicants in funding technologies such as air source heat pumps, as well as any appropriate accompanying fabric measures such as improved loft insulation.



## Decarbonisation of Heat Joint Webinar, March 2023

In March 2023, the Energy and Housing Work Sectors co-led a joint webinar looking at the decarbonisation of heat.

The webinar brought together policymakers and experts from all eight administrations to discuss how best to boost energy efficiency, including through retrofitting, heat networks and the development of clean heat strategies.



The webinar featured a presentation from the Danish Government which highlighted their co-operation with both the UK and Scottish Governments on areas such as heat networks and energy efficiency. This highlighted the importance of sharing best practice internationally.



## Offshore Renewables (including Wind, Marine, Grid and Interconnection)

Members have been pursuing an array of initiatives, including offshore renewable wind farms and developing tidal stream technologies. The Energy Work Sector has been a useful forum in discussing these subjects in more detail, particularly about the added economic benefit offshore renewable sites can provide by generating revenue and in terms of job creation.

### Case Study 3: Welsh Government's Tidal Lagoon Challenge and Morlais Tidal Development Zone



As a way of accelerating its decarbonising programme and supporting the green economy, the Welsh Government is looking at marine as a particular area of focus. Marine renewable demonstration zones have been established by the Welsh Government to support the development of marine innovation including wave and tidal stream technology, as well as floating offshore wind demonstration projects.

One such example is Morlais, off the coast of Anglesey in North Wales. Owned by a Community enterprise, Morlais is a tidal development zone and has the potential to generate 240MW of electricity from tidal stream technology, making the zone the largest consented project of this type in the world. The project is attracting new investment from tidal stream developers who are looking to bring commercial deployment to Morlais in the coming years.

To support and advance the evidence base for tidal range technology and its benefits, the Welsh Government has set up the Tidal Lagoon Challenge. In 2024, £750,000 funding was announced at the Marine Energy Wales conference, to support three research projects addressing three barriers to developing tidal lagoon technology, specifically:

- (1) Environment and consenting
- (2) Engineering and Technical
- (3) Socio-economic and Finance.



### Case Study 4: Government of Guernsey - Offshore Wind Development



The Government of Guernsey has been exploring the potential for a commercial scale (1GW+) development within Guernsey's territorial limits. This would be principally for export and would therefore require access to either UK or French markets. This is being explored by a cross government working group, alongside two consultancies: Carbon Trust and PA Consulting.

The approach taken was to look at a potential development in four stages; each with a break and decision point. The first two phases have now been completed. The first phase looked at whether a development in Guernsey's waters was feasible and realistic, and the second phase explored what would be required to deliver the project.

The Government of Guernsey unanimously supported continuing to phase three (development of the market approach) at their meeting on 9 April. At the conclusion of phase three, the government will decide whether to commence phase four – approaching the market and the leasing of the seabed for offshore wind development.

Supporting the offshore wind work, the Government of Guernsey agreed, at their meeting on 29 April, the approach to licensing an offshore renewable energy project. This is underpinned by the Renewable Energy Law and Ordinance, which is already approved but not yet in force. The Government agreed that this would need to be enacted in full in order to support an approach to the market for offshore wind.



### Visit to Marine Energy Wales, September 2022

In September 2022, the Work Sector visited Marine Energy Wales in Milford Haven, Pembrokeshire.

This was an exciting opportunity for attendees to hear first-hand from staff about the work to drive forward the development of tidal and wind energy in Wales.

The group were given a tour of the facilities and learned about the economic and environmental impact of the projects being undertaken. Staff expect the work they are involved in to generate £1.74 billion in economic opportunity for Wales over a five-year period.



### Visit to Guernsey Power Station, September 2023

In September 2023, the Work Sector visited Guernsey to hear firsthand from staff about energy generation on the island. Attendees were given a tour of Guernsey's power station near the town of Saint Peter Port.

Officials learned about the unique energy challenges facing the island as well as ambitions to decarbonise electricity generation through the development of offshore wind.



## New and Emerging Technologies (including Hydrogen and CCUS)

A key area of focus over the last three years has been new and emerging technologies. The Work Sector has taken particular interest in the production and use of green hydrogen and other technologies such as geothermal energy. These new methods of energy generation will be crucial to achieving renewable energy targets across these islands.

### Case Study 5: UK Government – ‘Make Britain a Clean Energy Superpower’ Mission



One of the UK Government’s Missions is to ‘Make Britain a Clean Energy Superpower’. This policy framework has led to an investable model, directly supporting the UK’s hydrogen economy.

This is now being implemented, supporting projects which will create jobs and growth across the UK, whilst contributing to the government’s ambition to make the UK a clean energy superpower.

In the Autumn 2024 Budget, the UK Government confirmed support for eleven green hydrogen projects from the first Hydrogen Allocation Round (HAR1), which comprised £90 million in capital grant support through the Net Zero Hydrogen Fund and c. £2.3 billion revenue support through the Hydrogen Production Business Model.

More recently in April 2025, the UK Government announced a shortlist of 27 projects across England, Scotland and Wales which have been invited to the next stage of the Second Hydrogen Allocation Round (HAR2) process.



### Case Study 6: Northern Ireland Executive’s GeoEnergy NI project



The Department for the Economy (DfE) launched the GeoEnergy NI project in 2023. Its aim is to explore the potential of geothermal energy to heat homes and buildings, with an ambition to reduce reliance on fossil fuels.

Geothermal potential is being explored in County Antrim where a contractor has completed a seismic, gravity and magnetotelluric survey that provides a visualisation of the subsurface down to 2km, to identify the location for a deep drill in the coming years.

The scope of the project has also included the Stormont Estate where exploratory work has taken place to test the viability of a shallow geothermal system that will heat and cool the buildings on the Estate. The plan is to drill four 250m hydrogeological borewells and a 1,500m stratigraphic borewell. The work will allow testing of the aquifer with heat network design following.

The GeoEnergy project includes an active communication programme which has been demystifying geothermal technologies and thereby allaying any concerns the public may have about this method of energy generation.



### Visit to University College London Hydrogen Research Laboratory, October 2024

In October 2024, the Work Sector visited the hydrogen research laboratory at University College London (UCL) to meet with staff, students and to tour the university’s facilities.

BIC officials were also given presentations from key academics on the potential of green hydrogen in helping to achieve net zero.

Expanding upon the subject of green hydrogen, university staff highlighted the challenges of transportation and storage and the work going in to optimise the materials used to help overcome this barrier to progress. Staff at the campus also touched on the support they are receiving from the UK Government to advance research into hydrogen as well to develop sustainable fuels and battery technology.

Finally, BIC officials were given an overview of carbon capture and storage technology, its potential in combating climate change and the sites around the UK where it could be put to best use.



## Visit to the Titanic Quarter in Belfast, Northern Ireland, February 2024

At the beginning of 2024, the Work Sector visited the Titanic Quarter in Belfast. As part of the programme the group visited three organisations: Translink, Catagen and Artemis Technologies.

Translink showcased their hydrogen powered buses which operate around Belfast. Attendees were interested in how hydrogen powered vehicles could be used within their own administrations, to reduce carbon emissions.

The visit to the Titanic Quarter began with a tour of Artemis Technologies, an organisation working on the development and manufacturing of decarbonised marine vessels. During the tour, attendees learned about the low carbon technology in use to produce marine vessels. Officials were also given the opportunity to experience a simulation of operating one of Artemis' vessels in a variety of weather conditions.

Next was a tour of the facilities at Catagen. The facilities included a green emissions testing site, a net zero technology centre and a bio-hydrogen generator. Colleagues heard from staff about the company's ambitions for the future as well the support received from government.



## Local and Community Energy

Heads of Administration at the 41st BIC Summit on the Isle of Man highlighted the importance of local communities feeling the benefits from renewable energy developments situated in their communities. Leaders agreed this was vital to ensuring community 'buy-in'.

### Case Study 7: Government of Ireland's Community Benefit Fund



The Offshore Renewable Electricity Support Scheme (ORESS) projects must establish a dedicated Community Benefit Fund. For a typical 500MW project this amounts to roughly €4 million per annum.

Local communities are given agency to decide how this money is spent. Over the lifetime of a project, these funds can have a transformational impact on the general shared and inclusive well-being of everyone.



To date, the Community Benefit Fund has been very well received across Ireland. The government intends to continue this scheme in to the future.

### Case Study 8: Scottish Government's Community and Renewable Energy Scheme (CARES)



The Scottish Government have continued to invest in their flagship Community and Renewable Energy Scheme (CARES). This scheme was established to provide advice and support – including funding – to communities across Scotland, looking to develop renewable energy, heat decarbonisation and energy efficiency projects.

The Community and Renewable Energy Scheme (CARES) continues to support communities across Scotland to participate in and benefit from the energy transition. Since its inception, CARES has advised over 1,300 organisations and provided over £67 million in funding to communities. Almost 50 community energy projects have been announced, offering funding of over £5.5 million through CARES 'Community Energy Generation Growth Fund'. The funding is a combination of Scottish Government and Great British Energy funding, demonstrating a shared commitment to support community energy projects.

#### Community and Renewable Energy Scheme (CARES)

Delivered by Local Energy Scotland

