

Why long-term energy security relies on renewable energy

With the energy crisis now threatening economic instability, it's understandable that governments must step in with urgent measures. Short-term market interventions will however only address the symptoms of the energy shock, not the underlying cause. Consumer energy bills are skyrocketing because of our over-dependence on fossil fuels, and our vulnerability to the volatility that comes with them. A truly resilient energy system requires long-term interventions that accelerate the build-out of renewables.

In response to the spread of potential financial distress caused by Europe's energy shock, there are many discussions around recouping money from companies turning a high profit from the conditions of the energy crisis. This solidifies a trend: the sphere of energy politics has now expanded beyond climate security, or energy security to include defence against recession, and widespread financial instability. The energy crisis poses a real threat to the European economy, and bolstering energy security is an important tool for containing it.

With energy prices soaring, the rush to act quickly from policy makers is justifiable. However, if long-term energy security is the goal, it's critical that these interventions consider long-term consequences. For example, changes to electricity market design or profit caps should be approached with caution. It is critical to avoid triggering market distortions that dampen investor appetite for renewable energy in the long run. This year's energy shock could instead mark a turning point, where improved government policy finally kickstarts the journey to a stronger, more sustainable energy system.

Ramping up fossil-fuel projects has been hailed as a quick solution to prevent energy poverty across Europe this winter. But this does little to offer a defence against the now constantly shifting geopolitical tectonic plates. Growing geopolitical uncertainty has led to a vicious cycle of fossil-fuel volatility whereby supply is hampered, EU markets must respond, only to have the stakes escalated at the next juncture, sparking more extensive measures. The only solution is to prioritise long-term resilience, through energy systems that are decarbonised, low-cost, and resistant to the tampering of supply.

Across Europe, we understand the benefits of renewable energy in theory, but not in practise. While ambitions to accelerate renewable installed capacity were stepped up earlier this year in response to the burgeoning energy crisis, at present, the EU has approximately four times more wind capacity in permitting than under construction. Permitting bottlenecks persist despite constant talk about expediting them from policy makers.

There are some key adjustments that would help. More digitalised processes, more resources, and a clear streamlining of responsibilities amongst different authorities can build more efficiency and speed into the permitting process. We must also acknowledge that bio-diversity considerations hinder the progress of projects. While the impact on local environments must of course be respected, we now have an urgent need to focus on the issues that most greatly impact public interest, and energy security must be prioritised. With these adjustments in place, the overall permitting process should run for a maximum of two years.

Grid buildout is moving even slower. Where governments should be improving the reach, storage capability and capacity of their grid networks, they are instead trapped in archaic energy mechanisms that favour fossil fuels. As soon as we have smarter, more flexible grid capabilities, renewables quickly become the safest, most effective source of energy.

Finally, slow progress on the renewables front is a self-fulfilling prophecy. To limit carbon emissions in line with global climate goals, annual energy investment needs to double. Inviting in renewables, and allowing them to smooth out the peaks and troughs of the current crisis is the only way to build a more stable and predictable energy industry that would warrant further investment.

The first step towards preventing further energy poverty and economic disruption is to unlock the tens of gigawatts of wind capacity currently waiting in the wings across Europe. Strengthening our energy infrastructure to ensure we can add more is the next. Without removing the bottlenecks for renewable energy, we can't end the vicious cycle of fossil fuel volatility, and we have no hope of limiting its destructive effects.