Brexit Trail: Taking the Fork in the Road

Introduction
This article summarises the returns from 80 energy industry experts that attended the 2016 Future Energy Scenario launch on Tuesday 5 July 2016. The Brexit Trail was a poll carried out to understand what energy experts thought about where society would be in 20 years’ time.

After careful analysis there were two common equally supported views of the paths to 2036 (see Error! Reference source not found.). There was additionally a wide range of views (see Error! Reference source not found.) which this report aims to simplify.

Figure 1: The two most common trail routes leading to 2036

Figure 2: Example of varying trails
Results

Within the first five years there would be a significant disruption to both the market place and to governmental focus on energy issues. See Figure 3 for the distribution. Brexit negotiations and their consequences were sure to take priority. “No clear policy direction as Brexit gets negotiated” wrote one delegate. This period of high political uncertainty would lead to a reduction in investments across the energy sector. A lack of money would have a negative impact on all sorts of projects including the all-important infrastructural ones. Research and development would also be affected and so hampering technological innovations.

![Figure 3: A bubble diagram of the 5 year position](image)

This political uncertainty would be made worse by a weakening pound which would further prevent business investments.

By 2036 it was felt that both the economy and environmental consciousness would both be growing. See Figure 4. By then, the environmental needs would have become urgent. But the government would now be more able to focus on environmental targets, that it had set itself, and society could afford to pay for them. But a decade would have been wasted in one way or another.
There were two competing views, which were evenly split, on the route to be taken from the negative 5 year position to the positive 2036 end point. One group (route A in Figure 1) thought that the economy would have to expand first. This would be followed by society becoming more environmentally conscious both because it was becoming an urgent issue, having taken second place to economic growth, and because a stronger economy would allow for more green investment. As another delegate put it: “Uncertainty...less economic growth....less money available...less interest in renewables”. In Future Energy Scenario (FES) terms, the world would move through a No Progression phase in the first 5 years. After 10 years, it would be in a Consumer Power transition ultimately leading to a Gone Green world before 2036.

The other view (route B in Figure 1) believed that an environmentally conscious society would be the driving force “many (the majority) are or will be environmentally conscious” said a delegate. It would be the economy which would recover less quick. This would equate to a FES journey of No Progression followed by Slow Progression and then Gone Green world.

Conclusion
The general view was that Great Britain would end up in a greener and more prosperous world in 2036 than we are in today but there would be a decade of either the environment or the economy suffering. Watch this space for further analyses of this and other trail surveys from a range of National Grid stakeholders over the next few months. The next Trail on Brexit from other events will be released publicly in the near future.