

A Just Transition Without Electoral Suicide: Making the Move from Fossil Fuels Politically and Economically Durable

How governments can build public support for renewable energy while protecting households, communities and political credibility

Written by Georgy Hadwen- HOPE senior researcher (UK)

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The political challenge facing governments committed to reducing fossil-fuel dependence is deceptively simple: how do you persuade voters to support a transition whose long-term benefits are substantial, while ensuring that the short-term costs do not fall disproportionately on people who can least afford them?

This is the core question of what we understand as a just transition.

The answer is not to retreat from renewable energy, nor to pretend that the transition will be cost-free. Equally, governments should avoid presenting climate policy primarily as a programme of sacrifice: higher bills today in exchange for an environmental benefit sometime in the future.

➡ That framing is politically vulnerable.

A more durable argument is that the transition should be about energy security, lower and more predictable energy costs, economic renewal, healthier communities and national independence from volatile fossil-fuel markets. Climate protection is fundamental, but it should indeed must be presented as one part of a wider public-interest proposition.

This approach can command substantial support. In Australia: 75% of people surveyed by the Lowy Institute in 2025 said renewables should play a major role in the country's energy mix by 2050, while 82% supported government subsidies for renewable-energy technology. At the same time, Australians were almost evenly divided over whether achieving net zero would make the economy better or worse off. That distinction is important. People can support the destination while being uncertain about the journey. The political task, therefore, is to make the journey demonstrably fair.

The first principle: stop selling "net zero" and start selling energy security

The language used by governments matters.

"Decarbonisation", "net zero", "carbon budgets" and "fossil-fuel phase-out" are important policy concepts, but they do not necessarily answer the question that dominates household politics:

Will I be able to afford to heat my home, travel to work and pay my electricity bill?

The transition should therefore be framed around four mutually reinforcing objectives:

- affordable energy + energy security + economic opportunity + climate protection.

This is particularly important after the energy-price shocks experienced since 2021. The UK's dependence on gas has exposed households to international price volatility. Australia, despite possessing enormous renewable resources, faces its own exposure to coal and gas prices, transmission constraints and the costs associated with replacing ageing generation.

Renewables change the nature of that risk. Wind and solar have no fuel cost. Once built, their generation is not dependent upon the price of internationally traded gas or coal. But that does not mean renewable electricity automatically translates into cheap household energy. Networks, storage, system balancing, market design, taxation and infrastructure investment all impact on costing and household bills

The Australian Energy Market Operator's 2026 Integrated System Plan concludes that renewable generation supported by transmission and storage represents the least-cost pathway for Australia's National Electricity Market through to 2050, as coal generation retires.

The UK is pursuing a similar direction. Its Clean Power 2030 strategy explicitly links renewable deployment with energy security, affordability and economic growth.

The political message should consequently be:

- *"We are moving away from fossil fuels because relying upon fuels whose prices we cannot control is economically and strategically dangerous."*

That is a much broader proposition than climate politics alone.

A three-stage transition

A successful transition requires different policies at different stages. Governments should distinguish between immediate protection, medium-term structural reform and long-term transformation.

1. **Short term:** protect people before asking them to change

The first responsibility of government is to prevent the transition becoming synonymous with financial hardship.

Targeted energy assistance

Governments should maintain targeted support for households experiencing energy poverty rather than attempting indefinitely to suppress prices for everyone.

This could include:

- targeted energy rebates;
- social tariffs or equivalent protections;
- protection for prepayment customers;
- emergency assistance during price spikes;
- stronger regulation of energy retailers;
- automatic eligibility for assistance using existing government data where privacy safeguards permit.

The UK's current approach illustrates the tension. Policy costs represented around 9% of a typical electricity bill in the second quarter of 2026, although the government has moved 75% of the Renewables Obligation cost from electricity bills to general taxation.

This points towards an important principle: The cost of building the future energy system should not automatically be loaded onto today's electricity bills.

Some costs have wider social and economic benefits and should therefore be funded through progressive taxation or public borrowing rather than disproportionately through energy consumption.

Energy efficiency must arguably be treated as energy *infrastructure*

The cheapest unit of energy for a household is frequently the unit it does not have to buy.

Short-term programmes should therefore prioritise:

- insulation;
- draught proofing;
- efficient heating;
- heat-pump support where appropriate;
- smart meters and controls;
- solar PV;
- community batteries;
- advice and retrofit support.

This has an additional political advantage: people see the benefit directly in their own homes.

A new transmission line may be nationally important but is politically abstract to a household. A warmer home with a lower energy bill is tangible.

2. Medium term: make clean energy visibly cheaper

The next stage is to reform the energy system so that the declining cost of renewable generation is increasingly reflected in consumer prices.

The UK's government has already recognised this problem. In April 2026 it announced measures intended to reduce the influence of gas prices on electricity prices, including voluntary long-term fixed-price contracts for existing low-carbon generators and changes to the Electricity Generator Levy. This position is significant: A system in which cheap renewable electricity is generated but consumers remain heavily exposed to fossil-fuel price-setting creates an obvious political contradiction.

Reform electricity pricing

Governments should investigate mechanisms that allow consumers to benefit *more directly* from low-cost renewable generation.

Potential measures include:

- long-term contracts for renewable generation;
- greater use of Contracts for Difference;
- locational electricity pricing where appropriate;
- time-of-use tariffs;
- cheaper electricity during periods of surplus renewable generation;
- incentives for batteries and demand response;
- community energy schemes;
- stronger competition and transparency in retail markets.

Australia is also examining the optics in market design. The Australian Energy Market Commission's 2026 pricing review recommends a simpler, more transparent consumer-focused market and reforms to network pricing intended to address upstream cost drivers.

The important political objective is not necessarily that every consumer receives a lower bill immediately. It is that governments can demonstrate:

"As we build more clean energy, you are increasingly able to benefit from it."

That creates a political feedback loop in favour of the transition.

3. Long term: turn communities into beneficiaries rather than hosts

This may be the most important element of a genuinely just transition.

Communities are frequently asked to host:

- wind farms;
- solar farms;
- batteries;
- substations;
- pylons;
- transmission corridors;
- hydrogen infrastructure;
- new roads and associated infrastructure.

Yet the benefits may accrue principally to distant consumers, investors or national governments. That creates predictable resistance and the question should therefore change from:

"How do we persuade this community to accept a renewable-energy project?"

to:

"How does this community become a financial beneficiary of the project?"

The UK's emerging Local Power Plan provides a valuable example. It proposes up to £1 billion of support for community and locally owned clean energy, with the objective that communities directly benefit from the energy they help produce.

The UK's Clean Power 2030 strategy similarly recognises that communities hosting infrastructure need tangible benefits.

Australia should pursue the same principle more systematically.

Community benefits could include:

- annual payments to affected communities;
- community ownership stakes;
- discounted electricity;
- local energy funds;
- funding for schools and community facilities;
- local infrastructure;
- regional employment guarantees;
- vocational training;
- Preferential procurement from local businesses.

This is more than compensation.

It changes the political economy of the transition.

A community that receives a meaningful and transparent share of the economic value generated by a renewable project has a reason to see that project as its infrastructure rather than infrastructure imposed upon it.

The community-level challenge: "Why us?"

Large-scale renewable energy creates a particularly difficult distributional problem. The benefits of decarbonisation are dispersed nationally and globally. The visual and social impacts of infrastructure are frequently concentrated locally. A transmission line may benefit millions of consumers while crossing the land of a relatively small number of farmers. This asymmetry is politically potent or not critical in any policy transition.

The UK's Energy Security and Net Zero Committee warned in 2026 that communities hosting renewable infrastructure risk seeing "pylons but none of the profits", arguing that insufficient community ownership could undermine public support for the transition.

Australia faces the same issue.

Transmission projects such as the Western Renewables Link in Victoria have demonstrated how questions about land acquisition, project costs, environmental impacts and community consent can become politically explosive. The inference is clear: consultation alone is not enough.

A public meeting explaining why a project is necessary is not the same thing as democratic participation.

A genuinely just transition requires communities to have:

1. information — access to understandable evidence;
 2. voice — meaningful participation before decisions are finalised;
 3. choice — genuine consideration of alternatives;
 4. benefit — a financial or social return;
 5. recourse — an accessible mechanism for challenging decisions;
 6. ownership — where practical, an opportunity to own part of the infrastructure.
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The regulatory challenge: speed versus legitimacy and therein lies an unavoidable tension.

If governments make planning and regulatory approval, too slow, renewable projects cannot be delivered quickly enough. If they make approval too easy, communities can reasonably conclude that consultation is merely cosmetic inferring the solution is not to choose between regulation and speed. It is to make regulation better.

The UK provides an instructive illustration. Its Clean Power 2030 programme identifies planning and consenting delays, grid connection queues and insufficient network investment as major barriers. The government estimates that around twice as much new transmission infrastructure will need to be built by 2030 as was constructed during the preceding decade.

The connections problem is particularly significant. Reform proposed by government and NESO could potentially release hundreds of gigawatts of capacity from the existing queue by prioritising viable projects aligned with strategic energy needs.

Australia has an analogous problem: renewable projects can be approved in principle but remain stalled because of transmission constraints, financing, planning requirements and increasing construction costs. Current reporting on Australia's Capacity Investment Scheme illustrates the gap that can emerge between government underwriting and actual project delivery.

Regulatory reform should therefore focus on five things

First, strategic spatial planning.

Governments should identify where generation, storage and transmission should be located before thousands of individual projects enter fragmented approval processes.

Second, one-stop coordination.

Developers should not have to navigate multiple disconnected regulatory systems without a coherent government pathway.

Third, clear environmental thresholds.

Accelerated approvals should not mean abandoning biodiversity, agricultural or cultural protections.

Fourth, early community engagement.

Consultation undertaken after a project has effectively been designed is likely to generate opposition.

Fifth, benefit-sharing should be part of the approval framework.

Community benefits should not depend entirely upon the generosity of individual developers.

What Australia can learn from the UK — and vice versa

Neither country has a perfect model ... The UK's advantage is its comparatively strong national policy framework and established institutions for climate governance. The Climate Change Act, carbon budgets, the Climate Change Committee, NESO and Ofgem provide mechanisms for long-term planning. Its weakness is the difficulty of translating national strategy into local consent, alongside an energy market in which gas has historically exerted a disproportionate influence over electricity prices.

Australia possesses extraordinary renewable resources and has already achieved very high levels of household solar penetration. Its 2026 Integrated System Plan provides a long-term least-cost framework for generation, storage and transmission. Its flaw is institutional fragmentation.

Energy policy is divided among the Commonwealth, states and territories, regulators, market institutions, local governments and private operators. Planning rules can vary substantially between jurisdictions. Renewable energy zones and transmission projects can therefore become political battlegrounds even when their broader economic rationale is strong. Australia also has a particularly important opportunity: distributed energy. Millions of households can potentially become participants in the energy transition through rooftop solar, batteries, electric vehicles and demand management. Instead of viewing households solely as consumers, governments should increasingly treat them as producers, storage providers and participants in the electricity market.

The electoral question: what would make the transition politically survivable?

It is tempting for climate advocates to assume that the political answer is simply better communication, which is flawed thinking. No amount of communications strategy can permanently compensate for a household experiencing unaffordable energy bills.

The political strategy must therefore be built around visible material benefits.

A government seeking to implement a fossil-fuel transition should be able to demonstrate, within a single parliamentary term:

1. Lower energy vulnerability - Fewer households struggling to heat their homes.
2. More predictable bills - Less exposure to international fossil-fuel price shocks.
3. More domestic generation - More electricity produced within the country.
4. More jobs - Manufacturing, construction, engineering, maintenance and regional employment.
5. Local benefits - Communities hosting infrastructure receiving tangible financial returns.
6. Greater consumer choice - Households able to generate, store and sell electricity.
7. Visible infrastructure - People can see the transition being *built* rather than simply being told that targets will eventually be met and this illustrates a crucial political rule:
 - Never ask voters to pay for the transition on the promise that the benefits will arrive later. Build the benefits into the transition from the beginning.

A practical policy roadmap

Timeframe	Priority	UK example	Australian application
0–2 years	Protect vulnerable households	Targeted bill support and shifting some policy costs to taxation	Expand targeted bill assistance and energy-efficiency programmes
0–2 years	Accelerate efficiency	Home retrofit and clean-heat programmes	Household efficiency, solar and battery incentives
0–2 years	Reform grid queues	NESO/Ofgem connections reform	Coordinate AEMO, transmission planning and state approvals
0–3 years	Reduce gas price exposure	Long-term contracts for low-carbon generation	Strengthen long-term renewable contracting and storage
2–5 years	Expand storage	Batteries and flexibility markets	Grid-scale and household batteries
2–5 years	Community ownership	Local Power Plan	Community ownership funds and regional energy trusts
2–5 years	Industrial strategy	Great British Energy and clean-energy supply chains	Renewable manufacturing and regional clean-industry hubs
3–10 years	Electrify transport and heat	EVs, heat pumps and smart demand	EVs, household electrification and industrial electrification

Timeframe	Priority	UK example	Australian application
5–15 years	Transform market design	Greater separation from gas price-setting	Consumer-centred NEM reform
10–25 years	Complete fossil-fuel transition	Predominantly clean electricity system	Renewable/storage/transmission system replacing ageing coal and reducing gas dependence

The deeper meaning of a just transition can be considered as a just transition, which is not simply compensating people for the inconvenience caused by climate policy. It should mean redesigning the energy economy so that the benefits of decarbonisation are distributed more fairly than the benefits of the fossil-fuel economy have historically been distributed and should have profound implications. If renewable energy is owned primarily by distant investors, communities may see little difference between a fossil-fuel company and a renewable-energy company.

If governments collect the benefits but households continue to face high bills, voters may reasonably question the transition

If rural communities carry the infrastructure while cities consume the electricity, regional resentment will grow.

If workers in fossil-fuel industries are told that their jobs are disappearing but are not offered credible alternatives, political resistance is inevitable.

And if climate policy becomes associated with austerity, restriction and personal sacrifice, opponents will have an easy political narrative.

The alternative is a social contract for clean energy.

- Government provides the strategic direction and infrastructure.
- Industry provides investment, innovation and employment.
- Communities receive ownership and benefits.
- Consumers receive cheaper, cleaner and more secure energy.
- Workers receive genuine pathways into new industries.
- And society receives the climate and environmental benefits.

It is thus harder to weaponise this to portray this as an attack on ordinary people.

Conclusion: make the transition something people can vote for

The greatest political mistake would be to frame the choice as: *fossil fuels versus climate action*.

The more electorally durable framing is: *expensive, volatile and externally exposed energy versus secure, increasingly domestic and affordable energy*.

The climate crisis makes the transition necessary. But necessity alone does not make policy politically sustainable but people (you and me) need to see that the transition improves their lives.

For the UK, this means breaking the connection between volatile gas prices and household electricity costs, accelerating grid investment, improving energy efficiency and ensuring that communities hosting infrastructure receive meaningful benefits.

For Australia, it means taking advantage of exceptional solar and wind resources while overcoming fragmented planning, transmission constraints and the politics of regional infrastructure.

- ⇒ Both countries need to move beyond the idea that public support can be obtained simply through consultation.
- ⇒ The communities that host the transition should own part of it.
- ⇒ The households that invest in it should benefit from it.

- ⇒ The workers who lose fossil-fuel employment should have credible alternatives.
- ⇒ The voters who are asked to support it should be able to see lower risks, greater energy security and tangible economic benefits.

A just transition is therefore not merely an environmental programme: It is an economic settlement, a regional-development strategy and a new model of energy democracy.

If governments can make that settlement credible, the transition away from fossil fuels does not have to be electoral suicide.

Furthermore, it can become something considerably more politically powerful: a promise of a more secure, affordable and locally beneficial energy future.

Appendix: References and further reading

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