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WEDNESDAY, 23 MAY 2007

## ENERGY WHITE PAPER RECOGNISES OFGEM'S GROWING ROLE IN SUSTAINABLE DEVELOPMENT

- **Energy White Paper recognises Ofgem's work in sustainable development**
- **Government committed to using markets and independent regulation as the cornerstone of energy policy**
- **Ofgem using a range of initiatives to tackle environmental and social issues**

Ofgem's increasing substantial role in sustainable development in the energy sector was reflected in the Government's Energy White Paper published today.

Ofgem chairman Sir John Mogg said: "I welcome the Energy White Paper's recognition that a continued commitment to markets and independent regulation is the cornerstone of policy to deliver secure, sustainable and affordable energy supplies.

"Through our own current and future initiatives, and through our partnerships with government and industry, we look forward to working to meet the significant environmental and social challenges we face," Sir John said.

Ofgem's involvement in the environmental and social elements at the heart of what is described as sustainable development is broad and recognised in the Energy White Paper.

- Ofgem has been working to address transmission issues for onshore and offshore wind power.
- Ofgem is to manage and coordinate a series of trials of "smart meters" which potentially could help consumers be more energy efficient and help to tackle global warming.
- Ofgem has been working in partnership with the supply companies, the distribution network operators and the Government to open the way to household-scale generation – called microgeneration - and other types of generation sited closer to homes to reduce the energy lost in transporting it.
- Under recent price control reviews Ofgem has allowed investment in energy transmission networks to double to more than £5 billion over the next five years to accommodate new generation including the growth in renewable capacity.
- Ofgem will be evaluating energy companies' Corporate Social Responsibility initiatives with a particular focus on the vulnerable consumer.
- Ofgem is currently developing an accreditation system for green tariffs that will aim to improve consumer confidence in the claims made about green energy supplies.

Commenting further on today's publication Sir John said: "Ofgem welcomes the Government's proposals to improve the planning regime in a way that will help the development of the energy infrastructure needed for Britain to meet its long-term challenges relating to climate change and security of supply."

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#### **Notes to editors**

Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's functions are set out mainly in the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998 and the Utilities Act 2000. In this note, the functions of the Authority under all the relevant Acts are, for simplicity, described as the functions of Ofgem.

#### **For further press information contact:**

**Mark Wiltsher: 020 7901 7006**

**Chris Lock: 020 7901 7225**

**Julia Collings: 020 7901 7217**

**Out of hours contact: 07774 728971 or 07766 511470**