

Green Supply Offerings: Introduction

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Welcome

- Guidelines on green tariffs is a high priority for Ofgem
- Consultation published 4 June in parallel with the Energy Saving Trust
- Pleased to be jointly hosting this event with the Energy Saving Trust

A growing number of suppliers are offering 'green tariffs'

- **BUT** there are a range of interpretations of what green energy is
 - Potential for misleading information to be made available

- Keen to engage with industry and consumers to develop revised guidelines and an accreditation scheme to address these issues
- Proposals developed through seminars/meetings/formal consultation

Background

2002

Guidelines on Green Supply Offerings published by Ofgem to improve quality of information for customers

2005

Consulted on revised guidelines to reflect changes in market

- Growth of carbon offsetting contracts
- Experience of the Renewables Obligations (RO)

2007

Clarifying definition of green supply offerings a priority

- Increasing evidence and consumer/political awareness of carbon
- Interest in green tariffs is increasing but there are concerns that information on green supply offerings is confusing
- Consultation on revision of guidelines intended to address this

Ofgem's Aims

- To work with industry to develop a set of voluntary guidelines
 - To increase customer choice and retain innovation
 - To increase customer confidence in suppliers "green" claims
 - To ensure suppliers can sign up to the guidelines
- To develop an accreditation scheme benefiting customers and suppliers

A large green arrow pointing from the 'HOW?' section towards the implementation steps.

HOW?

- Industry / consumer engagement and consultation
- Parallel consultation with Energy Saving Trust to ensure that a consistent approach is developed
- Publication of final Guidelines and implementation of independent accreditation scheme from Autumn 2007

Key issues for consideration

Guidelines on green supply



- What should Ofgem's role be?
 - Status of the guidelines
 - What is green supply?
 - Who should be covered?
 - What should the guidelines contain?
- Should there be an independent accreditation scheme?

Accreditation scheme



- Customers to assess "greenness" of supply tariff at a glance
- Options include:
 - ❖ kitemark standard
 - ❖ rating system
- Both options to be considered through:
 - ❖ workstream process
 - ❖ formal consultation

Way Forward

Early June

Ofgem and Energy Saving Trust publish parallel consultation on revised guidelines and associated accreditation scheme

June/July

Consult with industry via Bilateral meetings, industry seminars/work groups and through formal consultation

16 July

CONSULTATION CLOSES

Autumn

- Ofgem publishes revised guidelines
- Potential implementation of accreditation scheme

- Thank you for participating in the seminars/workshops
- Welcome your views/feedback regarding the proposals



Promoting choice and value
for all gas and electricity customers