



Promoting choice and value
for all gas and electricity customers

Green Supply Tariffs: Key Issues

Seminar
11 June 2007

Key issues for consideration

Three key issues identified in Ofgem's consultation document

Status of guidelines

Ofgem's role

Mandatory /
voluntary?

Scope of guidelines

Domestic / Non-
domestic tariffs

Renewable / Low
carbon generation

Content of guidelines

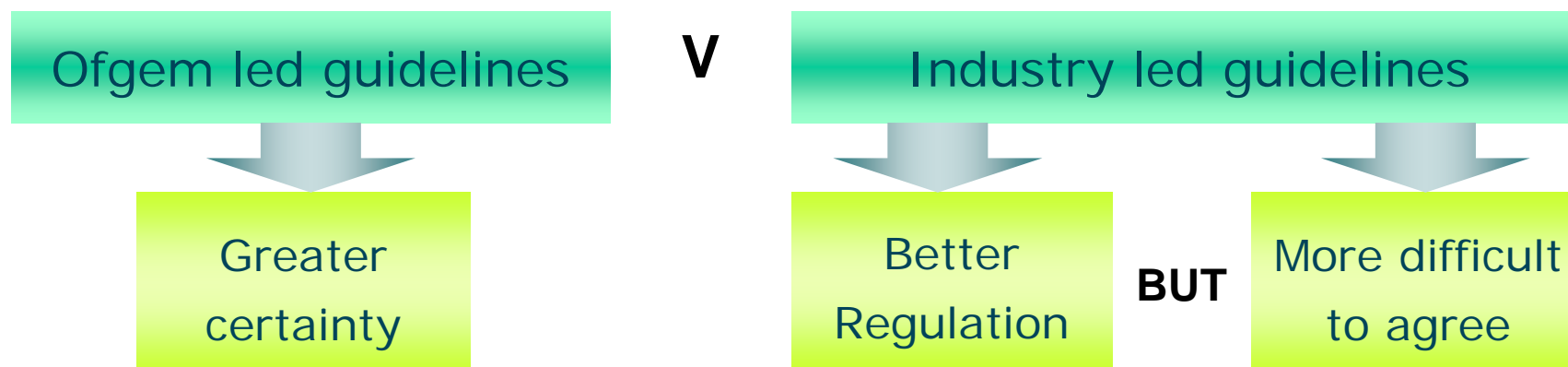
Transparency

Evidence of
supply

Additionality

Linked question of whether an accreditation scheme is needed

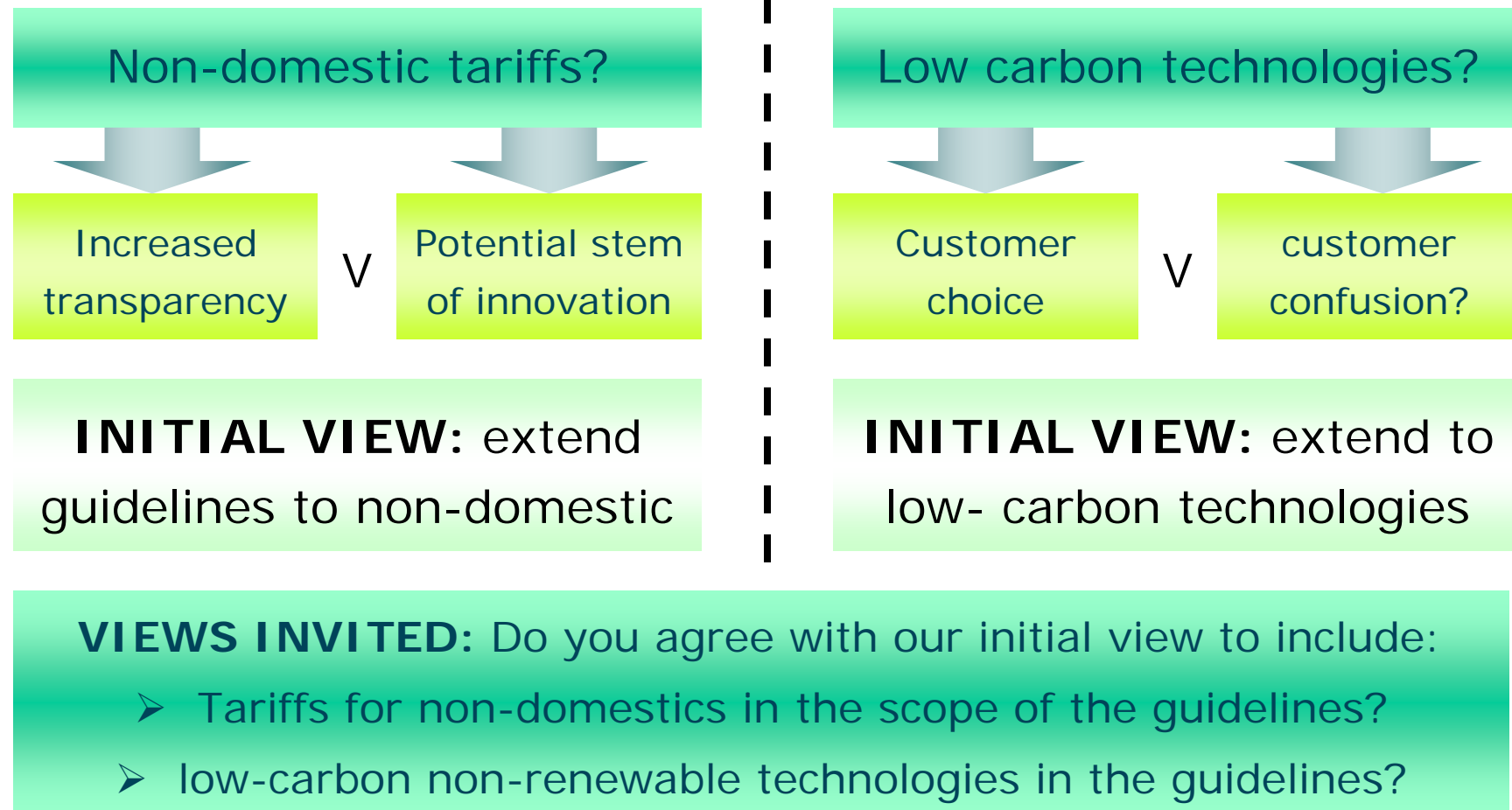
Key issue: Status of the guidelines



INITIAL VIEW: Ofgem to work with industry to develop *voluntary* guidelines that could become self-regulatory

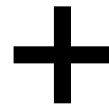
VIEWS INVITED: Do you agree with our initial view to develop voluntary guidelines that could become self-regulatory?

Key Issue: Scope of the Guidelines



Key issue: Transparency

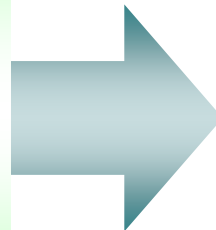
Clear information for
customers



Avoid information overload/admin
burden on suppliers

INITIAL VIEW FOR DISCUSSION:

Specific information
requirements



Compared with Standard tariff:

- % of bill funding renewables
- % of carbon saved
- % carbon offset;

Fuel mix charts for green tariffs

VIEWS INVITED: Should guidelines specify information available
on suppliers' website/customer bills? If so, what information?

Key issue: Evidence of supply

Desire for standardised
approach to evidence of supply



Proposed link to fuel mix
disclosure requirements

- Reduced admin burden
- Consistent approach
- Reduce double counting

v

Potential over-complication
of customer bills

INITIAL VIEW: Link evidence of supply to fuel mix disclosure

VIEWS INVITED: Do you agree that evidence for supply be based
on fuel mix disclosure requirements?

Key Issue: Additionality

- Guidelines should not limit forms of additionality
- Accreditation scheme could assist comparison of additionality

Forms of
additionality



- RO technologies and retirement of ROCs
- Reinvestment of funds into renewables
 - Non-RO low carbon technologies
 - Carbon offsetting

INITIAL VIEW: All above could demonstrate additionality

IEWS INVITED: What are your views on additionality? Can objective criteria be developed to measure additionality?

Should there be an accreditation scheme?

Support from
majority of key
stakeholders



- Responses to last consultation
 - Recent NCC report
 - Bilateral stakeholder meetings

Evidence of
weaknesses with
current system



- Evidence of customer confusion
- Evidence of customer mistrust
 - ASA adjudication

- An “at a glance” kitemark/ rating system could increase customer confidence in green supply tariffs.
 - Welcome consultation by Energy Saving Trust.



Promoting choice and value
for all gas and electricity customers