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Clair Hogg European Strategy and Environment Ofgem 9 Millbank, London, SW1P 3GE

7<sup>th</sup> August 2007

Dear Ms. Hogg,

## "Developing Guidelines for Green Supply" consultation

The Carbon Trust is pleased to be given the opportunity to respond to Ofgem's green electricity tariff consultation. The Carbon Trust welcomes Ofgem's analysis and broadly agrees with many of the conclusions drawn, in particular the need for transparency. It is currently very unclear to business and domestic consumers what exactly they are purchasing in terms of "green" tariffs.

We believe that it is essential that any tariff marketed as 'green' or claiming to be 'renewable' or 'low-carbon' demonstrates clear additionality over and above any carbon savings that would have resulted from existing Government regulation. In the renewables market ROC retirement demonstrates this additionality.

Our response provides more information on these issues. If you would like to discuss any of the issues raised in our response please do not hesitate to contact me, or the manager responsible for these matters – Tom Jennings on 0207 170 7179.

Yours sincerely,

Michael Rea Chief Operating Officer