



Consultation on Developing Guidelines for Green Supply

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Response from **CRed** (The Community Carbon Reduction Programme)

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1. The **CRed** (Community Carbon Reduction Programme)

The **CRed** Programme was established in 2003 and has been taking up the challenge declared in the Energy White Paper (2003) to move towards a low carbon economy. It goes further than a 60% reduction by 2050 by recognising the importance (as outlined in the White Paper) that significant progress must be made by the 2020s if this aspiration is to be achieved. The **CRed** target is thus for a 60% reduction in carbon emission within the leading bodies associated with **CRed** by 2025.

The **CRed** Programme recognises the need for a multi-pronged approach towards carbon reduction involving technical measures directed at energy conservation, the promotion of renewable energy technologies, and last, but certainly not least the need to engage the public at large, businesses, and other bodies in an awareness campaign particularly directed at the interface of technology and social acceptance of new ideas.

Details of the **CRed** Project may be found at www.cred-uk.org

The **CRed** Programme welcomes the opportunity to comment in the present consultation as it has experienced directly the considerable confusion currently existing among the general public with regard to Green Tariffs. **CRed** sees such tariffs as an important factor in the reduction of carbon emissions and welcomes any measures which will reduce the barriers which are preventing a greater uptake.

The following submission comments on the specific questions in the consultation document. These are listed as numbered according to the chapters in the consultation document. There are also several other points beyond those specifically cited for comment which are included in this submission.

This response is divided into 3 further sections with sections 2 and 3 covering the responses to questions raised concerning chapters 2 and 3 respectively and Section 4 considering other issues of importance not covered in the formal consultation. For clarity the specific questions are presented in *italic* followed by the response

2. CHAPTER TWO RESPONSES

Question 1: What should OFGEM's role be in terms of providing guidance on green supply tariffs?

There is, as noted in the Consultation Document, considerable confusion among domestic consumers as to Green Tariffs and this confusion is likely to increase further with different types of Green Tariff and/or Low Carbon Energy Tariffs. The Websites of many suppliers provide statements which makes comparisons difficult and adds to the confusion. There is an urgent need for a coherent set of guidelines. With differing views as to the nature of Green Tariffs – e.g. whether any premiums on the tariff are used for promoting further renewable energy projects, for environmental and conservation projects or for using offsetting strategies the situation is only likely to get worse adding further to this confusion. **CRed** thus concurs that revised guidelines should now be drawn up and published by OFGEM following this consultation with relevant stakeholders. We believe this to be important and with the probability of many new variants of such tariffs that these guidelines should be reviewed periodically and ultimately may become self regulating.

CRed believes there are other roles which OFGEM should be involved in respect of Green Tariffs. These aspects did not receive specific reference in the Consultation Document, and are discussed in more detail at the end of the response. These other aspects relate to OFGEMs role in providing support and data relevant to Renewable Energy Supply such as an assessment of the carbon implications of transmission losses from Renewable Generation (see section 4.2).

Question 2: Should the guidelines be mandatory or voluntary?

CRed believes that the guidelines should be mandatory, or if the guidelines themselves are not mandatory then a “star” or other similar labelling scheme should be made mandatory on all Renewable and future Low Carbon Tariffs. It is the experience of **CRed** working with the general public that there is already much confusion which will only get worse as newer and innovative tariffs are developed, and any means to ensure that things are as transparent as possible would be welcomed. **CRed** doubts that this can be achieved by solely voluntary means unless there is a simple single clearing or information system where all relevant information is available in a single location. Such information should be available on either the OFGEM or EnergyWatch Website (see also section 4.3). Paragraph 2.8 may partially address this, but if the interpretation of this paragraph is that Suppliers can publicise their compliance to voluntary guidelines on their website, this by itself will not restore consumer confidence and a single location reviewing all suppliers, possibly prepared by the Independent Assessor would be essential.

Question 3: Should tariffs to non-domestics customers be covered by the guidelines?

It is essential that all customers are covered by the guidelines. This is in the interests of transparency and to minimise the risk to consumers that double counting is taking place. It is also essential to ensure that the additionality issues are being addressed correctly. Thus the total quantity of electricity sold under the on relevant Green Tariffs to all consumers by a supplier should not exceed the declared purchases of such electricity. Further more these purchases should conform to the additionality requirements and the evidence of such should be available in the public domain. If non-domestic consumers are not included it will be very difficult for the consumers to check the integrity of the product sold and the way in which it satisfies additionality.

Question 4: Should tariffs involving non-renewable or low-carbon technologies (including Good Quality CHP, clean coal and possibly nuclear) be included within the guidelines?

This is strongly desirable as such tariffs are developed for the foreseeable future. It is important to address the importance of a sustained move towards a Low Carbon Future. The rate of deployment of

renewables even in the most optimistic scenarios is insufficient in its own right to ensure the required rate of reduction. Green Tariffs do need to be verifiable and additional and the green tariff supply must not exceed the relevant generation. Low Carbon Tariffs could provide a necessary impetus to such technologies such as the growth of Good Quality CHP and in the longer term fossil fuel generation with carbon sequestration. It is essential that any tariff marketed under such a label has a minimum saving in carbon emissions of at least a minimum threshold consistent with the Government Target of 60% (or any subsequently revised figure). On the other hand this might be too onerous a target for good quality CHP alone and perhaps lower initial threshold should be set to acquire a given number of stars (see also response to question 4 of chapter 3).

***Question 5:** Should suppliers include additional information on customers' bills to support the achievement of transparency?*

Transparency of charges is important and will become even more important with the newer tariffs. The proposed information given in paragraph 2.23 should be the absolute minimum. It must be clear to those on Green Tariffs of the additional benefit arising from the additional requirements. When displaying carbon saved information, it would be important to display the physical quantity saved as well as the percentage information as this is likely to become more important with the development of micro-generation.

Separate from the current discussion on Green and related Tariffs is the need for additional information on all bills whether "Green" or not. Such information should subdivide the unit charge into component parts such as the actual unit cost, the charges for TNUoS and DNUoS and the charges for meter reading. Such information will become more important in the future where micro-generation is involved to ensure transparency for the small customer so that they can readily see whether they are receiving a fair payment for any exported electricity. This point is explored further in section 4.1.

It is apparent that some suppliers are offering Green Tariffs but exclude the dual fuel discount which is available if consumers have both gas and electricity from them. In this respect there is an effective additional surcharge on consumers with such Green Tariffs over and above that which they would normally pay with the same supplier. **CRed** believes those consumers who opt for a Green Tariffs should be given the same financial advantages for dual fuel discounts as normal consumers,

***Question 6:** Should an agreed standard of evidence be defined and, if so, what should this be?*

As indicated in paragraph 2.30, it is essential that double counting does not occur and thus a single means of proof such as REGOs makes sense. However, the over-riding objective of any Green or Low Carbon Tariff should be to drive the reduction in carbon emissions, and it is far from clear that REGOs obtained from other Member States or even outside the EU should count as the distribution losses for such generation could be large and offset by standard generation of electricity from within the UK. Ideally REGOs from outside the UK should not be used as evidence for the purpose of verification for the Green Tariffs. Ideally any move toward "Green Tariffs" should attempt to promote use of distributed generation and use of REGOs from elsewhere would be counter to this and not the most effective way to promote a low carbon economy. Ultimately as Green Tariffs develop there should be evidence of emissions associated with transmission and distribution of renewable generation from within the UK and that within any one region the exact overhead can be assessed. In this case REGOs from outside the UK could be used with the appropriate transmission/ distribution carbon emission factor attached. The issue of transmission and distribution losses is discussed further in section 4.2. Some consideration of Renewable Generation which involves the inter-connectors to the Isle of Man and Northern Ireland will also be needed.

Relating to additionality it is important that suppliers of Green Tariffs do not pass the "Additionality Test" by having a poor performance regarding their other standard Renewable Supply. i.e. a supplier

should not be able to pass the additionality test by a having a low direct (as opposed to buy out) compliance with regard to ROCs. This point is discussed further in the response to Question 4 of Chapter 3.

Question 7: Is it appropriate for requirements relating to evidence of supply to follow the same requirements as that required for evidence of supply for the fuel mix disclosure?

CRed believes that for simplicity it makes sense to link information with the Fuel Mix disclosure. However, we believe that it is important that the differences arising from the additionality criteria are clear. The fuel disclosure mix for both standard and low carbon/green tariffs should also include the overall carbon emission factor and this, in the case of renewable tariffs should correctly reflect the geographic location of the renewable generation. CRed believes that while an independent body might undertake verification, it should be OFGEM's role to publish clear evidence of emission factors on a region basis as discussed in Section 4.2, as this is closely related to OFGEM's role in appraising transmission and other related charges.

Question 8: Is Renewable Obligation Certificate (ROC) retirement an appropriate indicator of additionality?

Retirement and taking out of circulation ROCs is clearly a mechanism to enhance renewable generation as the shortfall in ROCs will increase the buy-out fund for recycling and promote further development. However, there is a danger that suppliers might use this mechanism as a purely financial one to ensure that the Buy Fund remains large, by depressing the direct rate of normal compliance for renewable generation and making up the shortfall by buy-out. As discussed in the response to Question 4 of Chapter 3, the retirement of ROCs should only be a valid indicator if the supplier already has attained at least the industry wide average direct compliance of renewable generation as measured under ROCs.

Question 9: Do you agree that there should be clear rules covering the use of funds for transparency and verification and, if so, what should the criteria for this include?

This is vital as different consumers have different views as to how any premiums should be used. Some prefer to see money reinvested in renewable/low carbon projects while others prefer other environmental projects. Both are valid, but unless there is separate accounting and auditing for Green and Low Carbon Funds from normal tariffs it will be very difficult to check exactly what has been achieved.

3. CHAPTER THREE RESPONSES

While we understand OFGEM's views on the need for a third party to be involved in the accreditation of any scheme and not OFGEM itself, it is important that OFGEM should ensure that regular reports of the party entrusted to this accreditation should be made available readily through the OFGEM or Energy Watch Websites, and that such reports should be a minimum of two formats:

- 1) simple fact sheets of key performances of relevant suppliers in a form readily understandable by the General Public. Typically these should follow the format of OFGEM Factsheets.
- 2) Detailed reports for use by researchers, academic, and advisers which would cover the issues summarised in the FactSheets.

Question 1: Do you agree with OFGEM 's view that an "at a glance" mark is appropriate for green tariffs?

For the average domestic consumer such a mark is vital. Experience within **CRed** demonstrates that even members of the public with a high educational background find the current situation confusing and are not confident in the purely financial issues implied by comparison websites such as "U-Switch" and

others. It is apparent that clear information which is quickly understood is required, and thus any system to provide “at a glance” mark is to be welcomed. The issue is much more complex than a simple issue of excellence as there are conflicting aspects as to exactly what the tariff is promoting (offsetting, new renewable energy projects, other environmental projects etc).

***Question 2:** Do you agree with OFGEM's view that the accreditation scheme should enable the "ranking" of tariffs or should it be a pass or fail?*

A ranking system is essential to provide the information expected in an “at a glance” method. A simple pass fail begs the question as to the precise criteria used to define a pass and documentation to supplement this will be necessarily complex and should be avoided. This is particularly the case with innovation and the opportunity for a range of tariffs. A ranking system has the opportunity to distinguish between levels of excellence in a particular scheme. Thus in tariffs derived entirely from renewable energy a higher ranking would be given to renewable energy sourced locally as opposed to that sourced at a distance. Standard Tariffs already vary with REC region to account for differing TNuOS and DNuOS charges as in a similar way the ranking should eventually reflect the true environmental cost of supplying electricity in a particular region. Declaring the relevant information for Green and Low Tariffs would thus present little extra burden to suppliers provided that central information is available as suggested in section 4.2 where OFGEM would have an important role to play. It is probable that in this way niche markets might be developed by certain suppliers in a particular geographic locality.

***Question3:** Is it appropriate for the accreditation rating to distinguish between carbon and other environmental benefits?*

The accreditation should give a clear distinction between the relevant benefits but also the method by which additionality is achieved. In addition the opportunity should be taken to include in the distinction the differentiation between low carbon tariffs and green tariffs.

***Question 4:** How should the "stars" be allocated in respect of the carbon indicator and for other environmental benefits?*

Rather than a simple star scheme which could add confusion between the different aspects which need differentiation, either one of the following methods should be considered.

1) a graphic symbol representing the attribute should precede the relevant number of stars.

e.g.

- a. for a tariff promoting other environmental benefits such as preservation of wildlife, this symbol might be a clearly recognisable animal which is often associated with environmental conservation (e.g. elephant, bird or dolphin),
- b. for a tariff promoting further development in renewable energy, the graphic might be a symbol depicting a wind turbine,
- c. for a tariff involving offsetting the symbol might be a tree,
- d. For a low carbon tariff a suitable symbol should be selected. This is perhaps not so immediately obvious for a choice, but once established it should not present confusion (e.g. before the “kite” mark was used the public would not have appreciated its significance). It could be a simple graphic of the letters “L” and “C” signifying low carbon.

2) Instead of a group of stars following a symbol the rating could be signified by one or more of the relevant symbols. Such an approach would also allow for hybrid tariffs which came under one or more classification.

To ensure clarity it would be necessary to ensure that the symbol/stars should be associated with a common logo which should be present for all Green/Low Carbon Tariffs. Illustrations of the two variants associated with the CRed Logo are shown below.



In addition to the specific formal questions for which responses were invited, the following questions are also included in the Consultation Document (section 3.29) for comment:

- *How many stars should be allocated to tariffs specifying renewable technologies where no additionality is demonstrated?*

It is our view that any scheme which introduces a rating will imply that it should be mandatory (see response to question 2 of Chapter 2). If the first of the above schemes is used then a logo only with no stars could be used for those cases where no additionality is demonstrated.

Stars for carbon performance should only be awarded if the additionality criterion has been met in full, but the possibility of fewer stars might compensate for this additionality target being missed by a small amount. It is suggested for a tariff from entirely renewable sources, that no stars should be awarded if additionality is not demonstrated satisfactorily for a minimum threshold of say 50% or 75% of the electricity sold under the tariff. Above that figure (for renewable generation), a single star may be awarded. Two stars could be awarded if the full additionality criterion is met, but a full quota of three carbon stars should only be awarded if the additionality criterion is met and there is proof that the supply of the electricity came from the local region – say the relevant DNO area (see section 4.2).

- *What percentage of ROCs should be retired in order to demonstrate additionality?*

To avoid suppliers “playing the market” and attempting retire ROCs when they have a poor compliance of direct (as opposed to buy-out) compliance of the Renewables Obligation, the accreditation scheme involving proof of additionality by the retirement of ROCs should only be a valid method provided that the direct compliance (as opposed to buy out compliance) of the supplier does not fall below the industry wide weighted average of direct ROC compliance. This will prevent suppliers from reducing their commitment to promoting renewables and at the same time attempting to sell Green Tariffs. Such an approach would not be conducive to the promotion of renewables. OFGEM already publishes data on direct compliance so this would not pose any additional burden.

Where the direct ROC compliance is above the industry wide weighted average, retirement of ROCs seems a valid approach as it will have the potential added benefit of inflating the Buy-Out fund and thereby assist in more general development of renewables.

If retirement of ROCs is used as the sole demonstration of additionality, then the total number of retired ROCs should at least equal the total electricity supplied under the relevant renewable tariff if the additionality test is to be passed in full.

- *Can suppliers demonstrate additionality by producing ROCs in excess of their legal requirement (rather than retiring ROCs) and if so, what percentage of ROCS over and above the legal requirement should be produced to attain each carbon star?*

This point is closely related to the previous one. If a supplier has achieved full direct compliance of the ROC obligation then certificates in addition to this should be available to demonstrate compliance of

additionality and should also be available for trade in the normal way. Once again to fully demonstrate additionality the criterion should be based not on a percentage but a demonstration that the quantity of electricity sold under the tariff does not exceed the excess ROCS.

- *Which other traded environmental certificates could be used to demonstrate additionality, and what level of such certificate(s) should need to be provided to attain a carbon star?*

Other methods to demonstrate additionality are possible – e.g. evidence of REGOs over and above ROC requirements etc. Once again a full quota of stars should only be awarded if the sales are in balance with the additional REGOs subject to perhaps no stars being awarded if less than a threshold percentage of electricity sales is covered by this additionality, and one star only being awarded for compliance above the threshold and up to 100%. **CRed** is concerned over the location of generation producing REGOs may not be effective in promoting a low carbon future (see section 4.2).

- *How should the money spent on renewable funds be rated to attain each carbon star - could this be calculated on the percentage of customer bill?*

It is possible that some new tariffs may develop which concentrate on ensuring full additionality compliance and in which the remaining funds are limited. It is important that there is no discrimination of such tariffs compared to those which fail on full additionality, but perhaps provide extra funds for various projects. As indicated above, the nature of the spending should be clearly identifiable with a simple logo such as the ones demonstrated above.

- *What percentage of carbon should be offset to attain each carbon star?*

A different situation is likely to arise from tariffs which involve offsetting compensate for generation by non renewable means and also for any low carbon electricity tariffs from good quality CHP etc.

These tariffs consumers will accept are likely to be less demanding, but nevertheless have an important role to play in the move to a low carbon economy. It is suggested that electricity from schemes which demonstrate a 60% reduction in carbon emissions (i.e. the Government Objective) could potentially achieve a full quota of stars subject to the localisation issue raised above. Below that figure – say a 40% reduction might be a figure for 2 stars and say 20% for 1 star. However, in the calculation of benefits allowance should be made in the case of CHP for the carbon reduction benefits from the heating side as well. Such a benefit could be derived from a calculation of the effective overall emission factors for such generation. For tariffs involving offsets, it will be potentially easier to achieve the relevant targets and these might be set at higher levels – e.g. at 60% (the Government objective) for 1 star, 80% for 2 stars and 100% for 3 stars. On the other hand it might be simpler in the initial stages to have consistent percentages with the low carbon electricity tariffs.

- *What other objective criteria could be used to assess the carbon impact of a green supply tariff?*

The issue of localisation of low carbon and renewable energy targets has been discussed previously and a further comment will be made in Section 4.2 where it is seen that OFGEM should have a role to play.

While CRed has a little sympathy with the view of one respondent in the earlier consultation (paragraph 1.23 of Appendix 1) that a measure of additionality should be in terms of investment per customer, we do not believe this should be the only means of achieving and are concerned that a supplier providing such investment may then sell their ROCs to another supplier thereby negating much of what they may have done in the name of promoting a Low Carbon Future. In an era when there is a general shortfall of Renewable generation, the achievement of additionaltiy may be difficult without such an alternative approach. However, we believe that if investment is the used a possible means of additionality then

automatically the associated ROCs which would be generated in the future when the schemes become operational should be automatically retired, otherwise double counting could well take place.

- *What factors are appropriate to consider when assessing the efficiency of a green supply tariff - e.g. is it appropriate or feasible for transmission losses associated with a tariff to be considered and measured as part of the accreditation scheme?*

This issue is covered in section 4.2

- *What criteria should be used to measure the efficiency of the generation source - could load factor of particular generation types be a suitable measure in this respect?*

For Low Carbon Tariffs, involving the use of Good Quality CHP a declaration of weighted average efficiency would be important and as issues of efficiency already are needed to ensure compliance with the “Good Quality” criterion this would impose little burden on suppliers. For Renewable Tariffs, although it would be desirable to have information on Load Factors say of wind turbines, there is the possibility of confusion as the majority of the public are confused between efficiency and Load Factor. The only valid way forward would be to provide the weighted average Load factor for a given technology (e.g. wind) for each supplier and compare that with the industry wide average. However this could impose a significant additional burden in the early days of an accreditation scheme and should be an objective for the longer rather than shorter term.

Question 5: Do you agree with the proposed criteria for the different stars put forward by OFGEM?

Responses to this have been covered above and in particular the use of graphics in addition to or as alternatives to stars to demonstrate the nature of the tariff.

Question 6: What alternative criteria could be used?

Using additional symbols to demonstrate the type and nature of the different tariffs in addition to the stars should be considered as an alternative as discussed above.

Question 7: Do you agree with OFGEM 's view that the scheme should apply in respect of:

- *low carbon and renewable technologies;*
- *full range of environmental tariffs; and*
- *tariffs for the domestic and non-domestic markets?*

With the relevant modifications as discussed above relating to the rating schemes and the additional information which should be provided as discussed in section 4, we generally concur with the above statements. It is important to ensure that there is a scheme in place to cover the increased number of tariffs likely to appear and such transparency is important to encourage consumers (particularly those in the domestic sector) to opt for tariffs which will encourage a low carbon economy. We also believe that the scheme should in general also apply to non-domestic consumers, but appreciate that there might need to be modifications in the display of information for such consumers.

Question 8: Do you agree with OFGEM 's view that the scheme should be funded by suppliers?

This seems a sensible approach. However the funding of the Accreditation Body must be sufficient to provide full and adequate checks during accreditation. OFGEM should have a role to ensure that this is the case.

4. OTHER ISSUES NOT SPECIFICALLY RAISED IN THE CONSULTATION DOCUMENT.

This section raises further issues not covered in the Consultation Document and in some cases there is expansion of critical issues. It is essential for consumer confidence that Green/ Low Carbon Tariffs are transparent as to their function. Unlike standard tariffs, the prime objective behind such tariffs should be the promotion of a Low Carbon and Sustainable Economy and sufficient flexibility should be given to suppliers to ensure that innovative tariffs are developed. There is a concern among some members of the public that premium tariffs such as these are in place to increase the income of suppliers and not meet these objectives. An accreditation scheme is thus essential to restore this confidence.

CRed recognises that such a scheme should not be too onerous on the suppliers otherwise this will stifle creative an innovative approaches to new tariffs. We believe that OFGEM has an important role to play which is separate and distinct from the Accreditation Body as discussed below.

4.1 Transparency of component parts of tariffs.

Each tariff, whether standard or Green/Low Carbon, is an aggregate of separate charges including the actual unit charge, the TNUOS and DNUOS charges and meter reading charges. In the move towards innovative tariffs and anticipating further development in micro-generation, these three component parts should be transparent on all bills and suppliers Websites. Currently while some suppliers are good at giving the information on the Website regarding their tariffs (but not the sub-dision), for others it is impossible to see at a glance what the tariffs are in a particular region. Some consumers who already have micro-generation are concerned that the income they get for export is less than that which they pay for import. They are usually unaware of the implications of other components in the total tariff price other than the unit charge itself. On the other hand since small scale wind and solar have the potential of generating REGOs the export price from small consumers should command a premium over the import, but without a full transparency in charges this is leading to confusion and distrust among consumers which is only likely to increase was more micro-generation occurs.

CRed believe that there should be a requirement that the component parts of all tariffs in all regions should be transparent and available readily on Website and consumer bills, and believe this a role that OFGEM should undertake in the near future as from our experience the situation is likely to get worse.

4.2 Origin of Renewable Energy claimed under tariffs.

CRed is concerned over the promotion of Green and Low Carbon Tariffs which divorce the geographical location of generation from that of supply. While we recognise that optimum use should be made of those resources which are non-uniformly distributed around the UK we are concerned that some suppliers may have accredited generation say only in the North of Scotland which they are supplying to consumers in the south of England. Transmission and distribution losses can be significant and these will have to be borne by non-renewable generation thus reducing the carbon saving by an average of around 8+% (the transmission loss factor from DUKES). The situation will be more acute if REGOs are permitted from outside the UK and to a lesser extent such electricity involved in transfer over the interconnectors to the Isle of Man and Northern Ireland. **CRed** believes that REGOs demonstrating renewable energy obtained from outside the UK (and also probably the Isle of Mann and Norther Ireland) should not count towards demonstrating additionality.

Within the UK a sustainable and low carbon economy can only be achieved with a move towards more local generation. Consequently we believe that some measure of locality of supply should be included in the accreditation procedure and award of stars or equivalent. We appreciate that this could be quite onerous on suppliers, but believe that there is an important role for OFGEM to provide critical overview statistics which would be available to all and thus impose no additional burden on suppliers. We propose that a scheme along the following general guidelines would assist in promoting the objective of a sustainable future.

Already differential charges are imposed to account for TNUOS charges depending on where the generation actually takes place. In addition there are DNUOS charges for the distribution regions. Tariffs already have different prices according to the relevant DNO area

OFGEM should conduct research and publish data relating to the effective carbon issues associated with transmission losses between each generation area of NGC and each distribution area which will allow the effective carbon emissions associated with these losses to be determined. This in turn will allow average carbon emission to be estimate for each supplier depending on where their declared generation is. As a result the carbon star rating could be adjusted to allow for this. Thus tariffs which have renewable generation within the relevant DNO area or from generation regions nearby would incur a low transmission carbon factor whereas generation at one extreme of the country for supply at the other extreme would incur a high factor. Setting a threshold level below which a star is awarded will assist in promoting local generation and enhance the move towards a sustainable and low carbon future.

4.3 Other Roles for OFGEM in the accreditation procedure.

While we accept the need for an independent third party Accreditation Body, it will be important for OFGEM and/or Energy Watch to ensure that information obtained in the accreditation procedure is publicly available via the Internet or other media so that members of the public and others can readily appraise performance. Such information which would be produced by the Accreditation Body should be readily available on the OFGEM or Energy Watch Website although it might be hosted on the website of the Accrediting Body. There is need for two versions – a short FactSheet similar to those provide by OFGEM already giving summary performance in terms of stars and the nature of the tariffs for all relevant suppliers. In addition this should be backed up by the data behind the judgements of the ratings – e.g. the compliance requirements for additionality, the disposal of funds derived from the tariff, the actual reduction of carbon emission provided taking due account of transmission issues etc. Of these the addiionality aspect is particularly important and the information of total sales under Green and Low Carbon Tariffs should be readily available to the public as well as the information on how the additionality is achieved.

Already with the present Green Tariffs there is confusion among domestic consumers and this confusion is likely to increase if newer and innovative tariffs are adopted. It is thus likely that more and more people will seek advice of experts in Local Authorities and Universities and organisation such as our own and the Energy Saving Trust and it is for these bodies that the more detailed information should be provided.