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Dear Clair and Hannah

## CCSA Response to Consultation Cutting the Green Customer Confusion – next steps

The Carbon Capture and Storage Association welcomes this opportunity to respond to the extended consultation on *Developing Guidelines for Green Supply* to help remove confusion in the area of green supply tariffs.

The CCSA brings together a wide range of specialist companies across the spectrum of CCS technology, as well as a variety of support services to the energy sector. The Association exists to represent the interests of its members in promoting the business of Carbon Capture and Storage (CCS) and to assist policy developments in the UK and the EU towards a long term regulatory framework for CCS, as a means of abating carbon dioxide emissions.

We acknowledge the many issues and questions within this consultation however, we would like to limit our comments to the issues relating to CCS.

The Association welcomes the proposals to develop separate guidelines for renewable tariffs and low carbon tariffs (in the form of a carbon intensity banding scheme) and supports the inclusion of carbon capture and storage in this proposed low carbon tariff system.

The UK has made impressive progress over the past 18 months to develop a policy framework for CCS. Both the UK and the EU are working on possible mechanisms to incentivise CCS projects and we would welcome further discussions with Ofgem on how this low carbon tariff system would interface with these (and future) incentive mechanisms as well as linkages with the EU Emissions Trading Scheme and its treatment of CCS.

Continued/ ...

Finally, it is likely that, in the future, power projects may be built using biomass as fuel and with CCS this will result in less than zero emissions. A discussion on how this can be addressed in a low carbon tariff would also be welcome.

I look forward to working with you to address the above issues to ensure CCS is included in a low carbon tariff in the most effective way.

yours sinearly,

Jeff Chapman Chief Executive