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**Gaz de France ESS response to:  
Green Supply Guidelines consultation**

Gaz de France ESS operates in the industrial and commercial segment of the gas and electricity supply market and offers a range of products, including green and low carbon products, to meet its customers' requirements. Each of our products is clearly documented and presented, and is explained to customers by experienced account managers to avoid confusion. Our customers are priced on a bespoke basis, we do not offer tariffs.

It is clear that these guidelines have been developed with only the domestic and SME tariff market in mind. Gaz de France ESS does not consider the scope of the green tariff guidelines as drafted to be appropriate for the industrial and commercial segment of the market.

As we do not offer domestic or SME tariffs we consider that it is inappropriate for us to comment on the viability of the proposals for the tariff market. We have therefore targeted our further comments at the appropriateness or not, of the proposals for the industrial and commercial sector.

Firstly, there is no strong evidence to suggest that I&C customers are confused about green tariffs. The Ofgem proposals and justification are all based only on domestic market research. Consequently, these results cannot be applied to the industrial and commercial market. Gaz de France ESS therefore believes that there is no strong evidence to support the inclusion of the non tariff sector in the guidelines and any rating scheme. However, if Ofgem believe further work is required in the industrial and commercial market we would be happy to engage in discussions. We have set out some initial thoughts below:

- For the business market, each product could illustrate the fuel source or mix which backs that particular product not through an individual product specific fuel mix disclosure but through appropriate marketing communications. A renewable or low carbon product description could also detail the associated carbon emissions factor for ease of corporate reporting by customers. Such a solution would build on the current suite of products available to the business market without the additional cost or confusion that an alternative solution would bring.
- Suppliers should continue to report their annual fuel mix disclosure and compare to grid average mix to enable a supplier by supplier comparison.
- Gaz de France ESS supports the concept of REGO and LEC surrender as a method to prove additionality and to avoid double counting.
- Low carbon products such as Good quality CHP should carry a "Low Carbon" label as opposed to a "Green Product" one.
- Levels of understanding on green and low carbon products in the business markets are good compared to that of the tariff market. The audience is better informed and often the products chosen contribute towards the very specific corporate environmental objectives of the business. This underpins the requirement, which is demand led, for a diverse range of offerings in this market.

I trust this information is helpful and if you have any questions or would like to discuss further, please do not hesitate to me on 0113 306 2104 or mobile 07733 322460.

Yours sincerely



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