

Sabreena Juneja
European Strategy & Environment
Ofgem
9 Millbank
London
SW1P 3GE

27 August 2008

Re: Ofgem consultation on the green supply guidelines: Updated proposals.

Dear Mrs S. Juneja,

I am writing to follow up on the letter WWF-UK sent to Ofgem in Jan, earlier this year, in which we explained the fundamental problems and disappointment we had with Ofgem's proposals on green supply guidelines as they stood in late December 2007.

For example, our main concerns with Ofgem's proposals were and still are three-fold and are set around the lack of commitment given to; Renewable energy technologies, Transparency&Clarity and Relevance to new policy and science.

As a result, and as stated in our previous letter to Ofgem, WWF-UK also formally withdrew from Ofgem's consultation process earlier this year.

In light of the recent changes made by Ofgem to the green supply guidelines (consultation: 16/07/08 – 27/08/08), WWF-UK remains of the view that if these guidelines proceed as planned by Ofgem in the updated proposals, then in our view it is still difficult to see how green supply guidelines and green tariffs as a whole can make a meaningful contribution towards the effort to reduce carbon emissions from the UK power sector.

We repeat that at worst green tariffs may be seen as little more than corporate green-wash – and even those suppliers which offer relatively credible tariffs may well be caught up in a wider backlash.

In early 2008 the European Commission published its new energy package and legislative proposals. WWF-UK welcomed many of these new policy proposals and targets, such as those relating to the rapid and immediate increase in renewables deployed in the EU and UK power sector.

Hence, WWF-UK believes the very notion, and even novelty, of green tariffs is perhaps much less significant now and possibly obsolete as a result of the new legislative proposals from the EU for the UK to meet 15% of its final energy consumption from renewables by 2020, which far surpasses the current UK Renewables Obligation in target level terms.



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We realise this is a very strong comment to make, but it is one we feel is important to share in this letter to the Regulator, as well as other Government departments, as the new 2020 EU renewable energy target is a great step forward in climate change mitigation and power sector decarbonisation terms, yet it hardly mentioned in Ofgem's consultation paper this Summer. For instance, as evidenced by the following oversight – the omission of any mention of the EU 2020 renewable energy target in the opening and summary pages of Ofgem's current consultation paper.

In such times, when the UK has a new and much more ambitious 2020 renewable energy target (i.e. by early 2009), WWF-UK would very much like to see all government departments, industry and regulatory bodies 'future-proofing' the policies they are consulting on in 2008 so they are up-to-date in 2009 onwards and so rise to the great opportunity to deliver the necessary 'renewables revolution' in the UK, from small-large scale technologies and better incentives, in order to tackle climate change effectively.

We would welcome any feedback Ofgem may have in response to the views and comments we have raised in this letter.

Yours sincerely,

Andrea Kaszewski

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