29 July 2009

Mr Mark Feather
Director, Industry Codes and Licensing
Ofgem
9 Millbank
London SW1P 3GE

Dear Mark

Review of Industry Code Governance – Environment and Code Objectives

Consumer Focus welcomes the opportunity to provide further comment on this consultation.

In our consultation response of 16 January 2009 to Ofgem's initial consultation we indicated qualified support on the introduction of licence conditions if the existing guidance was not considered robust.

We understand that a significant minority of respondents to Ofgem's initial consultation consider that the position on assessment of greenhouse gas emissions (GHG) was not sufficiently clear, irrespective of the Guidance previously issued.
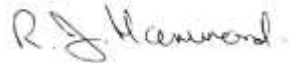
Given that there is no clear or firm industry acceptance that code panels and industry are required to assess and take account of GHG emissions, we agree that there are benefits in clarifying the licensing framework to make the requirement explicit, clear and unambiguous, by way of licence amendments.

Therefore we support the proposed licence modifications to require BSC, CUSC and UNC panels to assess and take account of GHG emissions when assessing code modification panels.

In relation to the issue of panels consideration of broader environmental issues. In our last response, we agreed in principle that code panels should take account of broader environmental impacts. At that time we acknowledged some concerns however in taking this approach, such as lack of necessary expertise, difficulties assessing the impacts and the possible significant costs involved. With these factors in mind we support Ofgem's decision not to introduce express licence conditions for panels to consider broader environmental issues.

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If you have any questions or would like further information about our response please contact Abigail Hall, Senior Policy Advocate, by telephone on 0207 799 7934 or via email: abigail.hall@consumerfocus.org.uk

Yours sincerely

Robert Hammond
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