



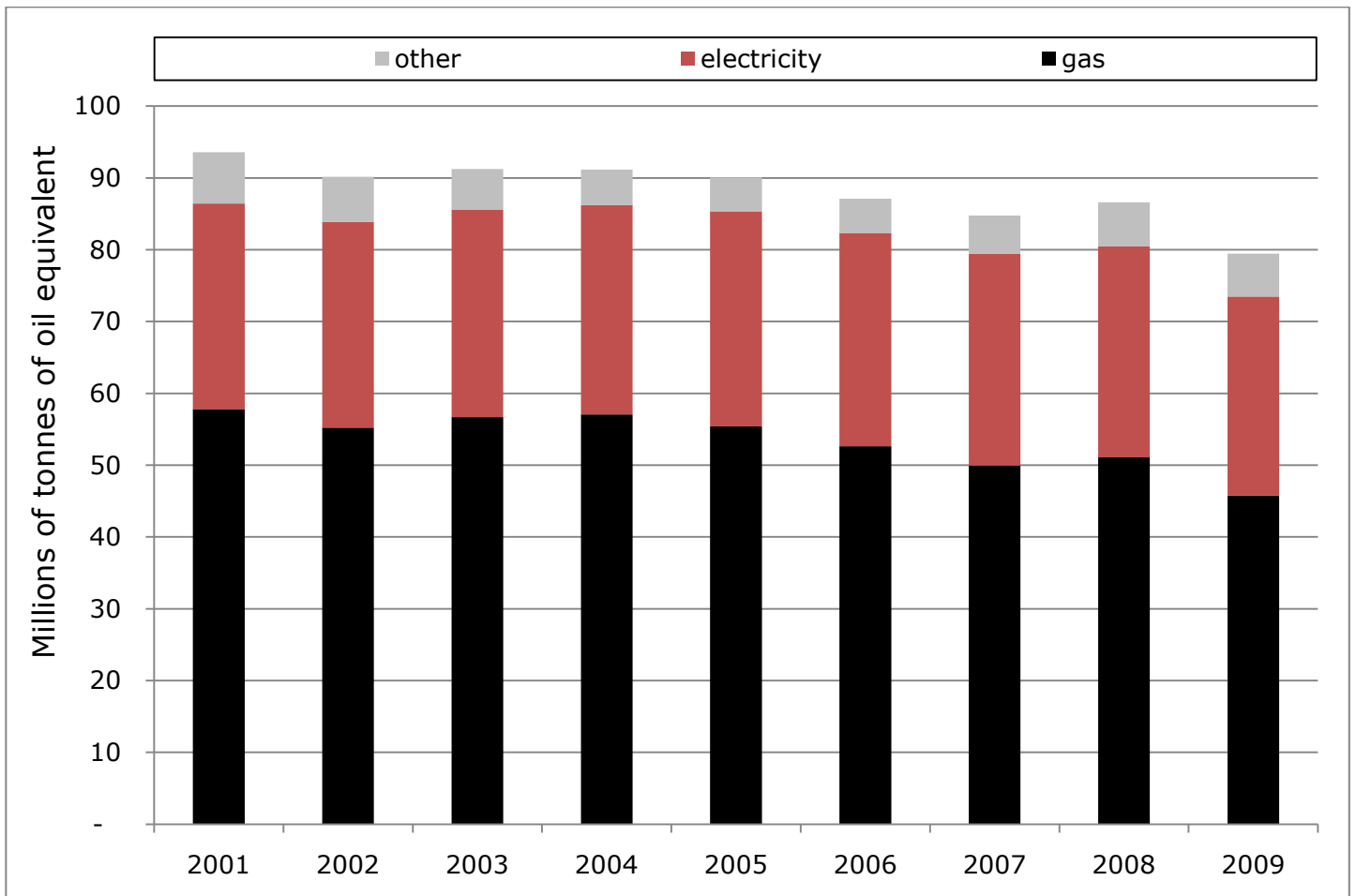
The UK Government and Devolved Administrations set out a strategy for sustainable development, *Securing The Future*, in 2005. Drawing on this framework and stakeholder feedback, we focus on the five themes which we think capture how the Gas and Electricity Markets Authority should contribute to the sustainability challenges of the 21<sup>st</sup> century.

The third of the five themes is promoting energy saving. Energy conservation and improved energy efficiency are critical elements in any sustainable development strategy. Saving energy can deliver a huge range of environmental, social and economic benefits. We are committed to playing our part to encourage all energy consumers to be more energy efficient and to facilitating the provision of energy services by market participants.

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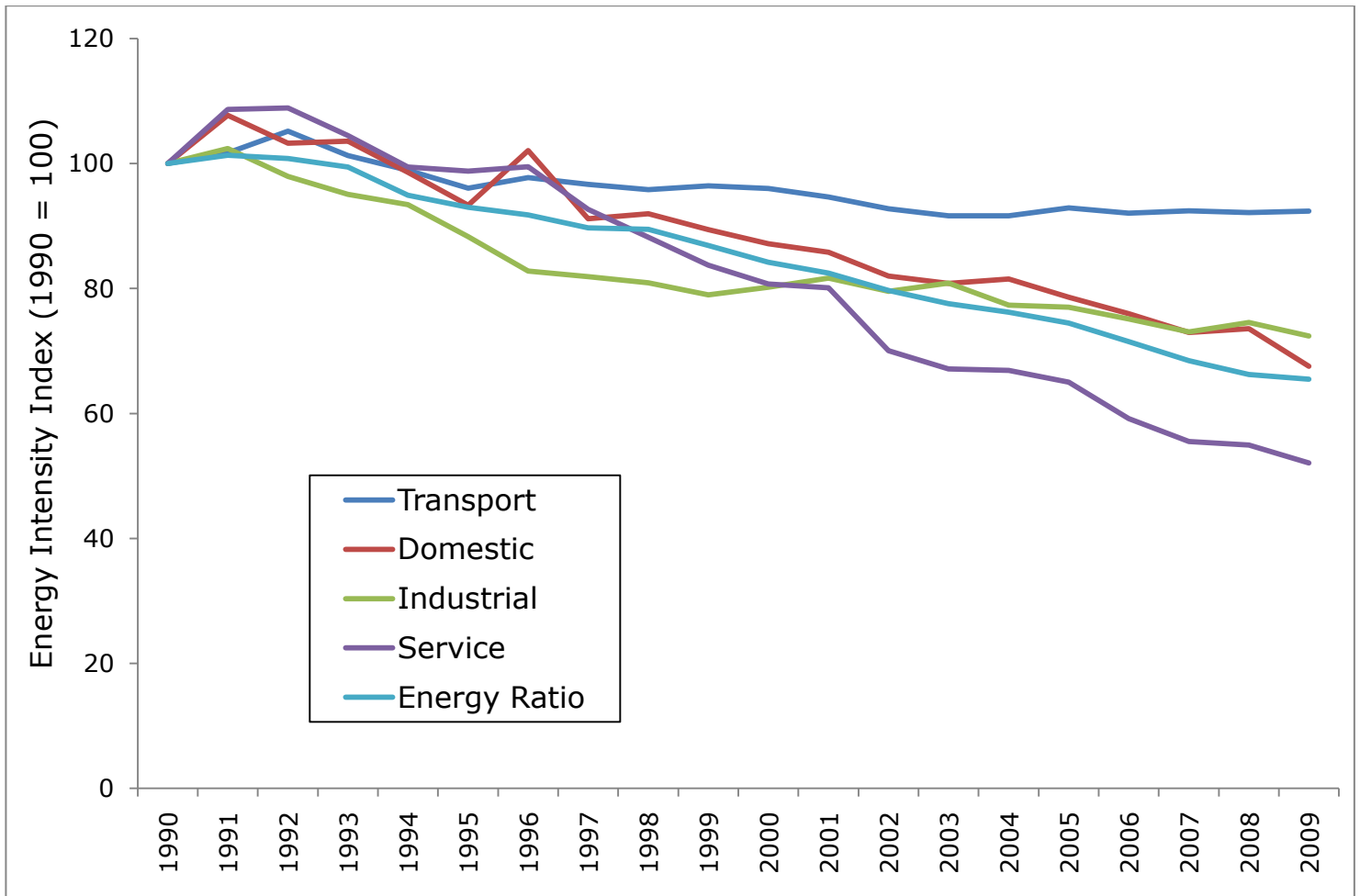
## Indicator 9: Energy consumption and intensity



**Figure 14 - Non-transport Energy Consumption.**

Source: DECC Energy Consumption in the UK

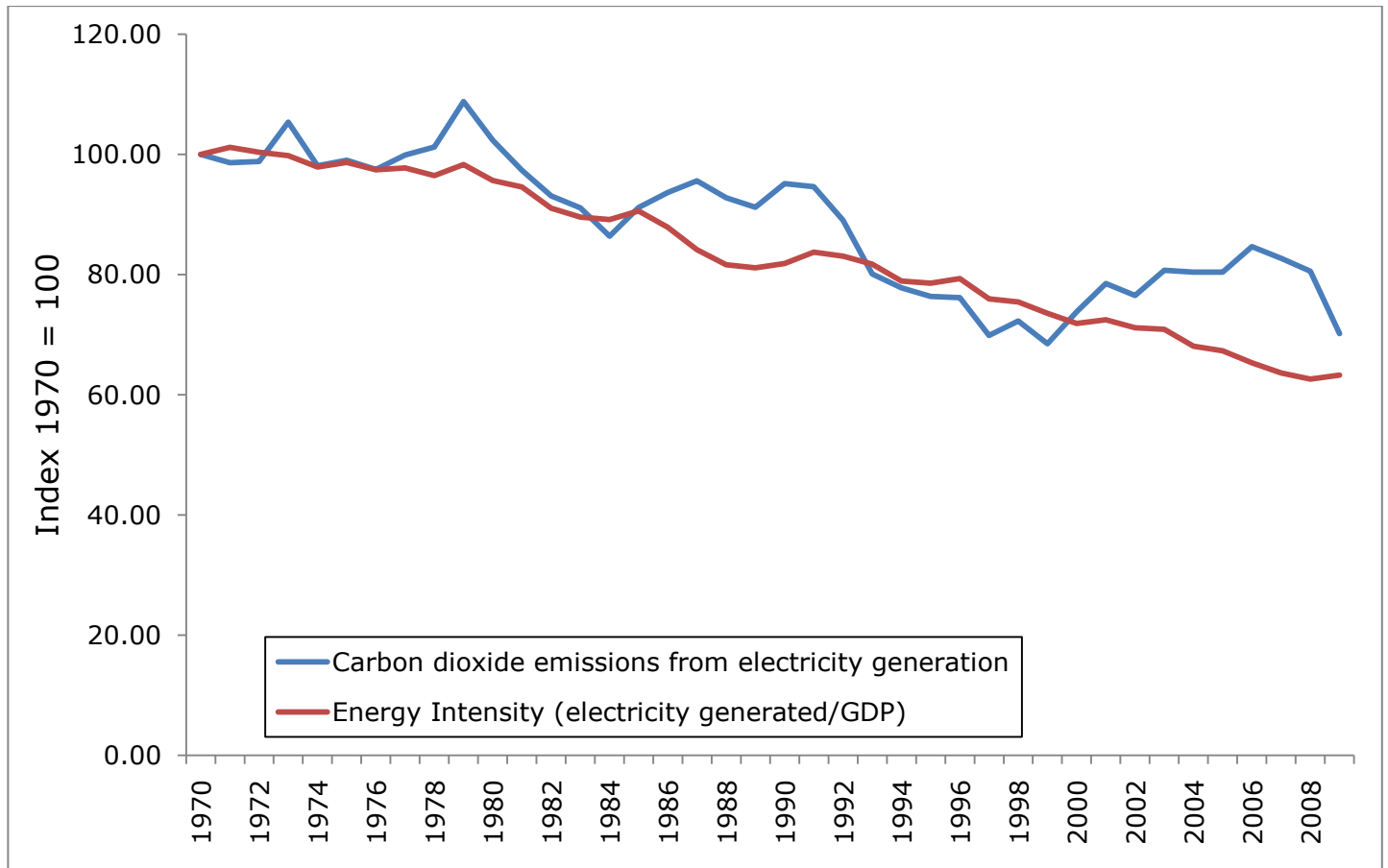
In the past 9 years, gas consumption has fallen while electricity and consumption of other sources of energy has remained relatively stable. The reduction in the consumption of gas could be linked to the outsourcing of production and buying products from abroad, the recent recession and the increase of home insulation and more energy efficient appliances.



**Figure 15 - Energy intensity by sector.**

Source: DECC Energy Consumption in the UK

All sectors of the economy are now less energy intensive than they were in 1990. However, it is the service sector that has progressed the most in recent years. In the past year, domestic energy intensity has also fallen sharply. This could be due to a number of factors, including improved standards for household appliances and energy efficiency, as well as households curtailing their energy consumption in challenging economic times.

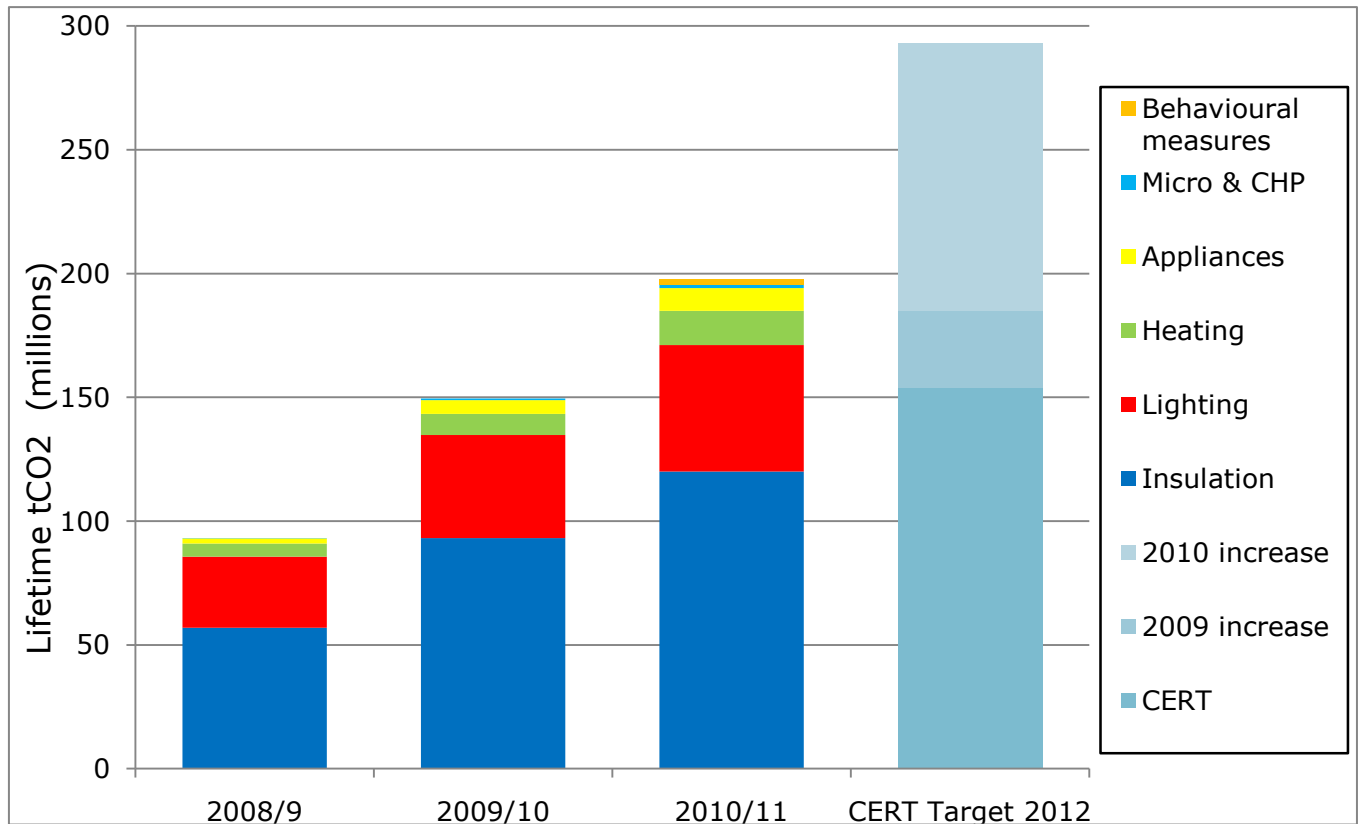


**Figure 16 – Energy intensity and carbon dioxide emissions of power generation**

Source: DECC UK Energy Sector Indicators

There has been a sharp decline in CO<sub>2</sub> emissions from electricity generation in the last year but emissions are still higher than they were a decade ago. The recent fall could be attributed to the start of the EU Emissions Trading Scheme (ETS) in 2005 that has put a price on carbon emissions. The overall trend of Energy Intensity is downwards, meaning that we are using electricity more efficiently.

## Indicator 10: CO<sub>2</sub> savings from the CERT



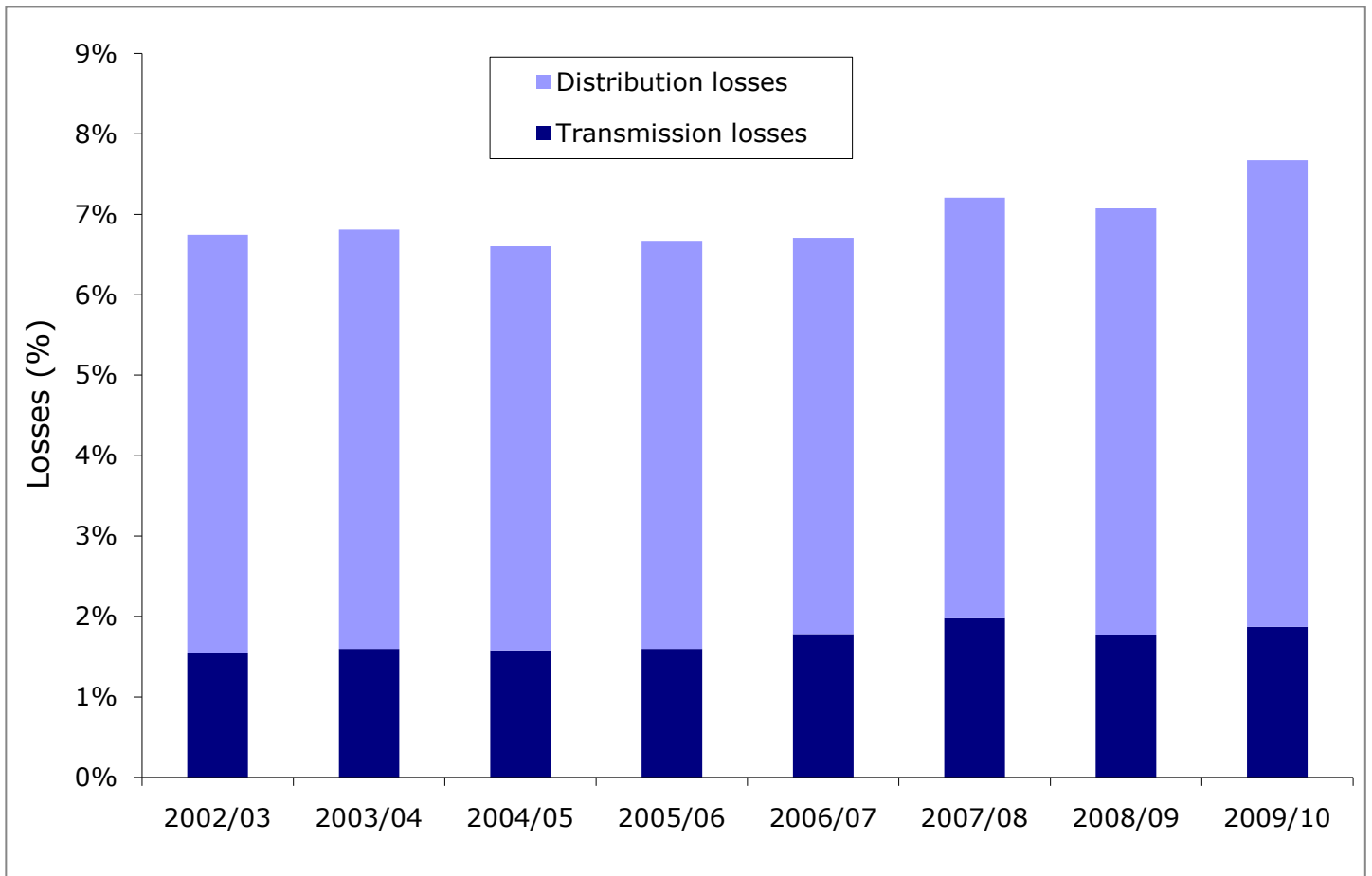
**Figure 17 - Carbon dioxide emissions savings from the CERT, including carry-over (updated July 2011)**

Source: Ofgem

Suppliers have met the 2009 increased target set by the Government’s Carbon Emissions Reduction Target (CERT) scheme.

The CERT Scheme will now end in December 2010 and as the chart shows, the amount of carbon savings required has nearly doubled.

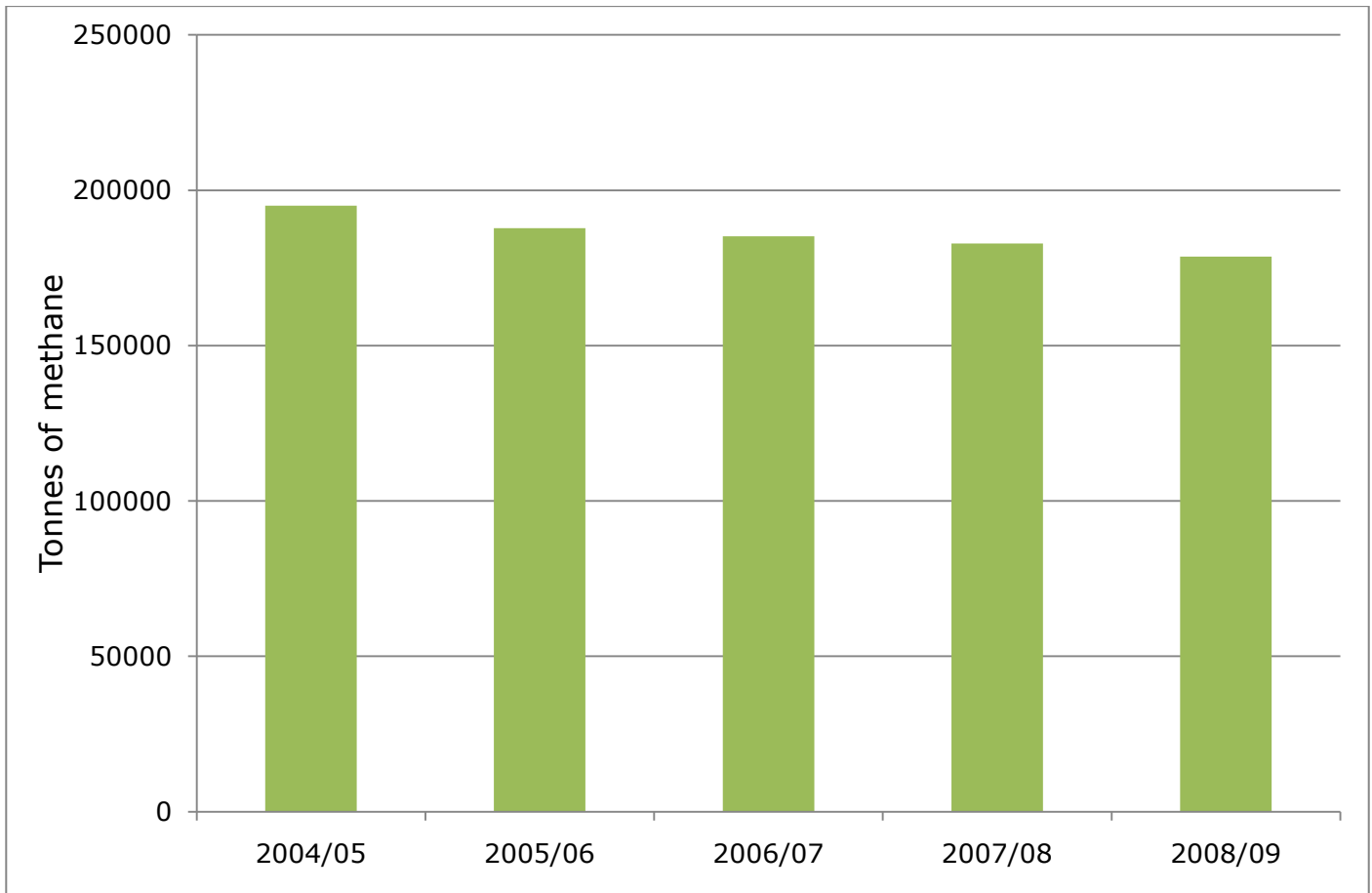
## Indicator 11: Gas and electricity losses



**Figure 18 - Electricity losses**

Source: Ofgem data

Transmission losses have risen again to that of near 2007/08 while distribution losses are the highest they have been in the last 9 years. There is no clear reason or specific events for the reversal of the downward trend, however, a change in methodology could have contributed to this.



**Figure 19 – Methane emitted from gas distribution networks**

Source: Ofgem data

This chart has not been updated since last year due to data availability. We hope to provide an update on this in the near future.

This chart shows a continued decline in methane emissions from gas distribution networks as the gas mains replacement programme proceeds.