

Community Energy Saving Programme Update

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Issue 5

Headlines:

- 433 schemes had been proposed by obligated electricity generators and energy suppliers at the end of June 2012. The estimated savings associated with these schemes represent 97.6% of the overall CESP target.
- The total number of dwellings treated has more than doubled in six months, increasing from 30,588 by the end of December 2011 to 66,977 by the end of June 2012.
- An estimated 6.1 Mt CO₂ (lifetime, including adjustments) emissions reduction achieved in CESP to the end of June 2012. This is equal to 31.6% of the overall CESP target of 19.25 Mt CO₂.
- 122,337 carbon saving measures have been installed across 66,977 dwellings up to the end of June 2012.

CESP facts:

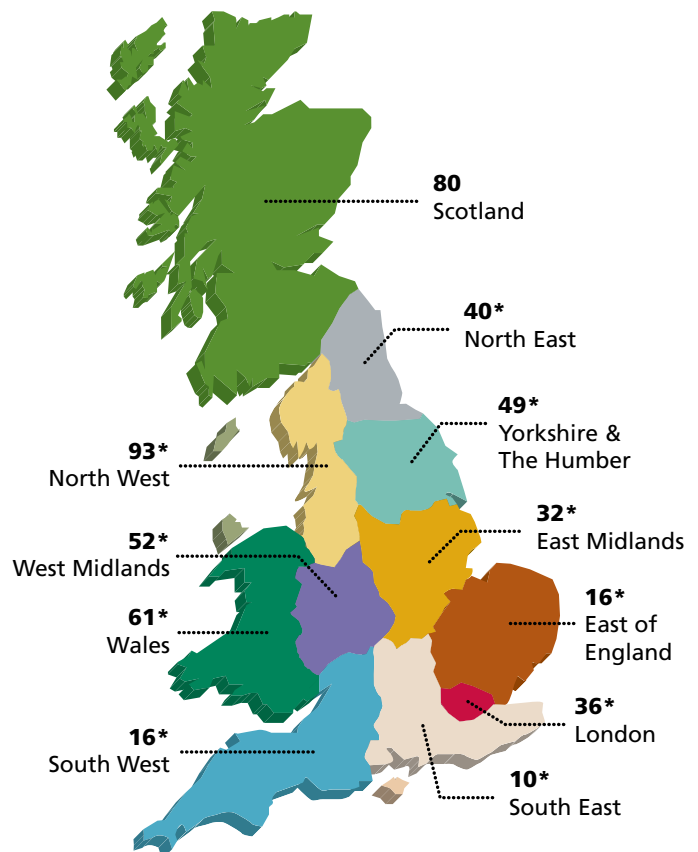
- The CESP target is 19.25 Mt (lifetime) CO₂, including score adjustments / bonuses.
- CESP requires the delivery of energy saving measures to the most deprived areas in Great Britain.
- CESP provides incentives for the promotion of solid wall insulation, renewable heat generation technologies, micro CHP and replacement of G-rated boilers.
- CESP incentivises a 'whole house' approach, where each dwelling receives more than one carbon saving measure.
- CESP incentivises the targeting of more than 25% of the properties in an area.
- CESP ends on the 31st December 2012 and is in the closedown phase of the programme.

In this edition of the half-yearly newsletter, we present key trends seen in the CESP activity reported by the obligated energy companies to the end of June 2012.

These figures represent estimated progress reported by obligated energy suppliers and electricity generators and do not constitute fully approved, finalised figures. Final figures, reported for compliance purposes, will be submitted by obligated parties after the completion of CESP schemes.

Ofgem checks the figures provided to ensure accuracy but this is estimated data, it is not calculated or reported in the same way as data used to determine compliance with the obligation.

Chart 1: Total number of CESP scheme proposals in each region of Great Britain



Note: Regional information was not available for three schemes at time of publication.
* 5 schemes are to be promoted across multiple regions and are counted more than once in this table.

Regional Analysis

Chart 1 (front page) shows the 433 carbon saving schemes which have been submitted under the CESP programme for each of the GB regions up to the end of June 2012. The overall number of scheme proposals has increased by 42.4% since December 2011. The highest increase in submissions is currently observed for the North West where 29 new schemes have been proposed since the last CESP update. The North West has also received the highest number of CESP scheme proposals to date.

Chart 2 shows the number of dwellings receiving carbon saving measures and the number of measures which have been installed across each of the 11 UK regions. The total number of dwellings treated has increased, from 30,588 by the end of December 2011 to 66,977 at the end of June 2012.

The North West continues to see the greatest number of dwellings treated, whereas the fewest number of dwellings have been treated in the South West. The difference between the number of dwellings may be a result of some dwellings receiving more than one installation (eg both a heating and an insulation measure). An average of 1.8 measures have been installed per property.

Across all regions, 63,406 new carbon saving measures have been installed since the previous reporting period, with a total of 122,337 measures installed to date.

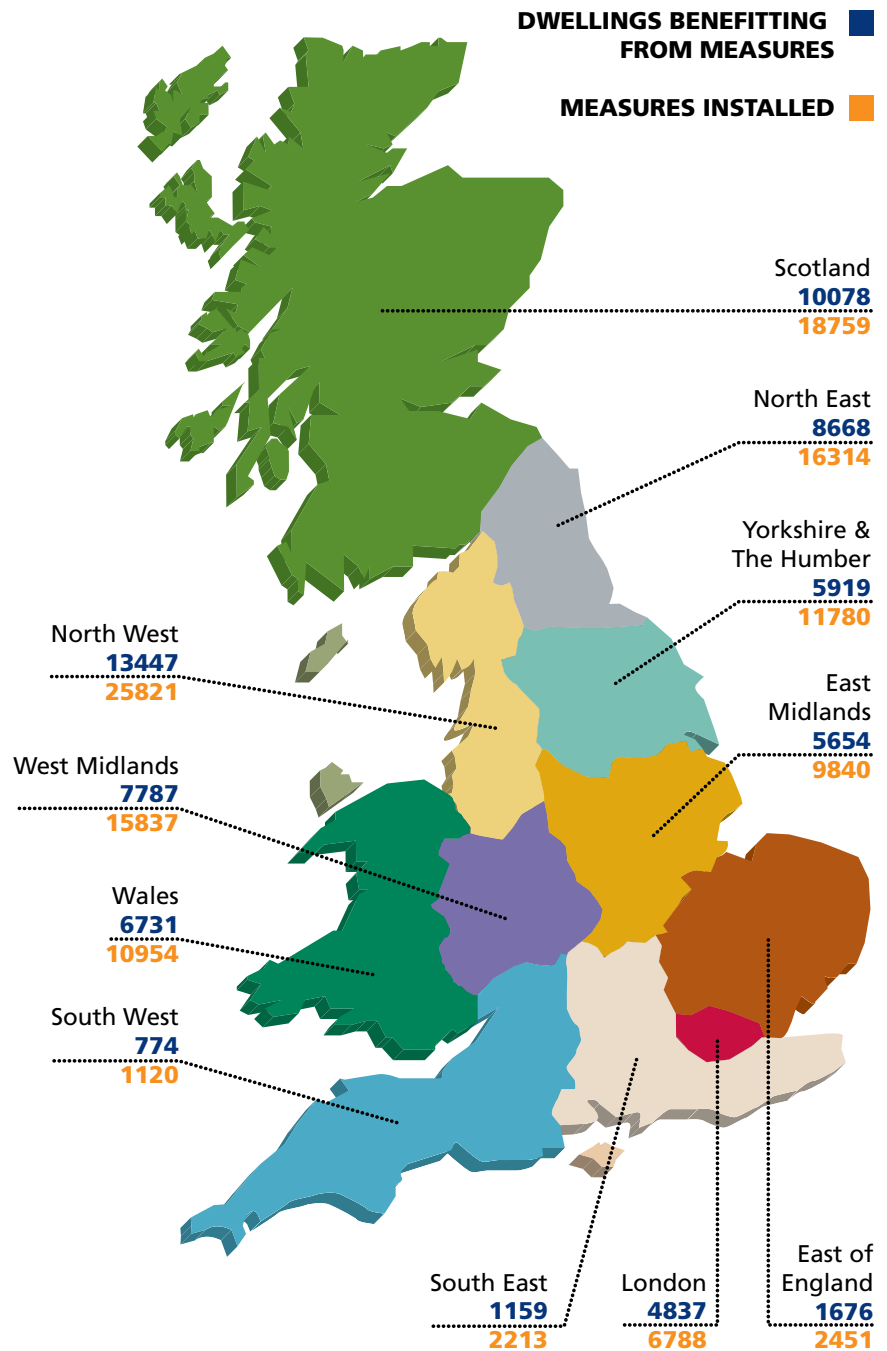


Chart 2: Total number of measures installed and the number of dwellings receiving carbon saving measures under the CESP programme in each region of Great Britain

Note - Of the schemes installed across multiple regions not included in the table, 103 dwellings have benefitted from measures and 172 measures have been installed and the three schemes to be confirmed have not been included.

Table 1

Measure type	Measure	Number of Measures
Insulation	Loft insulation	9,300
	Cavity wall insulation	1,417
	Solid wall insulation (internal)	1,957
	Solid wall insulation (external)	25,499
	Draught-proofing	2,094
	Glazing	12,307
	Flat roof insulation	339
	Under floor insulation	1
Heating	Replacement boiler	22,863
	Heating controls provided with a new heating system	27,513
	Fuel switching	4,757
District Heating	District heating (connection to)	3,208
	District heating (upgrade)	3,530
	District heating meter for individual house billing	878
Microgeneration	Heat pump	326
	Solar water heater	443
	Photovoltaic panel	5,905
Total		122,337

Number of Measures delivered

The six obligated energy suppliers and ten electricity generators are required to submit six-monthly reports detailing their progress in delivering a range of measures – the data represents cumulative estimated installations.

Table 1 shows the total number of measures delivered by obligated parties to the end of June 2012. This table provides an indication of activity to date and includes all measures installed.

122,337 CESP measures have been installed up to the end of June 2012, of which 45.1% are heating measures and 43.3% are insulation measures. Solid wall insulation and heating controls (when installed with a new heating system) are again the most prevalent measures promoted to date.

Carbon Savings Achieved

The six-monthly report provides estimates of the obligated parties' progress towards achieving their individual CESP obligation. The data represents the cumulative volume of carbon emissions saved up to the end of June 2012 under the CESP programme.

Chart 3: Total unadjusted carbon savings by measure type

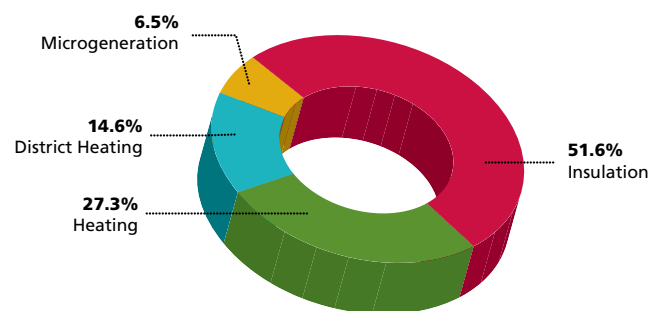


Chart 3 shows the total carbon savings achieved under CESP split by measure type. The above chart does not include any adjustments to the carbon savings, such as the application of whole house bonuses, adjustments for promotion of certain measure types, or a bonus for installing measures in more than 25% of dwellings within an area. Insulation remains the most prevalent measure type accounting for 51.6% of carbon savings (up from 49.1% in the last period), followed by heating measures contributing to 27.3% (down from 30.5% in the last period) of overall carbon savings.

(continued overleaf)

(Carbon savings achieved continued)

The proportion of savings attributed to these measures has increased from the last reporting period by 2.8 percentage points for insulation and decreased by 3.4 percentage points for heating measures, whilst the percentage of savings from district heating decreased slightly from 16% to 14.5%. Also the proportion of carbon savings attributed to microgeneration measures increased to 6.5% from 4.3% reported last period.

Including adjustments and bonuses, up to the end of June 2012, 6.1 Mt CO₂ savings have been achieved toward the CESP target of 19.25 Mt CO₂.

A more detailed analysis on CESP activity up to the end of the CESP programme will be provided in the final CESP Annual Report, which is due to be published in May 2013.



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