

Suppliers and interested parties

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Dear colleagues,

Decision on carry forward of excess actions from the Carbon Emissions Reduction Target scheme ('CERT') to the Energy Companies Obligation scheme ('ECO')

Ofgem recently published an open letter informing interested parties of the approach that we intended to take when assessing applications for excess action, and asking for views on that approach. That letter explains the substance of our proposed approach, and can be found here:

<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=272&refer=Sustainability/Environment/EnergyEff>

Five parties commented on our proposed approach. Four of those parties put forward reasons in support of our proposed approach. The remaining party argued against our proposed approach, and asked that its submission be treated as confidential.

Thank you to all those parties that commented on our proposed approach. We have considered the comments that were put to us, and those comments were helpful in making the following decision in this matter.

When assessing an application for carry-over of a Super Priority Group measure to either the CERO obligation or HHCRO obligation under ECO, we will consider any results of a DWP exercise that have been put forward by a supplier in support of its application for excess action. We will take the results of the DWP exercise into account even where those results were not submitted to Ofgem in time to be taken into account in Ofgem's final determination on CERT compliance.

Yours sincerely,

Charles Hargreaves
Associate Director, Environmental Programmes