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Email to: Sustainable.Energy@ofgem.gov.uk

28 July 2014

Protecting Domestic Consumers in the Green and Renewable Tariffs Market – Final Proposals

EDF Energy is one of the UK's largest energy companies with activities throughout the energy chain. Our interests include nuclear, coal and gas-fired electricity generation, renewables, and energy supply to end users. We have over five million electricity and gas customer accounts in the UK, including residential and business users.

EDF Energy fully supports Ofgem's proposal to introduce licence conditions that regulate all tariffs that make environmental claims based on the supply of renewable electricity for the domestic market. Indeed, it is our view that Ofgem should go further to ensure there is clarity and consistency for all such renewable tariff offerings by increasing the scope of these license conditions to include smaller business customers.

In addition, the rules around Renewable Energy Guarantees of Origin (REGOs) and Levy Exemption Certificates (LECs) to evidence supply should be clarified for the sale of electricity at all levels. In particular there should be clarity around the principle that a LEC Backed supply on its own is not renewable and no claims should be made by the supplier or business end user.

To avoid double selling of renewable energy to domestic consumers and business consumers, we fully support the proposal that suppliers must hold REGO certificates as well as retiring any associated LECs. This is a key aspect of the proposal and it is essential that this is implemented effectively.

While the changes do not cover tariffs that make environmental claims based on non-renewable sources, such as nuclear, we agree that it is important that suppliers make clear claims about these tariffs to consumers. That is why EDF Energy urges Ofgem to clearly stipulate that non renewable low carbon tariffs, such as nuclear and CHP, should be treated in an equivalent manner to renewable tariffs in relation to the 'evidence of supply' principle. For example, EDF Energy uses the Fuel Mix Disclosure process and external verifications to support our own low carbon tariff claims. This would help to bring clarity and consistency across all low carbon tariff offerings.

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Should you wish to discuss any of the issues raised in our response or have any queries, please contact John Mason on 07792 965898, or myself.

I confirm that this letter may be published on Ofgem's website.

Yours sincerely,

A handwritten signature in blue ink, reading "Paul Delamare".

Paul Delamare
Head of Downstream Policy and Regulation