

Response ID ANON-S3S1-AY8R-E

Submitted to Designing a framework for transparency of carbon content in energy products: a call for evidence
Submitted on 2021-11-29 11:26:44

About you

1 What is your name?

Name:
Isaac Occhipinti

2 What is your email address?

Email:
isaac@eua.org.uk

3 What is your organisation?

Organisation:
EUA

4 Which best describes you?

Industry body

5 Please describe the sector you operate in and provide any further information about your activities that you think might help us put your answers in context.

Please expand on your response below.:

The Energy and Utilities Alliance (EUA) provides a leading industry voice helping shape the future policy direction within the sector. Using its wealth of expertise and over 100 years of experience, it acts to further the best interests of its members and the wider community in working towards a sustainable, energy secure and efficient future. EUA has seven organisational divisions - Utility Networks (UN), the Heating and Hotwater Industry Council (HHIC), the Industrial & Commercial Energy Association (ICOM), the Hot Water Association (HWA), the Manufacturers' Association of Radiators and Convector (MARC), the Gas Vehicle Network (GV Network) the Manufacturers of Equipment for Heat Networks Association (MEHNA) and Energy Services and Technology Association (ESTA)

6 Are you happy for your response to be published?

Yes

7 Would you like to be contacted when the consultation response is published?

Yes

8 (optional) Where did you hear about this consultation?

Where did you hear of this consultation?:
GOV.UK alert

Other (please specify):

The consultation

Q1 Does the current approach of retrospective annualised matching (using REGO certificates) provide a sufficient level of consumer transparency?

Please provide reasons below. :

If you wish, you can also upload and attach any supporting documents using this upload option.:
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Q2 Can you provide any evidence on your commercial experiences with PPAs for renewable energy? For example – availability, commercial competitiveness etc.

Please respond here.:

Please attach any supporting documents using this upload option.:
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Q3 Can you provide any evidence on operational issues or other challenges that may materially limit a supplier's ability to offer PPA backed green electricity tariffs? For example, how do you balance forecasting of consumers usage vs the need to settle on a half hourly basis?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q4 Can you provide any insights or evidence as to the role REGO certificates play in financing and commercial decision making?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q5 How can green tariffs be regulated to enable consumer choice to drive additional investment in low carbon electricity generation?

Please provide reasons below.:

Please attach any supporting documents using this upload option.:

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Q6 Should the ability to report emissions using both market-based and location-based emission factors be maintained, and if so, should there be a requirement to report both side by side in corporate reporting?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q7 Can you provide any evidence regarding the types of messages associated with green electricity tariffs that you believe to be misleading to consumers?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q8 Can you provide any evidence as to the type of interventions or remedies (including international best practice approaches) which may help achieve greater transparency in green electricity tariffs?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q9 How best do you think the carbon content of energy supplied to a home or business consumer could be made more transparent to consumers?

Please respond here.:

EUA believes that the most practical and fair way to resolve this issue and to provide the best recourse for consumers, is for BEIS to lead a committee with representatives from industry and consumer groups, that can advise on whether "green" labels attached to products are appropriate.

As we have seen in recent weeks, many companies green claims have to been proven to have been exaggerated or simply untrue. With further pressure being put on energy companies to appeal to 'green' consumers or to appear 'green' to their boards and shareholders, we would expect this to get worse. The logical end point for this behaviour is an erosion in trust from consumers over the label 'green'. In many ways we believe this has already happened, and that consumers discount the term and pose little belief in it's validity.

With the challenges coming up with rapid decarbonisation of our economy and especially heat, it is vital that this problem is solved. Many surveys have indicated that consumers place their trust in government led messaging over that of industry, consumers groups and other stakeholder. For that reason, we believe any work in this field should come from and be led by BEIS. It is fundamentally important that any messages and claims made around heat decarbonisation are correct, fair and proportional. If they are not this will lead to a backlash from consumers and importantly the press. This will make the challenges around decarbonisation even harder to achieve.

Please attach any supporting documents using this upload option.:

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Q10 Should there be any avenues to accommodate flexibility technologies within a future green tariff framework? If so, how could this be achieved?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q11 Can you provide any evidence on areas where the current REGO system works well or creates barriers to the market offering more innovative ToU tariffs?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q12 Are there any other emerging needs you believe a future green or low carbon tariff framework should accommodate?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q13 Should other forms of low carbon power, such as nuclear, hydrogen, CCUS and CHP be considered as part of any future green or low carbon tariff regulatory developments?

Please respond here.:

Please attach any supporting documents using this upload option.:

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Q14 There is an emerging market for 'green gas' tariffs. Should our work consider any interventions to include these within the regulatory framework?

Please respond here.:

Please attach any supporting documents using this upload option.:

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