

#### **AGENDA ITEM NO. 16**

Report To: Safe, Sustainable Communities Date: 31 August 2010

Committee

Report By: Head of Regeneration and Planning Report No:

SS/10/09/04/SJ/KB/

Contact Officers: Stuart W. Jamieson Contact No: 2402

Subject: Carbon Reduction Commitment Energy Efficiency Scheme

### 1.0 PURPOSE

1.1 The purpose of this report is to advise Members of the potential implications for the Council of the Carbon Reduction Commitment Energy Efficiency Scheme (CRC).

### 2.0 SUMMARY

- 2.1 The CRC is a new mandatory climate change and energy saving scheme, described as 'a complex scheme requiring a good understanding of your organisation's legal structure, energy use, carbon reduction plans, financial risk management and more'.
- 2.2 The Scheme, which requires a return to be made by mid September, could initially impact on the Council in a number of ways:
  - a. we may qualify as a full participant in the Scheme which means we would need to register and make a disclosure of our emissions;
  - b. we may only be required to make an information disclosure and report our emissions;
  - c. we may require to make an information disclosure without reporting our emissions.
- 2.3 At present, it looks likely that the Council will be required only to make an information disclosure and report our emissions. However, this is subject to confirmation that our street lighting is not considered in terms of qualification.

### 3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members:
  - a. note the introduction of the national CRC Energy Efficiency Scheme and its impact on the Council:
  - b. agree to receive a further report when the initial implications for the Council have been confirmed.

Stuart W. Jamieson Head of Regeneration and Planning

### 4.0 BACKGROUND

- 4.1 The CRC Energy Efficiency Scheme has been introduced to improve energy efficiency, reduce CO2 emissions and raise awareness in large organisations, especially at senior level, and encourage changes in behaviour and infrastructure.
- 4.2 Qualification is based on whether the Council has half hourly electricity meters settled on the half hourly market and on our total half hourly electricity supplied during the calendar year 2008:

## Initial qualifying criteria

Do we have at least one half hourly Yes. electricity meter settled on the half hourly market in the calendar year 2008?

# Further qualifying criteria

### Level of participation

Is our total half hourly electricity >= 3,000 MWh?

No. We must make an information disclosure but do not need to report any consumption data.

Is our total half hourly electricity >= 3,000 MWh?

Yes. We must make an information disclosure.

Is our total half hourly electricity >= 6,000 MWh?

No. We do not qualify as a full participant but must make an information disclosure and report our emissions.

Will it be >= 6,000 MWh if we include Yes. street lighting?

Yes. We must participate fully in the Scheme.

# 5.0 CRC WORKING GROUP

5.1 A CRC Working Group has been created to ensure that the Council responds to the Scheme appropriately. Chaired by the Head of Regeneration and Planning, the Group comprises Officers from Finance Services and Property Resources and Facilities Management. The Group's first task is to establish and seek advice on the extent of the Council's participation in CRC and respond by mid September accordingly.

#### 6.0 FINANCIAL IMPLICATIONS 2010/11

6.1 If the Council is required to fully participate in the CRC Energy Efficiency Scheme, we will be required to pay a participant registration charge of £950. An annual subsistence charge of £1,290 will also be payable for each year we participate in the Scheme. Spend will be contained within the Green Charter Budget. There is no charge to make an information disclosure.