

Carbon Reduction Commitment: Coverage – worked examples

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Agenda

- Background
- Establishing which organisations are included
- Establishing which emissions sources are included

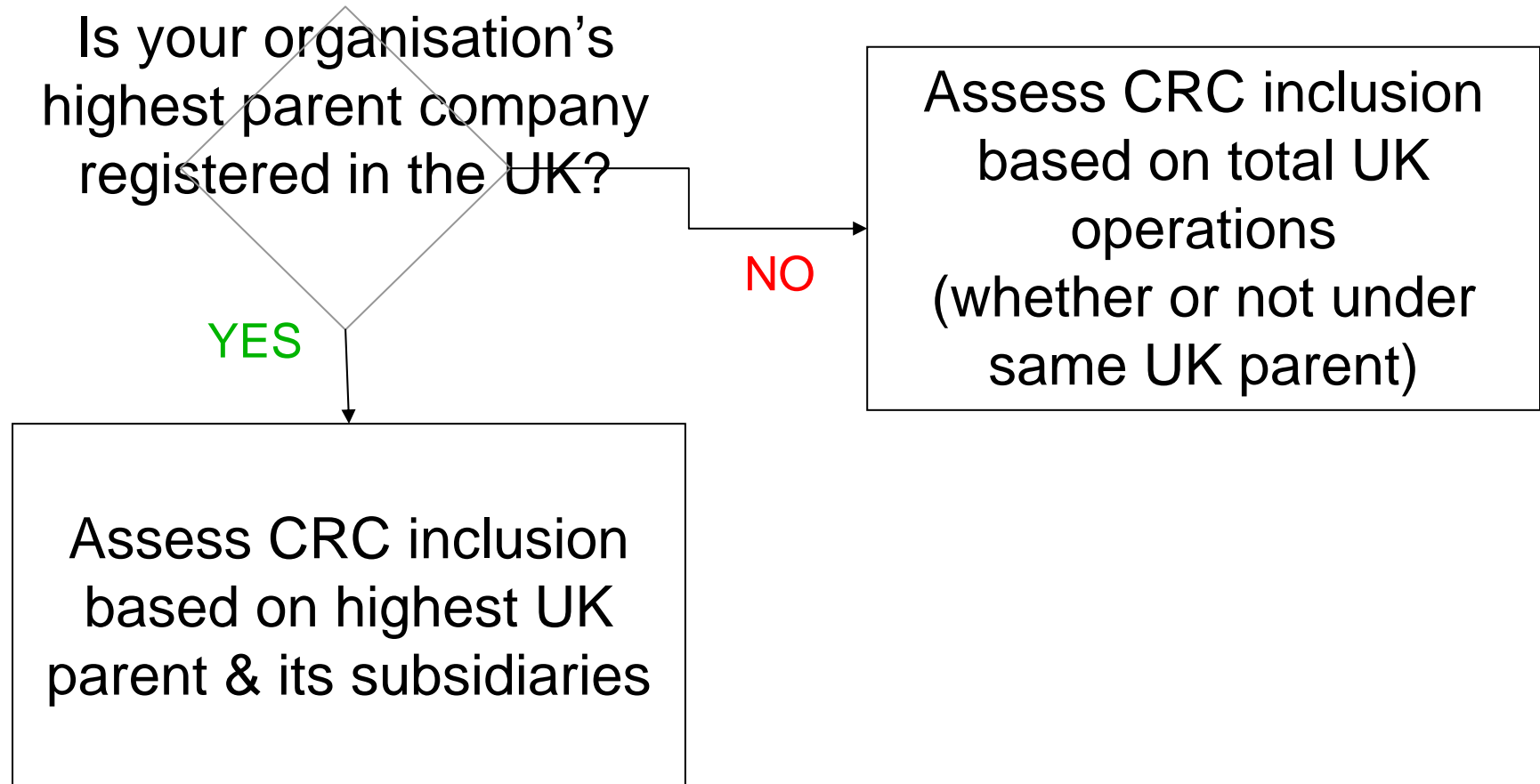
Background to worked examples

- CRC includes organisations with 6,000MWh electricity consumption through
 - HHM settled on the half hourly market in Great Britain
 - 70kVA metered systems in N Ireland
 - rather than 'mandatory' half hourly meters as originally proposed
- Acronyms
 - HHM: Half Hourly Metering
 - CCA: Climate Change Agreement

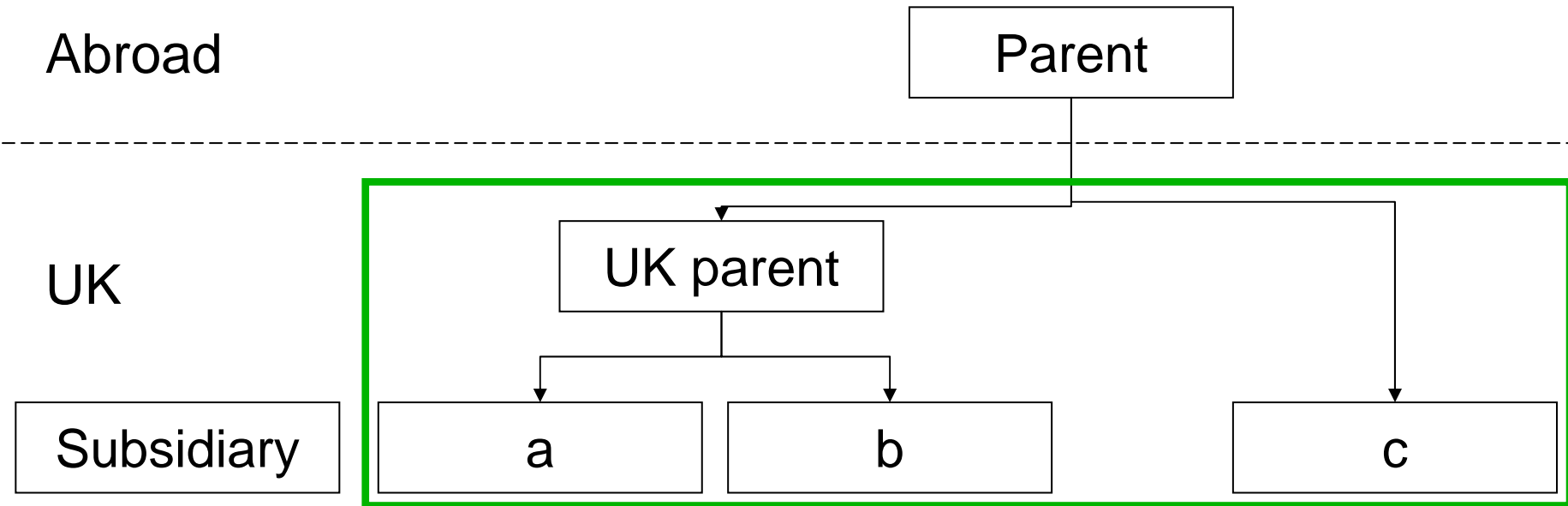
2008/9: Are you covered by the CRC?

1. Define your organisational boundaries
2. Establish which HHMs caught within that boundary
3. Measure annual electricity use via those meters
 - Electricity suppliers will be asked to provide list of HHMs and 2008 energy use if prompted by the customer
4. Check whether any subsidiaries can be excluded
 - Exemption criteria for CCA organisations
5. Inform Defra of whether you are covered
 - Including which HHM are within your organisational boundary

Defining your organisation's boundaries: highest parent responsible

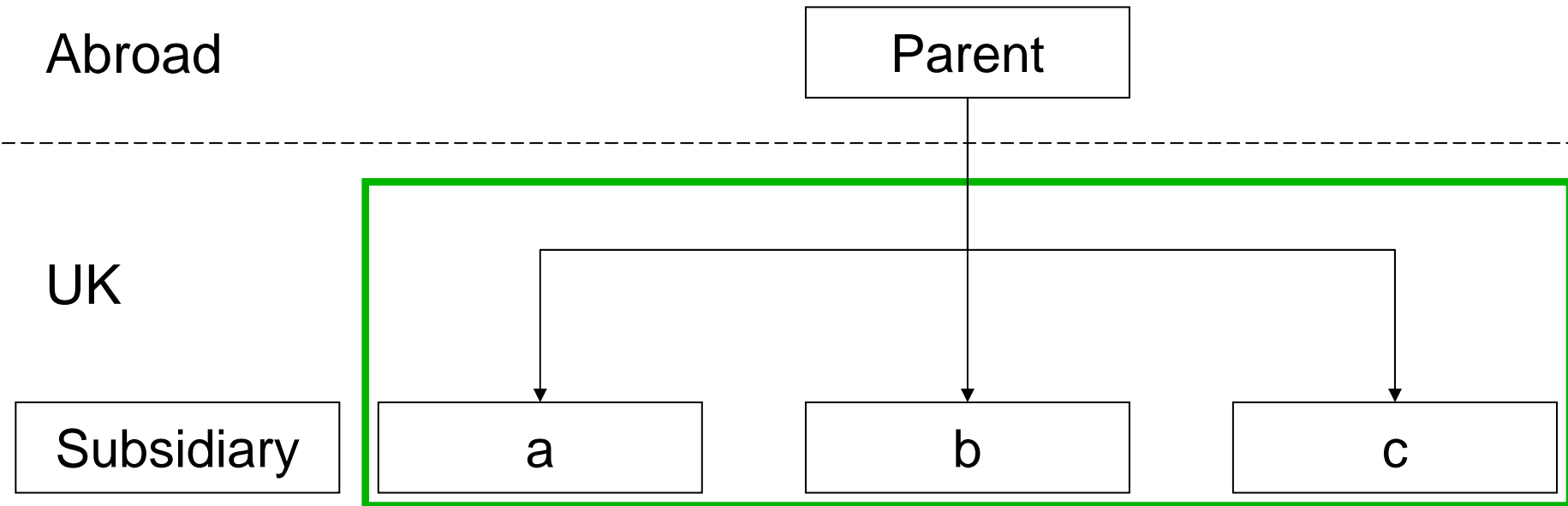


Company A: is the organisation captured?



- Does the organisation have UK operations? **Yes**
- Group together all UK operations to establish a single UK CRC entity and judge inclusion on this basis

Company B: is the organisation captured?



- Does the organisation have UK operations? **Yes**
- Group together all UK operations to establish a single UK CRC entity and judge inclusion on this basis
 - Nominate lead subsidiary, proxy/ agent to represent CRC undertaking

Company C: is the organisation captured?

Site	a	b	c	d	e	f
Electricity	2000	2000	2000	2000	4000	2000
Metering	HHM	HHM	HHM	HHM	HHM	Manual

- Does the organisation have HHM? **Yes**
- Is total annual energy use via one or more HHM >6,000MWh? **Yes**
- Is $\leq 25\%$ of the organisation's energy use covered by CCA? **Yes**
- Organisation C **is** covered by the scheme
 - This does not necessarily mean that all *sources* will be covered

Company D: is the organisation captured?

	CCA			
Subsidiary	a	b	c	d
Electricity	5000	5000	6000	500
Metering	HHM	HHM	HHM	HHM

- Does the organisation have HHM electricity? **Yes**
- Is total annual energy use via one or more HHM >6,000MWh? **Yes**
- Do any subsidiaries have more than 25% of their energy use covered by CCA? **Yes**
- Subsidiaries a & b **are not** covered by the scheme
- But, rest of Company D is **in**

Company E: is the organisation captured?

	CCA			
Subsidiary	a	b	c	d
Electricity	5000	5000	500	500
Metering	HHM	HHM	HHM	HHM

- Does the organisation have HHM electricity? **Yes**
- Is total annual energy use via one or more HHM >6,000MWh? **Yes**
- Do any subsidiaries have >25% of their energy use covered by CCA?
Yes
- Subsidiaries a & b **are not** covered by the scheme
- Rest of Company E is **in** even though remaining energy use <6,000MWh

Which energy uses will be captured?

- Once an organisation has established it will be covered by the CRC it needs to establish which energy sources it will need to monitor and report
- All 'core' sources must be **included** (see next slide)
- Energy use covered by the EU ETS is **excluded**
- At least 90% of a CRC organisation's emissions must be **included** in either CCAs, EU ETS or CRC
- Some small energy uses may be **excluded** so long as the organisation reaches this threshold

Which energy uses will be captured?

'Core' sources
electricity

Electricity use through: HHM (GB) & 70kVA meters (NI)
& profile class meters 5 – 8

'Core' sources
gas

All natural gas use through: daily read meters & non-daily
read meters consuming more than 73,200 kWh per annum

Oil products

'Small' fuel uses *may* be excluded

Other fossil
fuels

so long as 90% of an organisation's emissions are included
in *either* CCAs, EU ETS and CRC

Renewables

Renewable fuels may be zero rated if ROCs are not
generated but use may need to be monitored & reported

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