

CRC Energy Efficiency Scheme

CRC Compliance Services from CO2
Consultants Ltd



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CRC Compliance Services

The Carbon Reduction Commitment Energy Efficiency Scheme (CRC) is a mandatory climate change and energy initiative. The CRC has been designed to encourage organisations to reduce their energy usage and in doing so reduce their carbon emissions, through both financial and reputational means.

CRC is central to the UK's strategy for improving energy efficiency and reducing Carbon Dioxide (CO₂) emissions, as set out in the Climate Change Act 2008. The CRC is expected to affect around 20,000 organisations within the UK, and will take place over a number of scheme phases.

Qualification for the initial phase of the CRC is based on an organisation's total half-hourly electricity usage throughout 2008. An organisation would be included in the CRC if its total half-hourly metered electricity use is greater than 6,000 MWh. However, it is possible that the threshold for CRC inclusion may be lowered in subsequent phases.

Participants not complying with the CRC will incur fixed and/or variable fines, publication of non-compliance and where necessary, blocking of carbon trading accounts.

CO2 Consultants Ltd have developed a unique, fully managed solution to allow organisations to comply with the CRC. From initial consultation through to managing recycling payments and developing carbon purchasing strategies, our dedicated CRC team can provide expert compliance advice on all aspects of the CRC Scheme.

Whether clients operate in the public or private sector, there is an increasing need to raise awareness of carbon performance with stakeholders and the overall environmental impact of a business.

CO2 Consultants Ltd CRC compliance services can encompass the following:

- Scheme Registration
- Comprehensive CRC Information Pack
- Data Collection
- Data Cleansing
- Data Audits
- Ensure all CRC data elements are recorded
- Annual Reporting
- Footprint Reporting
- Evidence Pack Creation
- Carbon Management Strategies
- Carbon Purchasing Strategies
- Carbon Abatement Reports
- Energy Audits
- Energy Awareness Training
- General Consultancy

Data Management

CRC participants are required to hold data records for seven years after the phase to which they relate. Any data that supports an organisation's baseline year (Footprint Year) will need to be kept for the duration of the entire CRC scheme, currently planned to run for 33 years.

Client's data will be held in CO2 Consultants energy management database and reports can be provided as and when to the client.

CO2 Consultants can accurately capture 100% of the total emissions for our clients, which is critical to providing a precise footprint of energy usage.

We can cope with all utility and CRC scheme complexities such as on-site generation, residual fuels, renewable energy and all other required elements of the CRC.

CRC Reporting

CO2 Consultants provides all CRC clients with the following CRC compliant documentation:

- Footprint Report
- Annual Report
- Evidence Pack

The Footprint Report contains information regarding the total emissions for an organisation listed by relevant energy sources, and is required for submission during the first year of each scheme phase.

The Annual Report states the relevant energy use over the course of the previous Financial Year. It provides evidence to support the number of allowances organisations must purchase and surrender that year, with regards to monitoring and declaring carbon usage.

CRC participants are required to monitor and collate their energy usage throughout each year. These records will form the basis of an Evidence Pack. All audits will include a desk-based assessment of the Evidence Pack, and potential site visits to any related company premises. As part of our data management service, CO2 Consultants create and maintain valid Evidence Packs which can be made available to clients at any time for audit purposes.

Approximately 20% of participating organisations are expected to be audited each year. Government has advised that all participants should expect to be audited at some point every five years.

Performance Management

CRC participants are measured using three metrics – the Absolute Metric, the Early Action Metric and the Growth Metric. The scoring in these metrics will define a CRC participant's position in a Performance League Table (PLT). Each of these metrics will be weighted throughout the different phases as follows:

	Phase One			
	Reporting Yr 1 (04/10 – 03/11)	Reporting Yr 2 (04/11 – 03/12)	Reporting Yr 3 (04/12 – 03/13)	Subsequent Phases
Early Action Metric	100%	40%	20%	0%
Growth Metric	0%	15%	20%	25%
Absolute Metric	0%	45%	60%	75%

The PLT has been introduced to add both financial and reputational incentives, by indicating an organisation's performance within the CRC scheme. It will be used to award a percentage bonus or penalty to the level of recycling revenue that each organisation receives as part of the CRC.

The Early Action Metric

The Early Action Metric provides recognition for organisations that have taken proactive steps to monitor their energy usage prior to the start of the scheme.

This metric is based on: two components:

1. AMR

The percentage of an organisation's emissions covered by voluntarily installed AMR meters will count towards 50% of the Early Action Metric score.

CO2 Consultants Site Operations team can arrange and manage AMR meter installation programmes to help organisations achieve the highest possible score from this metric.

2. Carbon Trust Standard (CTS) or equivalent

This element recognises any approved energy efficiency accreditation an organisation holds; it counts towards 50% of the Early Action Metric score. CO2 Consultants has an accredited CTS assessor who can assist organisations with achieving the Carbon Trust Standard.

The Growth Metric

The Growth Metric accounts for emissions in relation to companies' growth, by giving credit to companies that can grow or rationalise in an efficient manner.

It measures the change in emissions per unit of turnover, relative to the average annual emissions previously reported within the CRC (up to a maximum of 5 years data).

CO2 Consultants fully managed service will include calculating a client's "turnover to emissions" ratio on an annual basis.

The Absolute Metric

The Absolute Metric is the primary long term goal of the CRC, and focuses on absolute carbon emissions reduction, relative to the average annual emissions previously reported within the CRC (up to a maximum of 5 years data).

A score in this metric will be based on the emissions that an organisation discloses as part of its Annual Report. In order to ensure that clients achieve a positive score in this metric, CO2 Consultants can provide the following additional CRC services:

- Accurate historic data records
- Development of Carbon Management Programmes
- Carbon Surveys
- Carbon Abatement Reports
- Energy Awareness Training

Carbon Strategies

Implementation of a Carbon Strategy can enable organisations to target key high consumption areas, with the aim of reducing overall energy use within their business. CO2 Consultants aids clients in the creation of bespoke Carbon Strategies, in accordance with company policies, stakeholder expectations, legislation and current economic drivers.

CO2 Consultants works in partnership with clients to develop an individually tailored business strategy, detailing costs and potential returns on investment of different options to reduce their absolute emissions from core energy sources.

Our consultancy service assists with efficiency gains, metering enhancements and advice on the impact of low carbon technologies, relevant to clients' specific needs.

CO2 Consultants have a network of highly qualified energy assessors and strategic relationships with project managers who can provide onsite carbon surveys and recommendations on energy improvements. These surveys can be carried out at no cost to the clients through the Carbon Trust providing certain criteria are met.

Carbon Purchasing

CRC operates as a cap and trade scheme, where carbon allowances will need to be purchased by a participating organisation on an annual basis each April, for the subsequent year's energy emissions.

CO2 Consultants provide clients with access to current carbon market trading information on a regular basis, together with specialist reports to enable businesses to make informed market decisions and allocate the necessary carbon budgets.

CO2 Consultants believe that the provision of market information will enable our clients to make informed purchasing decisions of carbon allowances. This information also aids the overall development of carbon purchasing strategies and caters for dynamic development as the carbon market matures over time.