

Important dates

May-June 2009: we send out a letter to all billing addresses for mandatory half-hourly electricity meters settled on the half-hourly market. This letter explains what action must be taken under the CRC scheme.

September 2009: we send out a qualification pack to the billing address for each half-hourly meter providing details of the registration and information disclosure process. It is an offence not to comply with this process.

April 2010: CRC starts; six month registration 'window' opens under the scheme; start of the three-year introductory phase; uncapped allowances.

September 2010: registration 'window' closes on the last working day of the month.

April 2011: fixed price sale of allowances for Year 1 and Year 2 compliance.

July 2011: first emissions reporting deadline.

April 2013: start of Phase 2; allowances are capped and sold via auction.

Would you like to find out more about us or about your environment?

Then call us on
08708 506 506 (Mon–Fri 8–6)

Approximate calls cost: 8p plus 6p per minute (standard landline).
Please note charges will vary across telephone providers.

08708 506 506 (Mon–Fri 8–6) [email](mailto:enquiries@environment-agency.gov.uk)
[enquiries@environment-](mailto:enquiries@environment-agency.gov.uk)
agency.gov.uk

or visit our website
www.environment-agency.gov.uk

incident hotline 0800 80 70 60 (24 hrs)
floodline 0845 988 1188

Published by Environment Agency, Rio House,
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www.environment-agency.gov.uk

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Carbon Reduction Commitment: are you ready?



A guide to the Carbon Reduction
Commitment scheme

www.environment-agency.gov.uk/crc

What is the Carbon Reduction Commitment scheme?

If you are a big business or public sector body, get ready for a major change in the way you manage your energy use and carbon dioxide (CO₂) emissions.

The Carbon Reduction Commitment (CRC) is a new statutory CO₂ emissions trading scheme for the UK. It starts in April 2010 and introduces new legal duties on any organisation supplied by an electricity meter settled on the half-hourly market.

This scheme is designed to help public and private organisations improve energy efficiency, save money and reduce the amount of CO₂ emitted in the UK.

Your participation in CRC means you will be helping the UK achieve its overall targets of reducing greenhouse gas emissions by at least 80 percent by 2050.

What does this mean for me?

Organisations likely to be drawn into the scheme will come from all sectors, including retail chains, universities, supermarkets, banks and central government. Please be aware that if your organisation meets the CRC qualification criteria, you are obliged to participate in CRC.

Qualification criteria

If, during the 2008 calendar year, you had at least one half-hourly electricity meter (HHM) settled half hourly and consumed at least 6,000 MWh of electricity through all HHMs, you qualify for CRC. You must register as a full participant, monitor your emissions and purchase allowances, sold by Government, for each tonne of CO₂ you emit.

If, during 2008, you had at least one half-hourly electricity meter settled half hourly but consumed less than 6,000 MWh of electricity through all of your HHMs, you do not have to participate fully in CRC. But you are required to make an information disclosure.

Most small organisations do not use enough electricity to qualify for CRC. But if you are part of a group structure, responsibility for meeting CRC obligations falls on the entire group. The highest parent organisation (or a nominated alternative) participates on behalf of the entire group, taking into account energy use across all its undertakings.

What are allowances?

CRC is a 'cap and trade' emission scheme. At the end of each scheme year participants purchase and cancel emission allowances corresponding to their total CO₂ emissions. One allowance = one tonne of CO₂. CRC participants are required to plan and buy sufficient allowances to cover their annual CRC emissions.

Any emissions covered by the EU Emissions Trading System or Climate Change Agreements are not included in CRC.

CRC is designed to be broadly 'revenue neutral'. Money raised from the sale of allowances will be recycled back to participants according to how well they perform in reducing emissions. Many participants will also achieve financial savings through reduced energy use, outweighing administrative costs and any needed investment.

What must I do next?

Work out if you qualify for CRC. If yes, work out if you are a full participant or if you need to make an information disclosure.

If you think your organisation is covered by the CRC scheme, ensure your organisation, parent company or head office is aware. Send this leaflet to the appropriate person.

Need further advice or assistance?

Visit www.environment-agency.gov.uk/crc

You can download and review the step-by-step **CRC User Guide** from this website.

Email the dedicated CRC Helpdesk:
CRChelp@environment-agency.gov.uk