

THE CARBON REDUCTION COMMITMENT

Update for stakeholders

Dear Stakeholder,

In order to ensure stakeholders are kept up to date with policy developments and practical implementation of the Carbon Reduction Commitment (CRC), we are introducing a system of regular communications to those on our mailing list. From now on you can expect to receive quarterly information from us in the run up to the start of the scheme in April 2010.

In this first update we would like to notify you of two proposed changes to the policy and implementation timetable:

Consultation on the Regulations

The consultation on the CRC Regulations, which was planned for this autumn, will now take place in February 2009. As this third consultation concerns the Regulations, it is important that we ensure these are comprehensive and accurate. In light of this, we have taken the decision to reschedule the consultation for February. We will also be publishing a User Guide for potential participants at the same time, but copies will be sent to those stakeholders that subscribed to the CRC mailing list before publication on the website.

Registration and Footprint Year

In recognition of the delay to the consultation, we are also minded to revise two key dates in the scheme. We propose that the registration period should now run concurrently with the first 6 months of the scheme, from 1st April 2010 to 30 September 2010.

Under this new timetable, the first year of the scheme (April 2010 - March 2011) would be the preliminary period or "Footprint Year". During this time participants will need to monitor all energy sources and use this data to prepare a Footprint Report to submit by July 2011.

Many of you will have received the update we sent in July this year, announcing that

- Schools in Great Britain will be included in CRC:
- the scheme will start in April 2010 and operate on a financial, not calendar year,
- no allowance sales will take place in the first year – organisations will buy allowances in April 2011 to cover both 2010 and 2011 emissions,
- the baseline year for revenue recycling will be changed to FY 2010,
- the first league table will be based solely on the early action metric; and,
- we clarified our definition of the half hourly electricity to be used for qualification.

More details on these policy amendments can be found at:

<http://www.defra.gov.uk/environment/climatechange/uk/business/crc/pdf/crc-policy-080716rev.pdf>

Further information about CRC is available at www.defra.gov.uk/carbonreduction. If you have any queries about the scheme you can contact us via the CRC mailbox crc@defra.gov.uk.

Kind regards,

The Carbon Reduction Commitment Team

1 December 2008

