

CARBON REDUCTION COMMITMENT (CRC)

The Carbon Reduction Commitment (CRC) is a new mandatory carbon trading scheme being introduced in the UK for large non-energy intensive organisations from April 2010.

The scheme will target up to 5,000 large organisations such as supermarkets, hotels, blue-chip corporations, government departments and large local authorities whose emissions are currently not included in any Climate Change Agreements.

If your organisation has at least one half-hourly metered electricity supply point and your annual electricity consumption through all half-hourly electricity meters was at least 6,000 MWh in 2008 (around £500,000), then from April 2010 you will be legally committed to participate fully in the CRC and calculate and report your carbon emissions annually.

From April 2011 participants will be required to buy CRC allowances to cover their anticipated emissions for each year. Emissions will be based on electricity, gas, fuel oil, LPG and/or solid fuel. Initially the scheme will be uncapped and it is expected that the allowances will be £12 per tonne of CO₂.

The aim is for monies to be recycled back to organisations based upon their position in the league table. However, poor performers will receive only a portion of their monies back based on a CRC performance league table of participants.

Blizzard is ideally placed to support you during the various phases of the CRC from initial impact assessment through to data collation, the production of evidence packs, forecasting and the buying and selling of credits.

Our Utilitytrak Energy Management Platform can help carry out the work required for [CRC compliance](#). Our service is totally flexible and we can support you as much or as little as you choose.

CRC Initial Impact Assessment

Blizzard can help you assess the potential impact of the Carbon Reduction Commitment on your business. This can include determining whether your organisation is affected and if so help with the initial registration.

We can support you with the development your CRC strategy and help you build a tailored action plan. This can involve Risk Assessment, prediction of expected capital expenditure, preparation of 'what-if' forecasts and the formulation of risk reduction strategies.

Blizzard can also help you put together plans to minimise impact and prepare senior management briefings.



Our CRC Initial Impact Assessment typically includes:

- **A Corporate Review**
This entails a structural review of all parts of the organisation, i.e. UK parent, overseas parents, franchisees, joint ventures, and subsidiaries, as this information is required for the CRC Registration.
- **Reviewing Data**
We will assess the quality of your data and review percentages of actual and estimated data.
- **Strategy and Risk Reduction**
We carry out a Risk Assessment to assess your exposure and provide 'what-if' forecasts. Blizzard can also assist with capital expenditure forecasting and advise you on site selection for compliance. During this process we also review your energy policy and management processes. We explore the possibilities of meeting Early Action Metrics through the introduction of AMR metering or obtaining Carbon Trust Standard accreditation, and providing advice on what steps are required to achieve the standard and reviewing your current Carbon Reduction Programme.

Based on the Initial Assessment we produce a Recommendations Report for further actions and a Senior Management Briefing. This covers how legislation will affect your organisation, cash flow implications and advice on scheme registration and how to appoint a Director of Carbon.

Contact us now for a **FREE** initial consultation

0845 873 7950

CRC SERVICES

Following the Initial Impact Assessment Blizzard can support you throughout the stages of complying with the Carbon Reduction Commitment.

Stage 1 – Preparation

Blizzard will establish if your organisation is definitely subject to the CRC and then manage your **Registration for the Scheme**. This exercise will require access to your electricity billing information.

If it is found not to be necessary for you to register for the CRC then you may still be required to make an **Information Disclosure** and Blizzard will handle this on your behalf.

Building on the information obtained during the Initial Impact Assessment, the Preparation Stage includes a full Audit of your energy consumption, costs and emissions, using Blizzard's Utilitytrak Energy Management Platform as follows:

- Calculate all energy use and emissions
- Ascertain any on-site electricity generation
- Perform data quality checks
- Identify any estimated energy usage and self-reads
- Confirm the core sources of emissions
- Establish key sites and metered supply points
- Collate any landlord/tenant supply arrangements
- Optional Carbon Footprint calculation (not required for CRC) involves review of transport fuel which is excluded from CRC

Early Action Metrics - Blizzard can help you implement the following actions to help you improve your position in the CRC league table:

- **Advanced Metering** - Blizzard can provide feasibility studies and supply complete AMR solutions.
- **Carbon Trust Standard** - Blizzard can prepare your organisation for a successful assessment under the Carbon Trust's national scheme that recognises good practice in reducing carbon emissions.

Stage 2 - Compliance

Annual and Footprint Reports - Blizzard will compile and submit your Annual and Footprint Reports to the scheme administrator by the required deadlines each year.

The Evidence Pack - Blizzard will put all records that support the Annual and Footprint Report in an Evidence Pack as required for the scheme. This includes:

- Structural Records of your organisation's scope and operations
- Data Records showing your energy consumption
- Special Event Records covering changes of your energy supplier and meters etc
- Records of Exemptions and Credits to secure full benefit from your membership of the EU Emissions Trading Scheme, Climate Change Agreements, as appropriate
- Combined Heat & Power generation, as appropriate
- Data for Early Action Metrics
- Growth Metrics to ensure that any changes in your emissions in future years can be related to the size of the organisation by accounting for your financial turnover or revenue expenditure

Audit and Regulation - Blizzard will ensure your CRC records are accurate for a potential audit by the regulator.

Stage 3 – Implementation

Buying Allowances - Blizzard will prepare accurate forecasts of your required emissions allowances, depending on your forward business plans and your forecast energy performance, and will buy allowances on your behalf, depending on your performance in the CRC league table.

Selling Allowances - Blizzard will sell or bank any surplus allowances that you make by improving your energy performance. These allowances can then be used to cover emissions in future years.

Monitoring Performance - Blizzard will monitor your ongoing carbon performance and report dynamically on your expected end-of-year results to assist budget planning.

Stage 4 - Carbon Reduction

The direct savings that arise from an effective energy reduction programme far outweigh any marginal benefits that can be achieved through participating in the CRC.

Therefore, Blizzard can provide ongoing support in a number of important areas to help you improve your overall carbon performance and thereby obtain the maximum benefits from participating in the CRC.

- **Benchmarking** - produce league tables to detect waste and identify potential for energy savings
- **Energy Surveys** - to assess opportunities for carbon reductions
- **Feasibility Studies** - to evaluate potential costs and savings from recommended measures
- **Project Management** - to ensure successful implementation of energy reduction schemes

MORE DETAILS AT OUR WEBSITE:
www.blizzardutilities.com