



Department
of Energy &
Climate Change

Climate Change Agreements: Target Unit (TU) data publication discussion paper and opportunity to comment

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Introduction

1. Government's aims for the new CCA Scheme are to increase transparency and reduce administration costs for both industry and Government. As such, the CCA (Administration) Regulations, which came into force on 1 October 2012, require Government to publish a report setting out Target Unit (TU) energy efficiency improvements and emissions reductions for each biennial reporting period and whether the sector commitment has been achieved.
2. Government consulted on data publication in the following publications –
 - Consultation on the simplification of the Climate Change Agreements Scheme (September 2011).
 - Climate Change Regulations 2012 and the Scheme Administration Charge: opportunity to comment (January 2012).
 - Climate Change Agreements: delivering simplification in the new Scheme (March 2012).
3. Feedback to the consultations revealed concerns that the data published would disclose commercially sensitive or confidential information. To address these concerns, this document sets out the data we intend to require the Environment Agency, as Administrator, to publish and our rationale for this.
4. Given the importance of ensuring that the final position meets Government aims of ensuring the maximum possible transparency without being to the detriment of CCA participants, we welcome your comments on the proposal. Where you think that the data published would reveal commercially sensitive or confidential information, please can you provide specific worked examples and evidence. Please send your comments by 6pm on Friday 8th March 2013.
5. The final position will be included in the Statutory Guidance due to be published in March 2013. Comments received in response to this document will be considered in reaching a final decision on data publication. There will be an opportunity to comment on draft Statutory Guidance in March 2013, alongside this opportunity to comment.

CCA (Administration) Regulations

6. Regulation 9(3) of the CCA (Administration) Regulations states –

Subject to paragraph (5), as soon as reasonably practicable after the end of each target period, the administrator must publish a report setting out energy efficiency improvements and emissions reductions achieved under agreements for the target period, including –

- a) for each sector association, details of whether the sector commitment has been met; and
 - b) for each target unit, details of emissions recorded in the Register and details of whether the target has been met.
7. To meet this regulation the data we intend to require the Administrator to publish is –
- 1) Target Unit target for the reporting period, expressed as a percentage improvement in energy efficiency (for example the percentage by which a target Specific Energy Consumption (SEC) is lower than the SEC achieved in the baseline year).
 - 2) A statement of whether a target unit has met its target, or has purchased a buy-out.
 - 3) Each Target Unit's performance against its target, expressed as a percentage improvement in energy efficiency i.e. actual performance (for example the percentage by which the actual SEC achieved in the target period was lower than the SEC achieved in the baseline year).
 - 4) Each Target Unit's actual emissions expressed in tonnes CO₂ equivalent over the reporting period. This is the data as it will be recorded in the IT Register.
 - 5) Emissions reductions achieved against the baseline year by each target unit, expressed in tonnes CO₂ equivalent.
8. The report will be accompanied by an explanation of how the CO₂ figures have been derived and their limitations. This is to reflect the impact of EU ETS or any activities that are not included within the CCA facility.

Rationale

9. Government's view is that publishing the 5 pieces of data set out above is the best way to achieve its objective of maximising transparency in the new CCA Scheme, without being to the detriment of CCA participants. We do not expect that publishing this data would reveal commercially confidential information, but would welcome evidence from CCA participants and other stakeholders on this point. The Climate Change Agreements (Administration) Regulations 2012 permit the Administrator not to publish performance against target if an Operator or Sector Association asks that it should not be published on the grounds that publication would adversely affect the confidentiality of commercial or industrial information and the Administrator has decided that publishing the information would have this effect. Note that the Administrator can only decide not to publish this data to the extent that the information is not information on emissions into the environment.
10. Providing information on each TU's target and their performance against it will ensure transparency around whether targets are being met, or indeed exceeded, and whether target units are making use of the buy-out.
11. Publishing emissions data, expressed in tonnes CO₂ equivalent would also be consistent with other schemes. This data is published in both the CRC Energy Efficiency Scheme (CRC) and EU Emissions Trading Scheme (EU ETS). By publishing this information for the CCA Scheme we will create synergy with both the CRC and EU ETS and meet our aim of increasing the transparency of the CCA Scheme. Additionally, information on emissions would need to be provided on request under the Environmental Information

Regulations (EIR) anyway, as there is not an exemption that covers this data.

12. We do not intend to publish –

- 1) Actual energy consumption in the target period
- 2) Actual energy consumption for the baseline year
- 3) Throughput.

13. We are inclined not to publish these data sets as it has been suggested that, in some cases, this information when combined with the information to be published would enable commercially sensitive information to be inferred. We welcome your comments, supported by examples, on whether this is indeed the case.

Next Steps

14. This proposal will be available for comment until **6pm on Friday 8th March 2013**. This window will give stakeholders an opportunity for comment before the position is finalised prior to inclusion in the Statutory Guidance. Please send your comments to levy.agreements@decc.gsi.gov.uk.

15. The Statutory Guidance will be published in March 2013 in preparation for the start of the new Scheme. A draft version of the Statutory Guidance will be published in advance of this for comment.

16. We will hold a session to discuss this data publication proposal at the forthcoming stakeholder event on 15 March 2013. To book a place at this event, please email DECC at levy.agreements@decc.gsi.gov.uk. Further details on this event will be included in the weekly communication emails distributed by the Environment Agency.

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