

Carbon Reduction Commitment (CRC) — 'The RUMM way'



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The Carbon Reduction Commitment is a new Mandatory emissions trading scheme. The aim of the scheme is to reduce the amount of Carbon Dioxide (CO₂) emitted in the UK, which is vital to achieving overall targets of reducing greenhouse gas emissions by at least 80% by 2050.

What the Process involves

- The Scheme will begin in April 2010.
- The purchase of allowances will initially add 5–10% to electricity and gas cost depending on prevailing energy prices.
- The cost will initially be set initially at £12 per tonne of CO₂.
- Purchase allowances are based on expected energy use emissions.
- The Scheme aims to control CO₂ emissions and achieve reductions of at least 4MtCO₂ annually by 2020. It aims to provide a financial incentive to reduce emissions.
- The participants are estimated to benefit roughly £1 billion by 2020.
- Each participant will get an energy spends allowance which at the end of the year will also include a bonus for the best performer.
- A reputation incentive also exists as the highest savers will be ranked in a league table made available to the public.
- Monitor energy use by the end of July of each year and report.
- Between 5,000–20,000 will be affected by the scheme.
- Participants receive a revenue recycling payment from the government in October, annually based on performance.
- Participants will be required to estimate 2010/2011 and 2011/1012 emissions, including NHH and gas sites and purchase correct volume of allowances.

To Qualify

- Based on half hourly electricity metered data during 2008.
- Participants must have had a total half hourly electricity consumption of at least 6,000 mega-watt-hours (MWh).
- Half hourly meters can contain:
 - Mandatory half hourly meters
 - Voluntary half hour meters
 - Half hourly light meters
 - Pseudo half hourly meters
 - All remotely read automatic meter reading (AMR) RUMM System (aM&T)

Phases

- Qualification Period
- Registration Period
- Footprint Year (participants must calculate emissions responsibility)

RUMM can help achieve each of the applied legislations below:

1. Structural Records

- Information about an organisation's structure (e.g. subsidiaries), a detailed list of sites and the name of the person(s) responsible for managing data collation and submission of the organisation's annual emissions.
- For each source, details of its location, type (e.g. electricity, gas, oil etc) and MPAN/MPR numbers.
- For electricity and gas supplies from utility companies, a list of all supply meters with a record of the meter type and the official meter identifier, the meter's accuracy and who is responsible for accuracy of the information supplied from that meter.

2. Data Records

- HH and AMR meter readings.
- Manual reads at start and end of year. For gas the calorific value will be required to convert reads to kWh.
- Liquid/Solid fuel consumption.
- Interpretation of the 'de-minimis' rule.
- For the growth metric, for private sector companies, this should include the audited turnover figure; for public sector organisations revenue expenditure should be included. With details of the document in which the figure was published.

3. Special Event Records

- These records cover any events that may influence the accuracy of the audit trail. Examples:
 - A change of energy supplier.
 - A meter breakdown.
 - A change in company structure.
 - Transfers between tenants and clients.



Ed Milliband, UK Government Secretary of State for Energy and Climate Change with Jamie Watkins RUMM CEO

4. Climb League Tables

- At the end of each year the government will publish a league table of all participating organisations. Scores and rankings will derive from three factors, with the following weightings:
 - 60%: Absolute reduction in energy consumption compared with the year April 2010 to March 2011.
 - 20%: Early action metric. Optional. Zero score if figures not submitted.
 - 20%: Growth metric: the percentage change in emissions per unit turnover (or revenue expenditure for the public sector) relative to a participant's annual average since the start of the scheme. Optional. Zero score if figures not submitted.
- Collect your data from all sources ready to submit in July 2011.
- Collate required detailed information in which is to be responded to the scheme administrator.

Let us help you with the impending legislation & extra cost on your business by mitigating them.