

# THE INENCO 2020 TIMELINE

#### 2018 – GHG Reporting

The UK government aim to reduce the UK's greenhouse gas emissions by at least 80% (from the 1990 baseline) by 2050

In 2018, the 2020 GHG (Greenhouse Gas) emission reduction targets will be announced

## 2018 - Renewable heat incentive

Changes will be coming into effect in two stages. The first stage came into effect on 20th September 2017

The second stage of planned changes will follow later in 2017/2018

#### **CRC** ends

CRC scheme will end on 31st March 2019

CRC revenue will be obtained from elsewhere in the energy sector - minimise risks by understanding the impact on your business

#### **Brexit**

The Brexit transition period is planned for after March 2019

## 'Pot 1' Contracts for Difference Auction (CfD)

More renewables on the system means greater need BEIS confirmed the third auction for less to access businesses' flexibility to keep the system established renewable energy sources will balanced be held in spring 2019

# 'Pot 2' CFD applications

The Pot 2 CFD round will open for applicants in Spring 2019

Up to £557 million will be made available

## CCL costs increase

Climate Change Levy costs will increase to cover the costs of scrapping the CRC Limit the impact by controlling the amount of CCL you pay

# Power and Gas levies rebalanced

CCL ratio between power and gas reduced to 2.5:1

Gas intensive users may wish to look at the impact on their business and find ways to

## CCA exemption increase

CCA exemption rate to increase to 93% reflecting increased cost of CCL

Check for eligibility for a CCA scheme to take advantage of exemptions and benefit from reduced carbon and consumption

#### New reporting scheme

A new government carbon reporting scheme for large businesses to be implemented Currently under consultation

## **General Election 2022**

Latest date for General Election

May trigger changes in policy - make sure you stay up to date and minimise negative impact whilst maximising opportunities that arise

#### Minimum energy efficiency standards (MEES)

All rented property (even when an existing lease is in place) to have a minimum EPC rating of E) by April 2023

## Rebalancing of gas and power CCL ratio to 1:1

By April 2025, CCL costs will be split equally across gas and power

Understand what action you can take to reduce gas consumption and mitigate rising

#### Closure of fossil fuel plants in Industrial **Emissions Directive**

Power plants coming offline means investment in new capacity is needed to keep the system balanced

Restriction of operating hours for unabated coal-fired generation

Closure of unabated coal-fired power stations

Hinkley Point C to begin generating?

UK target: 80% reduction in carbon emissions

INENCO ARE 50!

Ell exemption

Capacity Market introduced, one year earlier than planned. Charges will be determined based on consumption during peak demand

Consider load management to avoid high consumption during peak periods

Full capacity market in operation



DCP 161 is a new measure which will be introduced by Ofgem from to 1st April 2018

This is being established to ensure that businesses on half hourly meters face penalty charges when they exceed their assigned capacity

# **DCP 228**

Earliest date for Ell exemptions is 1st

Latest date for start of Ell exemptions

January 2018

is 1st April 2018

DUoS charging methods under CDCM regulations will change on 1st April 2018

This will reduce red band rates but increase amber and green band rates

## Minimum energy performance standards (MEPS)

MEPS introduced: all property must be E-rated or above

Be prepared: take action now to make sure your properties meet the required standards

10GW of offshore wind to be installed by 2020

Consider participating in Demand Side Balancing

National Grid or through a demand aggregator

Phase 3 of EUETS ends

a 4th Phase

15% renewable heat target

20% renewable energy target

Target to reach a 30% reduction

in greenhouse gas emissions

(against a 2009-10 baseline)

Public sector target

Current phase of EUETS runs until 31st

May trigger changes in European policy

for carbon emissions - stay up to date on

December 2020 and is likely to be

extended beyond this date as

the impact on your business

Response schemes, either contracting directly with

SEP

Carbon Floor Price cap ends

The £18/te cap on the Carbon Floor Price ends on 31st March 2020

If carbon floor price is increased then this will increase wholesale electricity costs

ESOS phase 2

Second phase of ESOS deadline

Appoint a Lead Assessor well in advance to ensure your energy audits are complete ahead of the deadline

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