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LG Energy Group

Streamlined Energy & Carbon Reporting

Forward Thinking Energy

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1. What is this?

This is the government's solution to simplifying the policy landscape, consolidating CRC, ESOS, MGHG into one reporting structure.

To encourage mandatory reporting to drive low carbon and energy efficiency measures at board level.

2. Which Organisation(s) need to do this?

All large companies and Limited Liability Partnerships (LLPs) as defined under the Companies Act 2006 as meeting two of the three conditions below:

- More than 250 employees
- Annual turnover greater than £36m
- Annual balance sheet total greater than £18m

The government calculates that 11,900 companies will be required to report on their carbon emissions under these new regulations. Currently 1,200 quoted companies report their emissions.

3. When will this happen?

The government has not confirmed an exact starting date, but have said that it will start in around Apr 2019, as CRC is being weaned off. As these regulations will require companies to include the information in their accounts sent to Companies House, it would be reasonable to assume that it will apply to financial years beginning on or after the 1st January 2019.

4. What should be included in the report and coverage?

This is likely to be in part of the Director's Report. UK and global wide (Quoted companies)

- Energy – Business, process and transport
- GHG Emissions
- Use of Intensity ratios like

Energy Procurement

Bureau Services

Energy Management

Legislative Compliance

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Scope 1 (Direct emissions):

Emissions from activities owned or controlled by your organisation that release emissions into the atmosphere. They are direct emissions.
Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.

Scope 2 (Energy indirect):

Emissions released into the atmosphere associated with your consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of your organisation's activities but which occur at sources you do not own or control.

Scope 3 (Other indirect):

Emissions that are a consequence of your actions, which occur at sources which you do not own or control and which are not classed as Scope 2 emissions.
Examples of Scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal which is not owned or controlled, or purchased materials or fuels.

Possibly include a narrative of:

i) Any identified energy savings opportunities?
ii) Any energy efficiency action taken?

5. Service Opportunities

LGE to provide 3 year SECR and Energy Management services

- Data collection
- Reporting (possible use of Visualiser)
- Energy audit / management services.

Example intensity ratios:

- Tonnes of CO26 per total £m sales revenue
- Tonnes of CO26 per total £m EBITDA
- Tonnes of CO26 per square metre of gross store area
- Tonnes of CO26 per£ million of income
- Tonnes of CO26 per total million tonnes of production
- Tonnes of CO26 per total square metres

This document will be updated as more details emerge

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