



These days more and more people are thinking about going green when they buy their energy. But with a number of different "green tariffs" currently on the market it can be difficult choosing the one that's right for you.

And what do energy suppliers mean by "green" anyway? For some suppliers it might mean that they supply you with renewable electricity, others invest in building wind turbines, or in projects to offset household carbon emissions.

Surprisingly it could also mean that part – or even all – of your electricity may actually come from non-renewable sources.

That's why energywatch has produced a guide to all the green tariffs currently available. The guide does not evaluate a tariff's "greenness" (there are currently no independent accreditation or audit schemes) rather it categorises and gives background information about each tariff to help you make a choice.

TARIFF TYPES

Green source

- For every unit of electricity you use, a supplier guarantees to buy a percentage of electricity (from 10% to 100%) from a renewable generator which uses wind, small hydro-electric, biomass, tidal and wave power, geothermal and/or solar.
- These tariffs should be backed by Renewable Electricity Guarantee of Origin (REGOs) certificates.
- This type of electricity generation qualifies for Renewables Obligation Certificates (ROCs) and Levy Exemption Certificates (LECs).
- Depending on the supplier, you may pay more than under a standard tariff.

Green source (large hydro)

- For every unit of electricity you use, a supplier guarantees to buy electricity sourced from hydro-electric generation plants (larger than 20 megawatts and built before 1 April 2002).
- These tariffs should be backed by REGOs.
- While the electricity is from a renewable source, this type of generation does not qualify for ROCs or LECs.

Green fund (new renewables)

- These tariffs are designed to support the construction of new renewable generation sources such as wind farms, solar power, etc.
- The energy you use may be from non-renewable sources.
- Depending on the supplier, you may pay more than under a standard tariff.
- Some suppliers offer these tariffs to their dual fuel customers.

Green fund (other environmental)

- These tariffs are designed to support environmental causes or new research and development projects.
- The energy you use may be from non-renewable sources.
- Depending on the supplier, you may pay more than under a standard tariff.
- Some suppliers offer these tariffs to their dual fuel customers.

Carbon offset tariff

- This tariff is intended to help reduce or 'offset' the impact of your home's annual carbon dioxide (CO2) emissions.
- The supplier makes a donation to a carbon reduction project in the UK or abroad.
- The energy you use may be from non-renewable sources.
- Depending on the supplier, you may pay more than under a standard tariff.
- Some suppliers offer these tariffs to their dual fuel customers.

Current Green	Tariffs of	fered by	suppliers		
Supplier and tariff name	Green source	Green source (large hydro)	Green fund (new renewables)	Green fund (other environ- mental)	Carbon off- set
British Gas Climate Aware					'
British Gas Green Electricity	/				
EBICo EQUICLIMATE					/
Ecotricity New Energy	/		~		
Ecotricity New Energy Plus	/		~		
EDF Energy Climate Balance					/
EDF Energy Green Tariff	/		~		
Good Energy	/				
Green Energy UK green energy +10	/		~		
Green Energy UK green energy 100	/		/		
Npower Juice	/			/	
Powergen GreenPlan	/		/		
Scottish and Southern Energy RSPB		/		/	
Scottish and Southern Energy power2		/			/
ScottishPower Green Energy			~		
ScottishPower H2O		/			

Please note: there are no independent accreditation or audit schemes for green energy tariffs to give consumers confidence that suppliers' claims are true. In light of this, energywatch asked suppliers to give background details about their tariffs and how they provide evidence of "greenness" as well as details of any audit mechanisms used.

GREEN TARIFF GUARANTEES

In comparing tariffs, you may also want to consider what other voluntary guarantees suppliers use, including:

What percentage of electricity is backed by Renewable Electricity Guarantee of Origin (REGO) certificates?

- REGOs show you how much of your electricity is from renewable sources.
- Renewable electricity generators receive one REGO for every kilowatt hour of electricity they produce.
- Suppliers also use REGOs to prove they are supplying renewable electricity under the <u>Fuel Mix Disclosure</u>.

Are Levy Exemption Certificates (LECs) retired?

- Renewable electricity generators receive one LEC for every megawatt hour of electricity they produce.
- Non-domestic customers can buy renewable electricity backed with LECs and claim an exemption from the Climate Change Levy (CCL).
- Suppliers use LECs to show they meet CCL requirements.
- By retiring LECs, suppliers prove that the renewable electricity they supply you is not being double-counted i.e. they don't sell on the LECs to non-domestic customers as well.
- LECs should be backed by REGOs.

Are Renewable Obligation Certificates (ROCs) retired over and above statutory requirements?

- Renewable electricity generators receive one ROC for every megawatt hour (mWh) of electricity they generate.
- Generators are able to sell the electricity generated to one supplier and the ROC to another (i.e. the ROC has a value in and of itself).
- Suppliers retire ROCs to show they have met the requirements of the <u>Renewables</u> <u>Obligation</u>. If they are unable to purchase enough ROCs they can make a payment to the regulator's buyout fund.
- If suppliers retire ROCs over and above the level required by law, they help increase the market value and the prices renewable generators receive for their ROCs.
- To avoid double counting of green electricity sales, suppliers would need to retire both ROCs and LECs.
- Currently, only three suppliers are committed to retiring a small percentage of ROCs.



What guarantees do suppliers offer to back up their green source tariffs?

Supplier and tariff name	Backed by REGOs (Renewable Electricity Guarantee of Origin)	Retire LECs (Levy Exemption Certificate)	Retire ROCs (Renewable Obligation Certificates) over and above the statutory requirement
British Gas Green Electricity	100%¹		
Ecotricity New Energy	22%²		
Ecotricity New Energy Plus	100%	100%³	
EDF Energy Green Tariff	100%	100%	
Good Energy	100%	100%	5%
Green Energy UK green energy +10	16.7%⁴	16.7%⁴	
Green Energy UK green energy 100	100%	100%	
Npower Juice	100%	84%⁵	
Powergen GreenPlan	100%	100%	
Scottish and Southern Energy RSPB Energy	100%		10%
Scottish and Southern Energy power2	100%		
ScottishPower H20	100%		

- $1 \ Only \ guarantees \ the \ supply \ of \ green \ electricity \ until \ March \ 2007, (annual \ figure \ may \ be \ less \ than \ 100\%).$
- 2 Figure will increase each year. 2005 figure used in table.
- 3 The New Energy Plus tariff was previously known as Old Energy. Ecotricity retired the LECs associated with the supply of electricity to Old Energy customers.
- 4 Figure will increase each year. 2006 figure used in table.
- 5 Figure will vary, 2005 figure used in table.

Please note: at present there is no UK-specific regulation or guidelines covering Carbon Offset tariffs aimed at domestic energy consumers. The supplier pages include the tariff details as well as information about the audit mechanisms used by suppliers.

ADDITIONAL INFORMATION

No premium payable:

Some green tariffs are more expensive than a supplier's standard tariff offerings. The premium is often donated to the green fund or a carbon offset scheme.

Affinity deal:

Suppliers may have an affinity deal that provides certain benefits such as a donation to a charity or non-profit organisation working on environmental or sustainability issues.

Incentives to reduce energy consumption:

Consumers may be offered cash back or other financial incentives for reducing their consumption over a set period of time.

Available to prepayment meter customers:

This tariff is available to consumers who pay for their electricity or gas using a prepayment meter (PPM).

British Gas has two green tariffs:

The carbon offset product *Climate Aware* is designed to help you reduce the impact of your home's annual carbon emissions. An average dual fuel customer will pay an extra £30 a year. This money goes to the non-profit organisation Climate Care, which invests in environmentally-friendly projects in developing countries. Under this tariff, you can also do an online energy audit to help you find ways to save energy.

Green Electricity is a green source tariff. The company matches 100% of the electricity you use with a supply of renewable power back into the electricity grid up until March 2007. British Gas has promised that for every 10 customers who sign up to this tariff it will plant one tree through its partnership with the CarbonNeutral Company, up to a maximum of 25,000 trees.

	British Gas Climate Aware	British Gas Green Electricity
Tariff Type		
Green source		(100 %*)
Green source (large hydro)		
Green fund (new renewables)		
Green fund (other environmental)		
Carbon offset	✓	
Tariff Guarantees		
Tariff backed by REGOs		100%
Tariff backed by retirement of LECs		
Tariff backed by retirement of ROCs over and above the statutory requirement		
Additional Information		
No premium payable		✓
Affinity deal	Climate Care	The Carbon Neutral Company
Incentives to reduce consumption		
Available to electricity customers	V	✓
Available to gas customers	✓	
Available to PPM customers	✓	
* Only guaranteed until March 2007, (annual figu	ire may be less than 100%).	

EBICo has one green offering: **EQUICLIMATE**. It is designed to help reduce the impact of your home's annual carbon emissions. It is not a stand alone tariff, rather you pay a sum over and above EBICo's standard tariff prices calculated using your home's energy usage as well as the number of flights and car journeys you make per year.

In return EBICo purchases the equivalent amount of CO2 allowances from the European Union Emissions Trading Scheme (EU ETS) on your behalf. The EU ETS is designed to meet the EU's target to reduce greenhouse gas emissions under the Kyoto Protocol and is administered by the UK Emissions Trading Registry.

All major carbon emitting sites or businesses in the EU need allowances in order to emit CO2. By purchasing these allowances and then retiring them, EBICo is reducing the number available in market as well as increasing their price. The more expensive allowances are the more incentive businesses have to install carbon reducing measures.

	EBICo EQUICLIMATE
Tariff Type	
Green source	
Green source (large hydro)	
Green fund (new renewables)	
Green fund (other environmental)	
Carbon offset	✓
Tariff Guarantees	
Tariff backed by REGOs	
Tariff backed by retirement of LECs	
Tariff backed by retirement of ROCs over and above the statutory requirement	
Additional Information	
No premium payable	
Affinity deal	
Incentives to reduce consumption	
Available to electricity customers	✓
Available to gas customers	✓
Available to PPM customers	✓

Ecotricity has two green electricity tariffs:

New Energy is both a green source and a green fund tariff that costs the same as the incumbent supplier in your region. Ecotricity match a percentage of the electricity you use with a supply of renewable power back into the electricity grid. In 2005 the amount was 22% with this figure set to increase each year as the company builds more windfarms.

New Energy Plus is also a green source and a green fund tariff. The company matches 100% of the electricity you use with a supply of renewable power back into the electricity grid. All of the electricity is from sources that qualify under the Renewables Obligation. This tariff costs about 5% more than the New Energy tariff. The tariff was previously known as Old Energy.

Ecotricity is both a windfarm developer and an electricity supplier. The company has pledged to invest 100% of its annual profits in building new wind turbines. Ecotrocity claims (though this is not independently audited) that it invests the most money per customer out of all the suppliers in building new sources of renewable electricity. The company also plants one tree on UK farmland for each customer signed up to either tariff.

	Ecotricity New Energy	Ecotricity New Energy Plus
Tariff Type		
Green source	(22%*)	(100%)
Green source (large hydro)		
Green fund (new renewables)	✓	✓
Green fund (other environmental)		
Carbon offset		
Tariff Guarantees		
Tariff backed by REGOs	22%*	100%
Tariff backed by retirement of LECs		100%¹
Tariff backed by retirement of ROCs over and above the statutory requirement		
Additional Information		
No premium payable	✓	
Affinity deal	various	various
Incentives to reduce consumption		
Available to electricity customers	V	✓
Available to gas customers		
Available to PPM customers	V	
* 2005 figure. The percentage will increase year-on-, I The New Energy Plus tariff was previously known as Old Ene		supply of electricity to Old Energy customers.

EDF Energy offers two green tariffs:

Climate Balance is designed to help reduce the impact of your home's annual carbon emissions. It costs on average £44 per a year more than their standard tariff, based on a typical household using 20,500 kWh of gas and 3,300 kWh of electricity.

EDF Energy invests this money in UK and overseas energy efficiency or reforestation projects. These projects are audited using the methodology of the United Nations Framework Convention on Climate Change's clean development mechanism.

Green Tariff is a green source and green fund tariff. EDF Energy matches 100% of the electricity you use with a supply of renewable power back into the electricity grid. All of the electricity comes from sources that qualify under the Renewables Obligation. It costs on average an extra £13.86 a year with EDF Energy matching this amount, with the total paid into their Green Energy Fund. The fund invests in the development of renewable generation for communities and schools. You also receive a free home energy survey, information on energy efficiency and grants as well as two energy saving light bulbs.

EDF Energy also offers a separate **Read, Reduce, Reward** scheme where you submit meter readings every quarter. In return you get 250 Nectar points per fuel for each valid quarterly meter reading submitted online. You also get access to an online Energy Tracker to monitor your energy use. If you use less energy from one year to the next, you receive 1,000 bonus Nectar points per fuel.

EDF Energy Climate Balance	EDF Energy Green Tariff
	(100%)
	✓
✓	
	100%
	100%
Read, Reduce, Reward*	Read, Reduce, Reward*
✓	✓
✓	
	Read, Reduce, Reward*

Good Energy supplies only 100% renewable electricity, all from sources that qualify under the Renewables Obligation. This guarantee is backed up by their fuel mix disclosure and an annual independent audit, published in their annual environment report.

Good Energy also retires 5% of Renewable Obligation Certificates (ROCs) over and above its statutory obligations. This removes ROCs from the market, which may increase the price that renewable generators receive.

Good Energy		
Tariff Type		
Green source	✓ (100%)	
Green source (large hydro)		
Green fund (new renewables)		
Green fund (other environmental)		
Carbon offset		
Tariff Guarantees		
Tariff backed by REGOs	100%	
Tariff backed by retirement of LECs	100%	
Tariff backed by retirement of ROCs over and above the statutory requirement	5%	
Additional Information		
No premium payable	✓	
Affinity deal	various	
Incentives to reduce consumption		
Available to electricity customers	✓	
Available to gas customers		
Available to PPM customers	✓	

Green Energy UK has two green tariffs:

Green Energy+10 is a green source tariff that supplies you with 10% more green electricity than the statutory requirements (equal to 6.7% in 2006) under the Renewables Obligation. The company will match 16.7% of the electricity you use with a supply of renewable power back into the electricity grid.

Green Energy 100 is a green source tariff that matches 100% of the electricity you use with a supply of renewable power (that qualifies under the Renewables Obligation) back into the electricity grid. It costs on average 7% more than your regional electricity supplier. The first 100,000 customers will be given the option to receive shares in Green Energy if they remain a customer for three years.

Green Energy UK has informed energywatch that it is committed to retiring a percentage of ROCs over and above its statutory obligations. The chart will be updated when the 2006 information becomes available.

Green Energy UK has also pledged to invest up to 50% of its profits in new green generation projects.

Green EnergyUK green energy 100
(100%)
✓
100%
100%
✓

Npower has one green tariff:

Juice is a green source and green fund tariff that matches the amount of electricity you use with a supply of renewable power back into the electricity grid. In 2005, 84% of the electricity supplied was from wind farms. The rest came from the Dolgarrog hydro plant in North Wales. The percentage of wind farm electricity varies year-on-year.

Npower has also committed to donate £10 per customer each year to the Juice Fund, which invests in wave and tidal technologies.

ECOFYS independently audits Juice every 18 months.

Npower Juice		
Tariff Type		
Green source	✓ (84%*)	
Green source (large hydro)	(16%*)	
Green fund (new renewables)		
Green fund (other environmental)	✓	
Carbon offset		
Tariff Guarantees		
Tariff backed by REGOs	100%	
Tariff backed by retirement of LECs	84%*	
Tariff backed by retirement of ROCs over and above the statutory requirement		
Additional Information		
No premium payable	✓	
Affinity deal		
Incentives to reduce consumption		
Available to electricity customers	<u> </u>	
Available to gas customers		
Available to PPM customers		
* 2005 figures. The percentage may vary slightly each year.		

Powergen has one green tariff: GreenPlan.

GreenPlan is a green source and green fund tariff, with the company matching 100% of the electricity you use with a supply of renewable power back into the electricity grid. Powergen also contributes an average of £9 per year for each customer to the GreenPlan Fund, which supports the development of community-based renewable energy generation projects. It costs average consumers an extra £23.43 (excluding VAT) a year.

Powergen also offers its dual fuel customers an **EnergySavingsPlan**, which includes a free energy saving pack, carbon monoxide detector, room thermometer and a low energy light bulb as well as discounts on home insulation products.

Powergen GreenPlan		
Tariff Type		
Green source	(100%)	
Green source (large hydro)		
Green fund (new renewables)	✓	
Green fund (other environmental)		
Carbon offset		
Tariff Guarantees		
Tariff backed by REGOs	100%	
Tariff backed by retirement of LECs	100%	
Tariff backed by retirement of ROCs over and above the statutory requirement		
Additional Information		
No premium payable		
Affinity deal		
Incentives to reduce consumption	EnergySavingsPlan*	
Available to electricity customers	✓	
Available to gas customers		
Available to PPM customers		
* EnergySavingsPlan is available to other Powergen customers not just those signed up to the GreenPlanTariff.		

Scottish and Southern Energy (SSE) has two green tariffs:

RSPB Energy is a green source tariff that matches each unit of electricity you use with a supply of renewable power back into the electricity grid. 90% comes from large hydro-electric facilities and 10% from sources that qualify under the Renewables Obligation. SSE retires 10% of Renewable Obligation Certificates (ROCs) over and above its statutory obligations. This removes ROCs from the market, which may increase the price that renewable generators receive.

SSE also donates £10 per fuel to the RSPB if you switch to this tariff plus a further £5 per fuel for every year you stay on the tariff. It costs about 5% or £16.50 on average (excluding VAT) a year more than standard SSE tariffs.

power2 is a green source tariff matching 100% of the electricity you use with a supply of renewable power from the company's large hydro-electric facilities back into the electricity grid. SSE says that for each customer signed up it will raise up to six trees a year to help offset the impact of your household's carbon emissions. Tree planting is managed by World Land Trust on SSE's behalf and an independent consultant checks on the number of seedlings available, the numbers planted and the land available for future planting.

SSE operates under the brand names Southern Electric, SWALEC and Scottish Hydro Electric.

	Scottish and Southern Energy RSPB Energy	Scottish and Southern Energy power2
Tariff Type		
Green source	(10%)	
Green source (large hydro)	(90%)	(100%)
Green fund (new renewables)		
Green fund (other environmental)	V	
Carbon offset		V
Tariff Guarantees		
Tariff backed by REGOs	100%	100%
Tariff backed by retirement of LECs	10%	
Tariff backed by retirement of ROCs over and above the statutory requirement	10%	
Additional Information		
No premium payable		✓
Affinity deal	RSPB	
Incentives to reduce consumption		
Available to electricity customers	✓	✓
Available to gas customers	<u> </u>	✓
Available to PPM customers		

ScottishPower has two green tariffs:

ScottishPower donates the annual £10.50 discount offered to its dual fuel customers to its **Green Energy Fund**. Administered by a Board of Trustees, the fund supports the development of renewable energy projects in the UK.

H2O is a green source tariff. The company matches 100% of electricity you use with a supply of renewable power from the company's large hydro-electric facilities back into the electricity grid.

	ScottishPower Green Energy	ScottishPower H2O
Tariff Type		
Green source		
Green source (large hydro)		(100%)
Green fund (new renewables)	✓	
Green fund (other environmental)		
Carbon offset		
Tariff Guarantees		
Tariff backed by REGOs		100%
Tariff backed by retirement of LECs		
Tariff backed by retirement of ROCs over and above the statutory requirement		
Additional Information		
No premium payable		✓
Affinity deal		
Incentives to reduce consumption		
Available to electricity customers	<u> </u>	<u> </u>
Available to gas customers	<u> </u>	<u> </u>
Available to PPM customers	✓	✓

WHAT OTHER BENEFITS DO SUPPLIERS OFFER?

Most suppliers offer a **free energy survey** to help you save energy. Even if you are not signed up to a green tariff you may also be able to receive a free energy survey. Please contact suppliers for more information.

Many suppliers offer **free** or **discounted energy efficiency measures** such as energy saving light bulbs or home insulation. You may be entitled to free or discounted cavity wall insulation depending on your personal circumstances even if you are not on a green tariff. Please contact suppliers for more information.

SUPPLIERS' FUEL MIX DISCLOSURE

All suppliers are required to give information about the mix of fuels they use to generate the electricity supplied to their customers as well its environmental impact. Known as the **Fuel Mix Disclosure**, suppliers have to publish this information annually and distribute with their bills, statements or promotional material.

Supplier	coal	gas	nuclear	renewable	other	CO2*	nuclear waste*
British Gas (Centrica)	15.0%	58.0%	22.0%	3.0%	2.0%	0.354	0.0026
EBICo ¹	38.6%	45.3%	5.1%	8.4%	2.6%	0.52	0.0006
Ecotricity ²	18.9%	25.7%	20.9%	30.0%	4.5%	n/a	n/a
EDF Energy	45%	30.0%	19.0%	3.0%	3.0%	0.527	0.0023
Good Energy	0%	0%	0%	100%	0%	0.0	0.0
Green Energy '	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Npower (RWE Npower)	41.0%	36.0%	15.0%	5.0%	3.0%	0.507	0.0018
Powergen (E.ON UK)	41.9%	33.9%	17.1%	3.8%	3.3%	0.619	0.001
Scottish and Southern Energy	38.6%	45.3%	5.1%	8.4%	2.6%	0.52	0.0006
ScottishPower	47.0%	42.7%	2.9%	6.6%	0.8%	0.58	0.0004
UK average	35.2%	36.8%	20.9%	4.2%	2.9%	0.461	0.0025

n/a = not available

Units used: carbon dioxide (grams per kWh) and nuclear waste (micrograms per kWh).

¹EBICo operates under Scottish and Southern Energy's supply licence. Green Energy operates under Opus Energy's supply licence. Green Energy operated under Utility Link's supply licence until 19 January 2006, when Utility Link went into administration. Utility Link did not submit the fuel mix disclosure information for 2005-06.

² projected figures for 2005-06 only.

WANT TO KNOW MORE?

Go to the links below for more information from suppliers about their green tariffs, investment in new renewable electricity generation and other environmental activities.

British Gas
EBICo
Ecotricity
EDF Energy
Good Energy
Green Energy UK
Npower
Powergen
Scottish and Southern Energy
ScottishPower