



Commission for Energy Regulation

An Coimisiún um Rialáil Fuinnimh

**Disclosure of Information to Final Customers by Suppliers**

**Proposed Decision**

**And**

**Responses to Comments Received**

**CER/06/085**

**8<sup>th</sup> May, 2006**

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# **1 Background**

## **1.1 Legal Background**

Under Article 3(6) of the Electricity Directive (2003/54/EC)<sup>1</sup>, the Commission is required to ensure that all suppliers provide reliable information on all bills/promotional materials sent to customers regarding the contribution of each energy source to the overall fuel mix of the supplier concerned over the preceding year.

## **1.2 Consultation Background**

The Commission has been working with the Settlement System Administrator (the SSA) to develop a methodology for the central calculation of the fuel mix of suppliers. On the 1<sup>st</sup> of March 2006 the Commission published a consultation paper regarding proposals for disclosure of information to final customers by suppliers (CER/06/018) outlining the Commission's proposals for the methodology to be used to calculate the fuel mix of all suppliers in the market and the associated rules for the making available of this information to final customers. These proposals were to apply until the commencement date of the Single Electricity Market ('the SEM').

The Commission invited comment on the matters contained in the consultation paper and received comment from four (4) interested parties, specifically:

- Airtricity
- Sustainable Energy Ireland
- ESB Customer Supply
- Viridian Power and Energy

All responses are available on the Commission's website.

Section 2 of this paper sets out the Commission's proposed decision. Section 3 summarises comments received on CER/06/018 and the Commission's responses to these comments.

## **1.3 Next Steps**

Interested parties are invited to comment on the issues raised in this paper by close of business on Monday, May 15<sup>th</sup> May 2006. The Commission requests that respondents structure their comments to address the specific proposals outlined in the document. Where possible, reference to the section number should be made with specific comments. The Commission regrets that it cannot undertake to provide individual responses to submissions on this paper.

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<sup>1</sup> Transposed under Regulation 25 of S.I. 60 of 2005

Responses may be published in full on the Commission's website, therefore respondents should include any confidential information in a separate annex.

Submissions on this paper should be forwarded to:

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## **2 Commission's Proposed Decision**

Under Regulation 25 of S.I. 60 of 2005, the Commission has decided to adopt the following approach for the methodology to be used to calculate the fuel mix of all suppliers in the market and the associated rules for the making available of this information to final customers. These proposals shall apply until the commencement date of the Single Electricity Market ("the SEM").

- Suppliers, under the terms of their Supply Licence, will be required to provide fuel mix information. The methodology for the calculation of the fuel mix will be included in the Trading and Settlement Code.
- Prior to the completion of the modifications to the Supply Licence and the Trading and Settlement Code, suppliers must provide accurate information (and in the required format) in accordance with any directions issued by the Commission under Regulation 25 of S.I. No. 60 of 2005.
- The SSA will calculate the fuel mix for each supplier in line with a methodology approved by the Commission. This calculation will be conducted with regard to data per trading period summated across the calendar year, with the netting off of the resulting total top up and spill figures, i.e. the net top up/spill position for each supplier MPID will be calculated and the fuel mix determined in this basis. A marked up version of Appendix 7 of the Trading and Settlement Code setting out the basis for this calculation will be included in the Commission's decision paper on this matter.

- The calculation of the fuel mix for each supplier is based on the principle that total metered generation equals total consumption for each defined fuel source for all energy seen by the Ex-Post Unconstrained Schedule (EPUS).
- Suppliers must submit information to the SSA on energy that is not directly included in settlement calculations. The SSA will review this information and its inclusion in the overall fuel mix.
- In order to determine the applicable environmental impact data, the SSA will provide CO<sub>2</sub> emission factors to suppliers based on data obtained from the Environmental Protection Agency (the EPA), see appendix 1.
- Suppliers will multiply their fuel disclosure percentage per fuel type by the associated CO<sub>2</sub> emission factor, as provided by the SSA, to give the required information, i.e. CO<sub>2</sub> emissions in g/kWh, by fuel type.
- The Commission will approve the fuel mix for generators in Ireland, including those that operate on dual fuel, and the fuel mix of imports from Northern Ireland for input to the calculation.
- Suppliers will be required to provide customers with information on fuel sources and associated environmental impacts within one month of the relevant information being made available by the SSA (the 'Disclosure Date').
- This information will be updated, with respect to the relevant periods, by suppliers in each subsequent year on the 'Disclosure Date'.
- The form and detail of communications to customers regarding fuel sources and environmental impacts will be subject to the prior approval of the Commission. The above information must be provided by all suppliers in the format set out in the paper and must be supplied *on* the front of all bills to customers.
- The following categories of energy sources must be used for the purpose of fuel mix disclosure; coal, gas, nuclear, peat, pumped storage, renewables, CHP, heavy fuel oil and distillate oil.
- Information provided by suppliers on promotional materials regarding fuel mix and associated environmental impacts should use the same basic format as that required to be made available in bills to final customers. The Commission will adopt a proportionate approach to enforcement of this matter.

## **3 Commission's Response to Comments Received**

This section summarises the comments received from interested parties and the Commission's responses to those comments.

### **3.1 Calculation of Environmental Impact Information**

The Commission proposed to adopt a similar approach to that used in Great Britain in relation to the provision of environmental impact information. The Commission proposed to calculate the environmental impact associated with each fuel type by applying standardised emissions factors based on total emissions per fuel type for the year in question divided by the total associated output. These emission factors are to be multiplied by suppliers' fuel disclosure percentages per fuel type to obtain CO<sub>2</sub> emissions in g/kWh, by fuel type.

#### **3.1.1 Respondents' Comments**

One respondent stated that even though the proposed methodology does not fully represent the underlying efficiencies of the individual specific bilateral generator contracts they support the methodology proposed regarding the calculation of CO<sub>2</sub> emissions as a simple and pragmatic approach.

Further detail was sought by another respondent regarding the determination of CO<sub>2</sub> emissions associated with suppliers' fuel mixes. This respondent also stated that it appears from the consultation paper that the calculation regarding emissions includes a loss factor and questioned if this will be applied and if so, what value will be used.

Finally, a respondent queried the treatment of Uranium (some of which is U235) and Thorium present in the waste streams of coal generation plant, which the respondent understands may be above trace levels / concentrations.

#### **3.1.2 Commission's Position**

The Commission is of the view that the approach being adopted for the calculation of CO<sub>2</sub> emissions is an approach that is representative of the efficiencies of the conversion of the various fuels to electricity as the emissions factors will be based on data provided by the EPA for each generation station covered by the Emissions Trading Scheme (ETS). The Commission considers that the above is a pragmatic approach that is appropriate in this case.

Additional detail regarding the calculation of CO<sub>2</sub> emissions is provided in the following Section.

Appropriate loss factors will be applied in the determination of the environmental impact of the fuel mixes of suppliers, as detailed in the following Section.

It is the Commission's intent that any Uranium and Thorium that could possibly be present in the waste streams of coal generation plant will not be included in the calculation of the environmental impact associated with the fuel mixes of suppliers.

### **3.1.3 Commission's Decision**

In order to determine the CO<sub>2</sub> emissions associated with each fuel type the following data with respect to the 2005 calendar year for the Ireland will be used:

- the total mass of each fuel combusted in the production of electricity;
- the total energy (in volume terms) produced from each energy source in question.

The total mass as above is then multiplied by the appropriate net calorific value (TJ/kt) as provided by the EPA. The resulting figure is multiplied by the appropriate fuel factor (tCO<sub>2</sub>/TJ) as modified by the associated oxidation factor. The net calorific values, fuel factors and oxidation factors are those provided by the EPA (see Appendix 1). The most up to date factors available at the date of publication of the Commission's decision paper on this matter will be used. For coal, site specific values will be used for the net calorific value and the fuel factor. These will be provided by the EPA also.

With regard to said energy production data such data will be with respect to the interface with the transmission system. All energy production data will be adjusted by an average weighted transmission loss factor( subject to the approval of the Commission). The resultant CO<sub>2</sub> emission factors (g/kWh) are to be determined by dividing the CO<sub>2</sub> emissions (in mass terms) associated with the production of electricity from each aforementioned energy sources by the respective loss factor adjusted energy data.

Suppliers will then multiply these CO<sub>2</sub> emission factors by the percentage of each fuel source in their fuel as provided by the SSA.

The factor to be used in relation to the radioactive waste associated with nuclear fuel will be that used in the United Kingdom as all generation from this fuel source is imported.

### **3.2 Presentation of Information**

The Commission proposed that fuel mix and environmental impact information be published on each supplier's bill issued to final customers as and from the first disclosure date in the format outlined in the consultation paper. It was proposed that the following categories of energy sources must be used for the purpose of fuel mix disclosure; coal, natural gas, nuclear, renewable, CHP, pumped storage, peat, distillate oil and heavy fuel oil.

### **3.2.1 Respondents' Comments**

One respondent suggested that the information to be provided should include a breakdown of the energy associated with the Public Service Obligation (PSO) per fuel source and the proportion of specific fuel sources associated with interconnector imports. The respondent in question also suggested that the format for presentation of the fuel mix and environmental impact information should be amended as to provide for a further breakdown of the renewable fuel source category into specific renewable energy sources due to their varying carbon emission factors.

Concern was raised by a respondent with regard to the inclusion of a nuclear fuel source in the information of the fuel mix and environmental impact information to be supplied to final customers. This respondent stated that they have no control over the fuel mix of balancing interconnector trades which are entered into by the TSO in the discharge of its responsibilities.

The above respondent concurred with the requirement to present the information in tabular form and indicated a preference for the inclusion of the required information *in* rather than *on* bills sent to customers.

Finally clarification was sought by a respondent in regard to how supply companies holding more than one supply licence under section 14 of the Electricity Regulation Act of 1999 (the Act) would present the relevant information to its customers under the proposal.

### **3.2.2 Commission's Position**

This draft decision paper is with respect to information disclosure as required under Article 3(6) of the Electricity Directive (2003/54/EC) as transposed under Regulation 25 of S.I. 60 of 2005. The Commission considers that the required information that must be provided under the above legislation is contained in the Commission's proposals. The Commission notes that the inclusion of additional information may serve to clutter the bill received by the customer. Information regarding the generation covered by the PSO can be found in the Commission's decisions regarding the PSO levy which are published on the Commission's website. In addition, under S.I. 217 of 2002 as amended, suppliers are required to include a note on bills sent to final customers regarding the purpose of the PSO levy.

The fuel sources associated with imports will be included in the calculation of the fuel mix for all suppliers. Therefore, the final fuel mix of each supplier that is provided to customers incorporates this information.

With respect to the further breakdown of the renewable energy source category, the CO<sub>2</sub> emission factor to be applied to this category will take into account the varying CO<sub>2</sub> emission from each specific renewable energy source. In light of the above and in the interest of portraying data to the final customer in an uncluttered and clear form it is the Commission's opinion that the further breakdown of the renewable energy source category is not required.

With respect to nuclear being included as an energy source category, the Commission considers that this is in adherence to Article 3(6) of the Electricity Directive (2003/54/EC) as transposed under Regulation 25 of S.I. 60 of 2005. With regard to the fuel mix associated with the balancing of interconnector trades that are entered into by the TSO in the discharge of its responsibilities, assumptions (subject to the Commission's approval of such) will be applied to the fuel mix of these trades. These assumptions will ensure that the fuel mix of suppliers will not be affected by such trades.

It was proposed in the consultation paper that that the required information is provided *on* bills to final customers as opposed to *on or in* such bills. The Commission is of the view that this is the most effective method for providing information to customers. In addition to the above, the Commission is of the view that this approach is appropriate as it will provide for a consistent approach in the provision of information to all customers by suppliers.

Finally, where a supplier has more than one supply licence the suppliers' fuel mixes will be calculated with respect to individual market participant identifiers (MPIDs), and as such individual supply licences issued under Section 14 of the Act. Therefore, supply companies holding more than one Supply Licence/MPID will provide final customers registered to a specific MPID / Supply Licence with information regarding the fuel mix and associated environmental impact associated with the MPID / Supply Licence in question.

### **3.2.3 Commission's Decision**

Suppliers will be required to publish the fuel mix and environmental impact information on the front of each bill issued to final customers as and from the first disclosure date in the format outlined in the consultation paper. The following categories of energy sources must be used for the purpose of fuel mix disclosure; coal, natural gas, nuclear, renewable, CHP, pumped storage, peat, distillate oil and heavy fuel oil. Where a supplier has more than one Supply Licence under section 14 of the Act, the SSA will provide the required information to that supplier regarding each Supply Licence/MPID. The supplier will then provide this information to the appropriate customers in the format and timeframes required.

### **3.3 Calculation of Fuel Mix Information**

The Commission proposed, in its consultation paper, that the SSA will calculate the fuel mix for each supplier in line with the methodology, inclusive of associated assumptions, approved by the Commission. This will ensure that one methodology for calculating the fuel mix information will be adopted by all suppliers. The Commission will approve the calculated fuel mix for generators in the Ireland, including those that operate on dual fuel, and the fuel mix of imports from Northern Ireland for input to the calculation.

### **3.3.1 Respondents' Comments**

Two respondents agreed with the approach proposed.

Concern was aired by one respondent over the calculation of respective suppliers' fuel mixes by the SSA and the application of associated assumptions derived by the SSA. The respondent in question also stated that the proposed aggregation of all participants' generation sources by trading period and averaging them over each individual supplier's demand to determine suppliers' fuel mixes would be unacceptable. It was proposed that this methodology only be utilised when a *'supplier can genuinely not source adequate information about their fuel mix, as would be the case for energy derived from net imbalances'*.

Also a respondent raised concern regarding the SSA calculating the fuel mix of suppliers over each trading period and not just solely over a calendar year. Said respondent aired their preference to the utilisation of Guarantees of Origin to ascertain the fuel mix of suppliers and that the average fuel mix of the imbalance market should be applied to any net imbalances between contracted power sources and demand during the calendar year. Finally the respondent in question highlighted that the proposed methodology for the calculation of suppliers' fuel mixes is not compatible with the SEM.

Two respondents sought clarification with regard to the ex-ante calculation of the fuel mix of North-South trades which is to be approved by the Commission, with one of the respondents querying when this fuel mix would be calculated. A respondent also questioned how trades from Great Britain would be treated with regard to the fuel mix and how the sources of energy from Northern Ireland would be monitored. It was also suggested by a respondent that any imports that can be demonstrated by the supplier as being renewable should be treated as such in the calculation of the supplier's fuel mix.

### **3.3.2 Commission's Position**

The Commission is of the view that if the SSA calculates the fuel mix for each supplier, it will ensure that a common methodology is adopted for all suppliers. This consistent approach allows for ease of comparison by customers of the fuel mix of suppliers. In addition, the Commission notes that the methodology for the calculation of the fuel mix will be incorporated into the Trading and Settlement Code and will, therefore, be auditable as part of the annual market audit of the SSA. The Commission will approve the fuel mix for generators in Ireland, including those that operate on dual fuel, and the fuel mix of imports from Northern Ireland for input to the calculation.

The Commission wishes to clarify that the proposed methodology does not simply aggregate the generation sources of all participants' by trading period and average them over each individual supplier's demand. As outlined in the consultation paper, the fuel mix is calculated for each supplier with respect to

how the supplier in question traded electricity generated from each specific energy source for each trading period. The methodology proposed also results in a fuel mix for energy derived from imbalances (top up and spill) and, therefore, the need to resort to aggregation of generations sources for all participants' by trading period and the averaging of them over each individual supplier's demand as proposed by the respondent.

With regard to the period over which suppliers' fuel mixes will be calculated, the Commission intends to adopt a calendar year approach. Under this approach, the data to be used in the calculation of the fuel mix is the summation of all relevant data for each trading period for all trading periods within the calendar year, with the netting off of total top up and spill figures. All figures to be summated across the calendar year will be calculated utilising the methodology proposed in the consultation paper on this matter, inclusive of associated assumptions, approved by the Commission. The SSA will provide a marked up version of Appendix 7 detailing the basis for this calculation to be included in the Commission's decision paper on this matter. The Commission will be working alongside the SSA to provide a detailed worked example of the calculation of a supplier's fuel mix and associated environmental impacts as required as soon as possible after the publication of the decision paper.

With regard to the utilisation of Guarantees of Origin to ascertain the fuel mixes of suppliers, this approach is not been used, as such a scheme has not to date been adopted in Ireland. The adoption of Guarantees of Origin in the Republic of Ireland is a matter for the Department of Communications, Marine and Natural Resources.

The Commission would like to confirm that the methodology put forth in this draft decision paper will apply up to the commencement date of the SEM. The calculation of suppliers' fuel mixes during the SEM is not within the scope of this draft decision paper and will be dealt with in due course.

Regarding the fuel mix associated with North-South trades, readers should note that under S.I. 60 of 2005, information to be provided to customers is for the previous calendar year, i.e., 2005. Therefore, inputs to the fuel mix calculation regarding imports are collated after the event. In this regard Licensed green and CHP suppliers who have provided information regarding green and CHP imports in 2005 under the accreditation scheme will have information provided under that scheme regarding green and CHP imports taken account of in their import figures. The fuel mix applied to North-South trades not identified within the accreditation scheme will be the most up to date fuel mix for Northern Ireland available at the date of publication of the Commission's decision paper on this matter.

Finally, licensed green and CHP suppliers who currently provide information to the Commission regarding green and CHP imports under the accreditation scheme will have information provided under that scheme regarding green and CHP imports included in their import figures. As such generators will not be obliged to provide data with respect to the energy sources affiliated with imports across the interconnector.

### **3.3.3 Commission's Decision**

The SSA will calculate the fuel mix for each supplier in line with the methodology as proposed in the consultation paper, inclusive of associated assumptions, approved by the Commission. In light of comments received it is the Commission's intent that said calculation will be conducted with regard to data per trading period summated across the calendar year, with the netting off of the resulting total top up and spill figures. The Commission will approve the calculated fuel mix for generators in the Ireland, including those that operate on dual fuel, and the fuel mix of imports from Northern Ireland for input to the calculation. Licensed green and CHP suppliers who have provided information regarding green and CHP imports in 2005 under the accreditation scheme will have information provided under that scheme regarding green and CHP imports taken account of in their import figures. The fuel mix applied to North-South trades not identified within the accreditation scheme will be the most up to date fuel mix for Northern Ireland as available at the date of publication of the Commission's decision paper on this matter. The SSA will provide a marked up version of Appendix 7 detailing the basis for this calculation to be included in the Commission's decision paper on this matter. The Commission will be working alongside SSA to provide a detailed worked example of the calculation of a supplier's fuel mix and associated environmental impacts as required as soon as possible after the publication of the decision paper.

### **3.4 Information Provision Period**

The consultation paper proposed that suppliers will be required to provide customers with information on fuel sources and associated environmental impacts within one month of the relevant information being made available by the SSA.

#### **3.4.1 Respondents' Comments**

One respondent thought that there was a lack of clarity about the time period in which suppliers must furnish final customers with information on fuel sources and associated environmental impacts subsequent to such data being made available by the SSA.

Another respondent requested that a period of three months be afforded to suppliers to provide for the provision of the required information to customers on bills and to revise promotional material.

#### **3.4.2 Commission's Position**

The Commission wishes to clarify that suppliers would be required to provide customers with information on fuel sources and associated environmental impacts within one month of the relevant information being made available by the SSA.

In relation to the time afforded to suppliers to provide for the provision of the required information on bills to customers, the Commission notes that the consultation paper was issued on March 1<sup>st</sup>, 2006. Therefore, suppliers have been aware of the legislative requirement regarding disclosure of information to customers and the timelines proposed by the Commission for the provision of same (at least) since that date. Suppliers will be required to provide customers with information on fuel sources and associated environmental impacts within one month of the relevant information being made available by the SSA. At time of writing, it is envisaged that this will occur in July 2006. Based on this information, suppliers will have had a total of four months to prepare for the provision of the required information to customers.

### **3.4.3 Commission's Decision**

Suppliers are required to provide customers with information about fuel sources and associated environmental impacts on bills in the required format within one month of the relevant information being made available to the SSA. In addition, for monitoring purposes, suppliers will be required to provide the Commission with a copy of the first bills being sent to customers after one month following the relevant information being made available by the SSA.

## **3.5 Provision of Fuel Mix Information to the SSA**

The Commission proposed in its consultation paper that the requirement to provide fuel mix information will be placed on suppliers through their Licence. This requirement will be included in the forthcoming review of Supply Licence conditions.

### **3.5.1 Respondents' Comments**

Clarification was sought by a respondent in regard to the provision of the relevant information to the SSA by supply companies holding more than one supply licence under section 14 of the Electricity Regulation Act of 1999. The respondent also queried if suppliers would have to provide information with respect to energy supplied or generated and whether or not a loss factor would be applied, and at what value, to any data regarding energy generated.

Also a respondent aired concern over the collation of data from generators situated outside Ireland regarding imports as there is no onus on these generators to provide the necessary data.

### **3.5.2 Commission's Position**

Suppliers will submit information to the SSA regarding the fuel mix of energy that is not directly included in settlement calculations, based on metered generation for review by the SSA and inclusion in the overall fuel. This applies to suppliers that hold one or more licences under section 14 of the Act. For the latter, suppliers will identify for the SSA the relevant MPID to which the information submitted applies.

With regard to provision of data for energy that is not directly included in settlement calculations, suppliers are required to submit information to the SSA on the fuel mix of such energy based on metered generation for review by the SSA and inclusion in the overall fuel mix calculations. Such data will be with respect to the interface with the transmission system. Said data will be adjusted by the SSA by the respective transmission loss factors, subject to approval by the Commission.

With regard to the determination of the fuel mix of imports, this will be subject to approval by the Commission. Licensed green and CHP suppliers who have provided information regarding green and CHP imports in 2005 under the accreditation scheme will have information provided under that scheme regarding green and CHP imports taken account of in their import figures. The fuel mix applied to North-South trades not identified within the accreditation scheme will be the most up to date fuel mix for Northern Ireland available at the date of publication of the Commission's decision paper on this matter.

### **3.5.3 Commission's Decision**

The requirement to provide fuel mix information will be imposed through licence condition on licensed suppliers. Note that in advance of revisions to the Licence to Supply, the requirement will be imposed under regulation 25.1 of S.I. 60 of 2005. Provision of information to the SSA and or the Commission that is required by licensees for input to the calculation of the fuel mix and/or the associated environmental impacts will be requested under Condition 12 of the Licence to Supply and the Licence to Generate. In addition, information may be requested under regulation 25.1 of S.I. 60 of 2005.

## **3.6 Promotional Materials**

The proposals in section 2.4 of the consultation paper set out what is considered as 'promotional material' for the purposes of disclosure, given the Note of DG Tren and Transport on Directives 2003/54 and 2003/55 on the Internal Market in Electricity and Natural Gas.<sup>2</sup> It was stated in the consultation paper that information provided about fuel mix and associated environmental impacts should use the same format as that required to be made available in bills to customers, as should information referenced on promotional material. The above requirement will be enforced under licence condition.

### **3.6.1 Respondents' Comments**

One respondent stated that promotional material such as welcome packs as defined in the consultation paper can be amended by suppliers annually to reflect the fuel mix and environmental information.

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<sup>2</sup> Ref:

[http://europa.eu.int/comm/energy/electricity/legislation/doc/notes\\_for\\_implementation\\_2004/labelling\\_en.pdf](http://europa.eu.int/comm/energy/electricity/legislation/doc/notes_for_implementation_2004/labelling_en.pdf)

### **3.6.2 Commission's Position**

The Commission is of the view that where promotional material as defined in the consultation paper contains fuel mix and/or associated environmental impact information this must be presented in the required format as indicated in the consultation paper. Where reference is made to the above information on promotional material, the referenced material must be presented in the required format. This requirement will take effect one month following the making available of the fuel mix and associated environmental impact information by the SSA.

### **3.6.3 Commission's Decision**

Information provided on promotional material as defined in the consultation paper regarding fuel mix and associated environmental impacts will be provided in the same format as that required in relation to the provision of this information in bills to customers. The above also applies to information referenced on promotional material. This requirement will be enforced under licence condition. In addition, for monitoring purposes, suppliers will be required to provide the Commission with a copy of each item of promotional material as defined that includes the above information being made available to existing and/or potential customers after one month following the relevant information being made available by the SSA. Items of promotional material as defined that include references to the above information and the information referenced must also be provided to the Commission.

## **3.7 Additional Comments**

These comments relate to issues other than the merit of the core proposals as set out in the consultation paper.

### **3.7.1 Respondents' Comments**

Clarification was sought about whether or not suppliers must adopt the proposed calculation of the fuel mix in order to comply with their fuel mix disclosure requirements.

One respondent stated that they were unclear if it was the Commission's intent to adopt the proposed methodology to calculate a supplier's fuel mix with respect to the entirety of the energy they supply or just that proportion which a supplier does not have evidence of the fuel source from which it was derived.

Another respondent suggested the alignment of the approaches for disclosure of information to final customers by suppliers in both Northern Ireland and the Republic of Ireland, in the interest of facilitating future harmonisation of environmental reporting methodologies.

### **3.7.2 Commission's Position**

Suppliers will be obliged to utilise the methodology approved by the Commission to comply with the disclosure requirements. This methodology will be used to determine suppliers' fuel mixes with respect to their entire demand.

Regarding the approach to be taken on this matter going forward, the methodology to be used post the commencement of the SEM will be consulted on in due course.

### **3.7.3 Commission's Decision**

Suppliers will be obliged to utilise the methodology approved by the Commission to comply with the disclosure requirements. This methodology will be used to determine suppliers' fuel mixes with respect to their entire demand. The methodology for the implementation of disclosure in the SEM is not the subject of this consultation process and will be dealt with in due course.

# Appendix 1

Source: Country Specific Net Calorific Values and CO<sub>2</sub> Emission Factors for use in the Annual Installation Emissions Report (2005)

<http://www.epa.ie/Licensing/EmissionsTrading/HowtoApply/FileUpload,3426,en.pdf>

Version 1- 26 October 2005

## Country Specific Net Calorific Values and CO<sub>2</sub> Emission Factors for use in the Annual Installation Emissions Report

Subject to revision, the following factors may be used for calculating CO<sub>2</sub> emissions for 2005 only. They are based on Ireland's Specific Emission Factors used in the 2003 National Inventory reported to UNFCCC, unless otherwise stated. Please note that this table may be updated at anytime as new information becomes available. The fuel factor does not include an oxidation factor; this must be applied separately (except for cement kilns where combustion is assumed to be practically 100%). The operator must ensure that the most recent version of this table is used when calculating CO<sub>2</sub> emissions for submission in the verified Annual Installation Emissions Report.

### Fuel Factors

Fuel	t CO <sub>2</sub> /TJ
Coal	Site specific
Kerosene	71.76
HFO/RFO	76.38
LPG	64.13*
Diesel / Gas Oil	73.67
Natural Gas	57.26**
Pet Coke	100.8***
Crude Oil	Site specific

\*Source: Flogas Ireland Ltd. analysis data for commercial propane (LPG).

\*\*Source: Average for 2000-2003 only, from EPA weighted average of BGE analysis of Interconnector and Kinsale gas.

\*\*\* IPCC 1996.

### Net Calorific Values

Fuel	NCV (TJ/kt)
Coal	Site specific
Kerosene	44.20
HFO/RFO	41.24
LPG	46.68*
Diesel / Gas Oil	43.31
Natural Gas	Not required, use bills**
Pet Coke	31.00***
Crude Oil	Site specific

\*Source: Flogas Ireland Ltd. analysis data for commercial propane (LPG).

\*\*Note BGE Gas bills show kWh based on Gross Calorific Value - convert to Net Calorific Value by multiplying by 0.903 and then convert to TJ by multiplying by  $3.6 \times 10^{-6}$

\*\*\* Source IPCC 1996.

### Tier 1 Oxidation Factors to be applied for all combustion (except cement kilns)

Fuel	Oxidation factor
Coal	0.99
Kerosene	0.995
HFO/RFO	0.995
LPG	0.995
Diesel / Gas Oil	0.995
Natural Gas	0.995
Pet Coke	0.99
Crude Oil	0.995

(From Annex II of the Monitoring and Reporting Guidelines, Commission Decision 2004/156/EC)

