

R/44

18 June 2002

OFGEM SETS OUT PLANS FOR GREENER FUTURE

- **Review reports on first year of progress under the Environmental Action Plan**
- **Expert environmental panel to be set up**
- **Ofgem to undertake environmental research**

Plans to play a fuller and more effective role in informing the environmental debate and decision-making process were announced today (Tuesday) by energy regulator Ofgem.

The review reports on the first year's progress of Ofgem's Environmental Action Plan, published last August, and sets out the ways in which Ofgem intends to meet its environmental duties for the coming year and beyond.

Priorities for the coming year include:

- continuing work to enable Britain's distribution and transmission systems to accommodate much increased distributed generation
- appointing an environmental advisory group to provide expert advice on priorities for Ofgem's work in relation to the environment
- publishing the first annual review of the New Electricity Trading Arrangements (NETA) which will assess how participants have fared under NETA
- work to reduce electricity losses on the transmission and distribution networks
- undertaking research into key issues to help inform consumer, Government and Ofgem decisions involving the environment
- continuing to administer key parts of the Government's environmental programme on renewables and energy efficiency

Ofgem Chief Executive, Callum McCarthy said: "Ofgem continues to develop its work programme in relation to its environmental duties. This is a role we take very seriously as we fully appreciate the environmental effects of our work.

"Ofgem will play a full part in the debate on the development of energy and environmental policy. In this, our objective will be to help find solutions which have the best chance of success in meeting important national and international environmental targets, at the least cost to energy customers and to national competitiveness."

more

2/eap...

Achievements of the past year include:

- systems were put in place to administer the new environmental schemes, which Ofgem has responsibility for, in time for their introduction on 1 April 2002
- interim measures have been agreed to improve the way that distributed generators are charged for connection to the local electricity grids
- new guidelines were issued on 'green supplies' to inform customers and suppliers better about what constitutes a green supply
- gas network operator Transco was required to report on environmental performance
- Ofgem has gained ISO 140001 certification for its internal environmental management.

ends

Notes to Editors:

1. Copies of the Environmental Action Plan Annual Review is available on the Ofgem website at <http://www.ofgem.gov.uk/public/pub2002.htm> or from the distribution centre by telephone: 0116 277 2617 or by email: distribution@ofgem.gov.uk from Thursday 20 May. Please quote ref 42/02 when ordering.
2. Ofgem is the Office of the Gas and Electricity Markets, regulating the gas and electricity industries in Great Britain. Its aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies.

Ofgem operates under the direction and governance of the Gas and Electricity Markets Authority which sets all major decisions and policy priorities. Its powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000. It also has powers under the Competition Act 1998.

For further press information contact:

**Richard Hunt on 020 7901 7158
Danny Wilkinson on 020 7901 7022
Mark Stockwell on 020 7901 7484**

Out of hours contact: 0781 8457 969