

# Solution

## STREAMLINED ENERGY AND CARBON REPORTING (SECR)

### Why SECR?

SECR aims to bring the benefits of carbon and energy reporting to more UK businesses. The reporting framework is intended to encourage the implementation of energy efficiency measures, with both economic and environmental benefits, supporting companies in cutting costs and improving productivity at the same time as reducing carbon emissions.

### Key Dates

- SECR policy was implemented from April 2019.
- Reported annually in line with your financial year.

### What does this mean?

If you meet the SECR qualification criteria, you'll need to make the following information publicly available;

- Annual energy use and resulting carbon emissions.
- At least one relative intensity metric.
- Narrative about energy efficiency actions in year.
- Year-on-year comparison.

These figures should be published in annual financial reports.

### Through using Pause People Earth SECR compliance service, you will receive:

- A dedicated Energy and Carbon Consultant.
- Legislative Support and Fully Managed Compliance.
- Regular Update Meetings
- Support with Data Collection and Analysis.

### Solution Summary

The Streamlined Energy and Carbon Reporting (SECR) is a mandatory energy assessment which requires organisations to report energy and carbon emissions in their annual report. SECR is a replacement for the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme

### Who needs to comply with SECR?

For over 11,900 organisations across the UK, SECR is a mandatory annual reporting requirement.

It is a requirement for:

- All quoted companies (i.e. companies listed on the public exchange), who are already required to comply with greenhouse gas reporting.
- 'Large' unquoted companies that are incorporated in the UK.
- 'Large' Limited Liability Partnerships (LLPs)

As per the Companies Act 2006, companies are considered large' if they meet at least two of the following criteria:

- a turnover of at least £36 million
- a balance sheet of at least £18 million; or
- 250 employees or more

However, there are exemptions so please ask our experts!

### What is required?

At a minimum, an organisation will need to report::

- Energy use which includes gas, purchased electricity and transport fuel. Along with GHG emissions
- Information around methodology used to measure energy use and emissions
- A narrative description of efforts taken to improve energy efficiency over the last 12 months
- An intensity ratio which is used to compare emissions data with a business metric, to allow for comparison with similar businesses and other previous years.
- Equivalent figures from previous years, as a base for comparison on changes and improvements.

# Solution

## ENERGY SAVING OPPORTUNITY SCHEME (ESOS)

### Why ESOS?

ESOS not only helps raise awareness of energy consumption issues, but it also ensures that your company is running as energy efficiently as possible. This has two significant benefits; helping to reduce your carbon emission and lower your energy bills.

### Key Dates

- Runs from 6th December 2019 until December 2023
- Qualification date is 31st December 2022
- Compliance date is 5th December 2023

### Timescales

The scheme runs in phases of 4 years and we are now in phase 3. Each phase has a qualification date (on which a company must assess whether they are obligated) and a compliance deadline (by which date an organisation must be compliant).

### What do I need to do to comply?

- ESOS Energy Audits
- ISO 50001
- Display Energy Certificates

### Solution Summary

The Energy Savings Opportunity Scheme (ESOS) is a mandatory energy assessment scheme for organisations in the UK that meet the qualification criteria. Qualifying organisations must carry out ESOS assessments every four years.

These assessments are audits of the energy used by their buildings, industrial processes, and transport to identify cost-effective energy-saving measures. The third phase of the scheme must be completed by 5th December 2023.

### Who needs to comply with ESOS?

Your company or organisation must comply with ESOS if:

- You have over 250 members of staff, or
- A turnover of over £44.1m or an annual balance sheet of over £37.9m
- You are an overseas organisation with over 250 employees in the UK
- Your company is part of a larger organisation  
\*which falls into any of the above

### What is required?

To comply with the ESOS regulations, a Lead Assessor will need to undertake an ESOS assessment to:

- Measure your total energy consumption for your buildings, industrial processes and transport
- Identify areas of significant energy consumption, for at least 90% of your total energy usage
- Identify the areas in your business where significant energy is used and look for opportunities for savings.

### Through using Pause People Earth ESOS compliance service, you will receive:

- A dedicated Energy and Carbon Consultant and Lead Assessor
- Legislative Support and Fully Managed Compliance
- Regular Update Meetings
- Support with Data Collection and Analysis

# Solution

## ENERGY SAVING OPPORTUNITY SCHEME (ESOS)

### Project Scope and Core Deliverables

We have detailed how we will deliver your ESOS project to ensure compliance against the legislation.

Stage 1

#### Stage 1 | Review and Understand Organisational Structure

We will review your ESOS Phase 2 evidence pack (if relevant). We will assess your organisational structure and how this aligns with ESOS qualification criteria. We will also assess the benefits of opportunities regarding aggregation or disaggregation as permitted under the scheme.

Please note: the fees included within this proposal are based on initial information and assessment of the organisational structure at the time of writing. If there are significant changes to the information used to price the works, we may be required to revise our fee.

#### Stage 2 | Calculate Total Energy Use and Identify Areas of Significant Energy Use

This step will calculate your Total Energy Use (TEU) as required under ESOS Guidance. This will cover the ESOS reference period (this must cover 31st December 2022). We will then identify the areas of Significant Energy Consumption (SEC). This step will also identify (if any) any prior work that can be used as part of your compliance activities, we will then assess the remaining actions required. The output will include a comprehensive report giving our recommendations as to the most cost-effective route to ESOS compliance. This report will need to be signed off by your organisation before progressing to the next stage.

Stage 2

#### Stage 3 | Undertake Compliance Activities and Production of Report

Audits required for compliance will be undertaken in this step. This could be through specific audits carried out to BSEN 16247-1 2012 (Energy Audits) or ISO 50002:2014 (Energy Audits-Requirements for the Guidance for Use). Such audits would include:

- Using preferably 24 month, but at least 12 month energy usage data
- Site visits to carry out energy audits, identify and assess viable energy saving opportunities
- Completion of investment assessments using either simple payback or life-cycle cost analysis as appropriate
- Production of energy audit reports

#### Step 4: Production of Summary Report and Sign Off

A final report will be produced to include a summary of completed compliance activities and recommendations identified: this will be required for sign off by your organisation.

#### Step 5: Reporting of compliance to the EA

The company are required to make the notification to the EA: the appointed ESOS Lead Assessor will be available to assist as required. As the scheme administrator, the Environment Agency requires notification of compliance by the deadline of 5 December 2023.