

Environmental Assessments in the UNC

There has been some discussion as to the extent that costs of greenhouse gas emissions should be taken into account by the workgroup / panel. However the Code governance review and in particular Mod 321V is helpful here.

Mod 321V – Approach to Environmental Assessments within the UNC is clear in this respect

<http://www.gasgovernance.co.uk/0321>

The decision letter states that :

- Ofgem, Panel and workgroups should assess against the relevant code objective (efficient and economic network operation) the likely costs of emissions of code modifications.
- Where the impact is material it should be quantified by proposer / Panel
- Guidance is provided on how to do this - see below. The latest guidance should be used
- Ofgem also notes that this links to changes to the Authority's statutory duties to protect the interests of existing and future gas and electricity consumers including their interest in the reduction in greenhouse gases
- This will help the Authority's own decision making process

The most recent version of the guidance from July 2010 is here :

<https://www.ofgem.gov.uk/ofgem-publications/61741/ghgguidancejuly2010updatefinal080710.pdf>

This links to DECC's carbon valuation page

<https://www.gov.uk/government/collections/carbon-valuation--2>

The principles of environmental assessment were established during the Code Governance Review. A link to the final proposals is below, see p37 for Environmental assessment and the Relevant Objectives

<https://www.ofgem.gov.uk/ofgem-publications/61245/cgrfinalproposals310310.pdf>

Julie Cox

July 2014