

WWF comparison of Green Deal contribution to carbon budgets

7 July 2011

The comparison below compares the stated ambition for the Green Deal and Energy Company Obligation proposed in the Energy Bill passing through Parliament with the indicators from the Committee on Climate Change for what is required from insulation to deliver on the third carbon budget.

2012-2022ⁱ	Loft insulation	Cavity wall insulation	Solid wall insulation
CCC indicator ⁱⁱ	8.3 million	5.7 million	2 million
Carbon saving ⁱⁱⁱ	1.962 mtCO ₂	2.950 mtCO ₂	3.445 mtCO ₂
Government intention - low scenario^{iv}			
Green Deal ^v	2.3 million	0.5 million	1.8 million
CERT extension ^{vi}	1.037 million	0.691 million	
<i>Total measures</i>	<i>3.337 million</i>	<i>1.191 million</i>	<i>~1.8 million</i>
<i>Total carbon saving^{vii}</i>	<i>0.788 mtCO₂</i>	<i>0.617 mtCO₂</i>	<i>3.101 mtCO₂</i>
Difference from CCC indicator	-4.963 million	-4.509 million	-0.2 million
Difference in carbon saving from CCC indicator	-1.174 mtCO₂	-2.333 mtCO₂	-0.344 mtCO₂
Government intention – high scenario^{viii} - maximum expected to deliver			
Green Deal ^{ix}	3.4 million	2.3 million	2.2 million
CERT extension ^x	1.037 million	0.691 million	
<i>Total measures</i>	<i>4.437 million</i>	<i>2.991 million</i>	<i>~2.2 million</i>
<i>Total carbon saving^{xi}</i>	<i>1.049 mtCO₂</i>	<i>1.548 mtCO₂</i>	<i>3.790 mtCO₂</i>
Difference from CCC indicator	-3.863 million	-2.709 million	0.2 million
Difference in carbon saving from CCC indicator	-0.913 mtCO₂	-1.402 mtCO₂	0.345 mtCO ₂

Low scenario – 3.851 mtCO₂ shortfall

High scenario – 1.97 mtCO₂ shortfall

ⁱ This covers the second and third carbon budget periods. It should be not that the assumed energy savings are different in the DECC and CCC analysis so it makes comparing exact numbers of measures not exactly comparable but the levels of delivery can be taken as indicative expectations and potential for meeting what is recommended by the CCC for each budget period. The CCC carbon budgets analysis essentially looks at each sector of the economy in turn, what is achievable in that sector in terms of measures and CO₂ savings and then draws out the implications for carbon budgets. The CCC analysis shows that if the insulation measures in the indicator framework are achieved, and in addition (this is the crucial point) the abatement in other areas of the economy is achieved as has been set out in other sectors by the CCC then the Government would meet the third carbon budget in 2022. If insulation is underachieved on the savings would have to be made up from elsewhere in the economy.

ⁱⁱ Committee on Climate Change Third Progress Report - <http://www.theccc.org.uk/reports/3rd-progress-report>. These indicate the Extended Ambition scenario that should reach Interim Budget levels. Note: due to the impact

of the recession these indicators should be of a sufficient level to reach the Intended budget levels assuming, at present.

ⁱⁱⁱ Carbon saving figures calculated using the CCC values for kgCO₂per measure. Values: Loft insulations: 236.39kgCO₂; cavity wall insulation: 517.66kgCO₂; solid wall insulation: 1722.84kgCO₂

^{iv} This covers the final 12 months of the CERT Extension and the Green Deal low uptake scenario

^v Government Green Deal Energy Bill Impact Assessment, p20 -

<http://www.decc.gov.uk/assets/decc/legislation/energybill/1002-energy-bill-2011-ia-green-deal.pdf>

^{vi} Figures based on analysis of CERT extension projected delivery and industry feedback. DECC announced 3.5m more homes to be lagged under 21 month CERT Ext

(http://www.decc.gov.uk/en/content/cms/news/pn10_075/pn10_075.aspx). The CCC states this splits down to 2.1m lofts and 1.4m cavity walls (p114,

http://hmccc.s3.amazonaws.com/Progress%202011/CCC_Progress%20Report_Ch3_interactive.pdf). 479,000 measures completed for the CERT Ext up to March 2011 towards the insulation obligation (early activity post introduction of legislation and pre-official start of period for CERT into the Extension period - Ofgem CERT Update 12

<http://www.ofgem.gov.uk/Sustainability/Environment/EnergyEff/CU/Documents1/CERT%20newsletter%20issue%2012%20June%202011.pdf> and DECC Press Release, 17 June 2011

http://www.decc.gov.uk/en/content/cms/news/pn11_049/pn11_049.aspx). Remaining total to be delivered by CERT Ext for the 21 month period is therefore 3,021m insulation jobs. This is on average 144k per month for the 21 month period. This would suggest (assuming even delivery as expected across the months) 1.728m insulation jobs under the CERT Ext in the 12 months of 2012. Taking the 60:40 (LI:CWI) split used by industry and the CCC this would suggest figures as stated in the table

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