



May 2009 Edition

Carbon Reduction Commitment Scheme Launched

The Carbon Reduction Commitment (CRC), which was introduced in the Climate Change Act 2008, is coming into force in April 2010. A draft CRC Order, guidance, and a consultation were all announced in March. The Environment Agency, the scheme regulator, will be sending out qualification packs to large electricity users later this year.

What is the CRC?

The CRC is a cap and trade carbon emissions scheme, aimed at large-scale but non-intensive energy users. Starting in April 2010, organisations using more than 6,000 MWh of half-hourly metered electricity (equivalent to an annual electricity bill of approximately £500,000) will be obliged to participate. It will extend to the public and commercial sectors, and also will apply to many manufacturing companies.



Participants will buy carbon allowances in advance, and then, based on their emissions performance, receive a "recycled" payment, with either a bonus or a penalty of up to 50%. The CRC scheme applies various rules to determine organisational boundaries, exemptions, and de minimis criteria, which all combine to determine whether an organisation qualifies and to what extent its emissions are covered by the scheme.

CRC timescales

The CRC introductory phase continues from 2010 to 2013, with carbon allowances available at a fixed price of £12/tonne. In the subsequent phase, allowances will be sold by auction.

Key dates for participation are:

- Qualification period – 2008
- Environmental Agency sends out qualification packs – September 2009
- Registration period – April to September 2010
- 1st sale of carbon allowances – April 2011

Organisations using less than 6,000 MWh of electricity will also need to take action. The Environment Agency will require all those consuming more than 3,000 MWh of electricity annually to report on consumption for 2008. In addition, organisations exempt from the CRC on the basis of emissions covered by Climate Change Agreements will need to provide evidence of coverage.

The countdown to the CRC has begun. In August, the Environment Agency will provide additional guidance on registration requirements. However, proactive organisations will want to establish their status under the CRC before then. Our CRC download ([click here](#)) provides further guidance. For further information, contact our [Energy Team](#).

Headline Stories

Interest-Free Loans for Energy Efficiency

If your business is a small to medium sized enterprise in England or Scotland, or any business in Wales or Northern Ireland, you could be eligible for an interest free Carbon Trust Energy Efficiency Loan.

The loan is provided to increase energy efficiency by replacing or upgrading existing equipment. The loan will aid businesses in reducing carbon emissions to, in turn, reduce operating costs and combat climate change. Businesses can borrow £5,000 to £400,000, unsecured and interest free, with a repayment period of up to 4 years.

For more information contact our [Energy Team](#).

Proposed Amendments to Hazardous Waste Regulations

Currently, proposed changes to the Hazardous Waste (England and Wales) Regulations 2005 are pending. The changes are aimed at clarifying parts of the Regulations and reducing the burden on site operators.

Current regulations exempt certain low-risk premises from notifying the Environment Agency if they produce less than 200 kg of hazardous waste per year. DEFRA proposes extending this exemption to sites that produce less than 500 kg a year. DEFRA estimates that the advantages of this change will be felt by approximately 72,600 producers of hazardous waste.

For further information, click [here](#) or contact our [Waste Team](#).

Be Prepared and Reduce the Risk of Pollution Incidents

The Environment Agency has published new guidance to assist companies with incident response planning, with the overall aim of reducing the risk of a pollution event. Why produce an incident response plan? The majority of commercial and industrial sites could potentially cause harm to the environment, and the consequences can be very costly.

The new guidance provides a template for the plan with advice on preparing and activating your plan, responding to incidents, training staff, and testing and reviewing the plan. Click [here](#) for a copy of the guidance.

EU Emission Trading Scheme – Phase 3

In January 2005, the European Union Greenhouse Gas Emission Trading System commenced operation as the largest multi-country, multi-sector GHG trading system worldwide.

New sites will be included in Phase 3 of the EU Emission Trading Scheme, which is due to start in 2013. In Phase 3, all combustion activities that produce electricity, heat, or steam will be included in the scheme, even if the purpose is not energy production. Click [here](#) for more information

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Contaminated Land Remediation – Fulfilling Everyone’s Expectations

Historically, the main driving force behind ground and groundwater remediation projects was to achieve the regulator-agreed remedial targets within a timescale and cost that was agreeable to the client. However, additional remediation drivers must now be applied to achieve their targets’ including sustainability, cost effectiveness, and minimisation of environmental impact. With ever-changing stakeholder priorities, often legislation-led, the task of fulfilling each stakeholder’s expectations can become ever more difficult to fully achieve.

Not unexpectedly, CRA has found that clients, regulators, and contractors often have different priorities, which may conflict with one another. CRA believes that the expectations of each stakeholder must be assessed as part of each remediation project; the key drivers should always be experience, common sense, and a good dose of pragmatism.

For example, the disposal of contaminated material to landfill is viewed by both regulators and other industry professionals as unsustainable and expensive, even more so now that landfill tax exemptions are no longer available. However, for small quantities of highly contaminated material, disposal to landfill may be the most effective, simple, safe, and sustainable remediation technique.

CRA believes that every remediation project should be considered unique, with different technical feasibility constraints and stakeholder expectations. CRA has over 30 years of remediation experience, having developed and implemented thousands of remediation systems in both North America and Europe. CRA is using this wealth of experience to provide third-party reviews of remedial solution selection and implementation, as well as remedial works cost reviews for insurance providers.

There is no single best practice remediation solution, but when determining the quickest and most sustainable, cost-effective, and minimal environmental impact remediation scheme, sometimes the simplest solution is the best.

2009 EDIE Awards

Please take part in the edie.net national survey of environmental consultants. Last year, with your help, we were recognised as a top five consultancy in five different subject areas, and we hope to improve on that this year. CRA has been entered under our full name, Conestoga-Rovers & Associates. Click on the link opposite to take part.



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