

<b>Department of Energy and Climate Change</b> <b>Structural Reform Plan Monthly Implementation Update</b>	<b>December 2011</b>
---	----------------------

**(1) Actions due to be completed in December 2011**

Section	Action	Status
2.4(i)	Award contract for first [Carbon Capture and Storage] demonstration project	Not complete
2.7(ii)	Agree EU legislation on transparency and integrity of wholesale energy markets	Complete (Early)
2.7(vi)	Agree Commission proposals on offshore drilling which protect the environment and support UK objectives without placing a disproportionate burden on the industry	Delayed
2.7(ix)	Agree action plan for cooperation with Norway on oil and gas, CCS and renewables	Complete (Early)
3.4(i)	Design a new international Green Fund with international partners	Complete
3.4(xiv)	Support, with DFID, the Government of India in its work to improve industrial energy efficiency, including through the Perform Achieve Trade (PAT) scheme and building of capacity to enable Indian industry to take full advantage of the scheme	Complete

**(2) Actions due to be started by end December 2011**

Section	Action	Status
1.1(iii)	Develop policies to increase demand for the Green Deal, alongside core finance offer (due to complete Oct 2012)	Work ongoing
1.1(iv)	Develop policies to enable application of Green Deal to the commercial sector alongside household offer (due to complete Oct 2012)	Work ongoing
1.1(viii)	Consult on secondary legislation to enable the Green Deal, including the new obligation on energy companies	Work started
1.1(x)	DECC and DCLG to support the Greater Manchester Housing Retrofit Programme to deliver interim outcomes by May 2012, preparing the way for wide scale take-up of the Green Deal in the social housing sector (due to complete May 2012)	Work ongoing
1.1(xi) a	Work with DCLG to improve the framework surrounding Energy Performance Certificates (EPCs)- including content and format of the certificates and the skills and quality assurance of those carrying out the assessment – to support the Green Deal, and ensure requirements are complied with (due to complete Apr 2012)	Work ongoing
1.1(xi) b	Work with DCLG to enable the Green Deal by developing proposals for reviewing take-up and possible regulation of the private rented sector, providing access to Energy Performance Certificate (EPC data) (due to complete Oct 2012)	Work ongoing
1.1(xi)c	Work with DCLG to encourage local authorities to become involved in delivering energy efficiency in their areas and social landlords to take action to improve the energy performance of their stock, using the Carbon Emissions Reduction Targets and the Green Deal to augment Decent Homes funding where appropriate, to stimulate the Green Deal and provide greater certainty to suppliers (due to complete Oct 2012)	Work ongoing
1.1(xi) d	Work with DCLG to extend Display Energy Certificates to commercial buildings (due to complete Oct 2012)	Work ongoing
1.2(iii)	Amend energy suppliers licences to require them to complete the rollout by 2019 [smart electricity and gas meters], and facilitate early deployments (due to complete Sep 2012)	Work ongoing

1.2(iv)	Award licence for central body to manage smart meter communications and data (due to complete Dec 2012)	Work ongoing
1.2(v)	Process to award competitively procured contracts for centrally provided smart meter communications and data services (due to complete Dec 2012)	Work ongoing
1.2(vi)	Complete all necessary arrangements enabling start of mass roll-out of smart meters (due to complete Apr 2014)	Work ongoing
1.4(iii)	Reduce greenhouse gas emissions from DECC's own estate and operations by 25% compared to 2009/10 by March 2015 and meet other Greening Government commitments to reduce DECC's impact on the environment (due to complete Mar 2015)	Work ongoing
1.5	In line with the Red Tape Challenge, bring forward proposals to reduce and reform the stock of statutory instruments and regulations for which the Department has overall responsibility (due to complete Dec 2012)	Work ongoing
2.1(vii)	Undertake work to improve the resilience of the energy system, including flood protection at key electricity sites, through the Energy Sector Resilience Plan (due to complete Mar 2012)	Work ongoing
2.2(iii)b	Implement business rate retention for renewable energy development (due Apr 2013)	Work ongoing
2.2(v)	Undertake first major review of Feed-in Tariffs for small-scale renewable energy, consult and implement changes (fast-track consideration of some aspect to be completed in 2011) (due to complete Apr 2012)	Work ongoing
2.2(vi)	Conduct four-yearly review of Renewables Obligation (RO) Banding (levels of financial support for different technologies) to ensure that the RO provides the correct level of support to maintain investment in large-scale renewable energy generation (due to complete Apr 2013)	Work ongoing
2.4(i)	Award contract for first demonstration project (due to complete Dec 2011)	Work ongoing
2.4(ii)	Run process to identify further CCS projects to be supported by public investment (due to complete May 2012)	Work ongoing
2.5(iii)	Work with Ofgem and wider stakeholders through the Smart Grid Forum to publish initial report identifying facilitating actions to overcome current and future barriers to smart grid deployment (due to complete Jun 2012)	Work ongoing
2.7(iii)	Agree EU legislation on energy infrastructure to support projects of European interest and facilitate commercial infrastructure investment needed for security of supply and low-carbon transition (due to complete June 2012)	Work ongoing
2.7(iv)	Develop EU technical and market codes to improve functioning/integration of EU energy markets (due to complete Dec 2014)	Work ongoing
2.7(vi)	Agree Commission proposals on Offshore Drilling which protect the environment and support UK objectives without placing a disproportionate burden on the industry (due to complete Dec 2011)	Work ongoing
2.7(vii)	Support proportionate proposals in reaction to Fukushima, including stress-testing nuclear plants within the EU – ensuring that these are fully transparent and undertaken by Member States (due to complete Jun 2012)	Work ongoing
3.3(iv)	Work with partners in Europe to establish standards for smart grids and meters by the end 2012 (due to complete Dec 2012)	Work ongoing
3.3(v)	Secure appropriate policy proposals to take forward the low carbon Roadmap 2050 to ensure a cost effective trajectory to 2050 (due to complete Jun 2012)	Work ongoing

3.3(vi)	Drive efforts within the EU to amend the Emission Trading Scheme Directive to deliver full auctioning of allowances (due to complete May 2015)	Work ongoing
3.4(ii)	Use the Advisory Group on Climate Finance proposals (to raise \$100bn by 2020) to drive international agreement on innovative sources of finance for climate change (due to complete Dec 2012)	Work ongoing
3.4(iii)	Encourage through a range of initiatives governments in designing and delivering low carbon development (due to complete Dec 2012)	Work ongoing
3.4(viii)	Establish the Capital Markets Climate Initiative to use private sector expertise to test new and innovative instruments for leveraging private finance to tackle climate change in developing countries (due to complete Dec 2012)	Work ongoing
3.4(xi)	Complete the disbursement of £2.9bn of climate finance [with DfID, HMT and Defra] (due to complete Apr 2015)	Work ongoing
3.5(iii)	Deliver £300 million of UK fast-start finance to reduce emissions from deforestation (due to complete Dec 2012)	Work ongoing
4.1(i)	Complete the competition for the management of the Dounreay site (due to complete Mar 2012)	Work ongoing
4.1(ii)	Complete removal of fuel from Sizewell A site (due to complete Mar 2013)	Work ongoing
4.1(iii)	Achieve major milestones on high hazard ponds and silos at Sellafield, including the installation of retrieval infrastructure in pond B30 (due to complete Mar 2014)	Work ongoing
4.1(iv)	Put at least one Magnox station into effective care and maintenance (due to complete Mar 2015)	Work ongoing

### (3) Explanation of missed deadlines

In December 2011, DECC missed the following deadline:

Action	Reason
2.4(i) Award contract for first [Carbon Capture and Storage] demonstration project	Negotiations on the Demo One project have ceased. This project will no longer proceed, as announced on October 19 <sup>th</sup> , 2011. Development of an alternative programme has commenced.

The status of actions missed from previous reports is:

Action	Status	Reason
2.3(iii) Finalise the framework that will ensure that new nuclear operators have arrangements in place to meet the full costs of decommissioning and their full share of waste management costs through publication of statutory Funded Decommissioning Guidance and a pricing methodology for government taking ownership of the operator's waste (due in May 2011)	Complete	The consultation has begun. Potential changes to the timetable have been factored into the programme and DECC is confident of meeting the major Green Deal milestone during October 2012 as planned.
2.3(iv) Set arrangements for the independent assessment of the safety, security and environmental impact of new reactor designs (due in June 2011)	Complete	Ministers have agreed that DECC should respond to CCC recommendations as part of the Autumn Strategy in December 2011.
2.7(i) Support the European Commission to publish an energy roadmap to 2050 which sets out scenarios	Complete	The EU Energy Roadmap to 2050 was published on December 15 <sup>th</sup> , 2011.

for how the power industry can be decarbonised and maximise member states' support (due in October 2011)		
4.4(ii) Review environmental regulation of oil and gas exploration in the light of the Gulf of Mexico spill – publish final conclusions (due in September 2011)	Complete	Final conclusions were published on December 14 <sup>th</sup> , 2011.

#### (4) External delays

The status of actions delayed for reasons outside of the Department's control is:

Deadline missed	Status	Reason
2.7(vi) Agree Commission proposals on offshore drilling which protect the environment and support UK objectives without placing a disproportionate burden on the industry	Delayed	Commission proposals now published. They call for a regulation rather than a directive which may involve the repeal of a large number of existing UK offshore regulations with all the uncertainty that will bring to industry. Further negotiations have started which could continue until mid-2012.