

<b>Department of Energy and Climate Change</b> <b>Structural Reform Plan Monthly Implementation Update</b>	<b>June 2011</b>
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### 1) Actions due to be completed in June 2011

Section	Action	Status
1.1(ii)	As part of the Green Deal design provisions in primary legislation for a new obligation on energy companies to support energy efficiency measures for their customers, to succeed the Carbon Emissions Reduction Target which supports vulnerable low income consumers and hard-to-treat homes (due to complete Jun 2011)	Complete
1.1(v)	Work with potential providers to facilitate early precursor offers to the Green Deal (due to complete Jun 2011)	Complete
2.2(iv)	Work with the Department for Transport to address the role of Renewable Transport Fuel in the UK Renewables Roadmap	Not Complete
2.3(iv)	Set arrangements for the independent assessment of the safety, security and environmental impact of new reactor designs	Delayed
3.1(iii)	Set fourth carbon budget in law, following affirmative resolution procedure in Parliament (due to complete Jun 2011)	Complete
3.3(i)	Build support for the increase in the EU emissions reduction target to 30% by 2020 (due to complete Jun 2011)	Complete
4.3(ii)	Develop UK-led Nuclear Fuel Assurance proposal to International Atomic Energy Agency (IAEA) Board (due to complete Jun 2011)	Complete

### 2) Actions due to be started by end June 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 started
1.1(iv)	Develop policies to enable application of Green Deal to the commercial sector alongside household offer (due to complete Oct 2012)	Work started
1.1(vii)	Develop accreditation process to ensure public confidence in Green Deal measures (due to complete Sep 2011)	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 started
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 started
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 started
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 started

1.1(xi) d	Work with DCLG to extend Display Energy Certificates to commercial buildings (due to complete Oct 2012)	Work started
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 started
1.2(iv)	Award licence for central body to manage smart meter communications and data (due to complete Dec 2012)	Work started
1.2(vi)	Complete all necessary arrangements enabling start of mass roll-out of smart meters (due to complete Apr 2014)	Work started
1.4(ii)	Agree a stretching and cost-effective level of ambition for longer-term reductions in government and public sector emissions, including potential targets and incentives (due to complete Jul 2011)	Work started
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 started
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 started
2.1(iv)	Review the role of Ofgem in delivering government's aims for independent regulation of the energy sector (due to complete Jul 2011)	Work started
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 started
2.2(i)	Respond to the Committee on Climate Change recommendations on the role of renewables beyond 2020 and potential pathways to 2030 (due to complete Oct 2011)	Work Started
2.2(ii)	Develop regulations for new Renewable Heat Incentive scheme to provide financial support for renewable heat, and lay before Parliament (due to complete Jul 2011)	Work Started
2.2(iii)a	Work with DCLG to allow communities that host renewable energy projects to keep the additional business rates they generate. Contribute to local Government Resource review to deliver proposals for reform (due to complete Jul 2011)	Work started
2.2(iii)b	Implement business rate retention for renewable energy development (due Apr 2013)	Work started
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 started
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 started
2.4(ii)	Run process to identify further CCS projects to be supported by public investment (due to complete May 2012)	Work started
2.5(ii)	As part of the Electricity Market White Paper, set out a strategy for future electricity networks to increase efficiency and reliability of the network; enable flexible demand management and the use of electric vehicles; and support integration of more local and wind-powered generation (due to complete Jun 2011)	Work started

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 started
2.7(i)	Support the European Commission to publish an energy roadmap to 2050 which sets out scenarios for how the power industry can be decarbonised and maximise Member States support (due to complete Oct 2011)	Work started
2.7(ii)	Agree EU legislation on transparency and integrity of wholesale energy markets (due to complete Dec 2011)	Work started
2.7(iv)	Develop EU technical and market codes to improve functioning/integration of EU energy markets (due to complete Dec 2014)	Work started
2.7(v)	Support action-orientated Commission proposals stemming from the Energy Efficiency Plan in areas where the EU can add value to the domestic effort e.g. progress developing dynamic product and labelling standards (due to complete Oct 2011)	Work started
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 started
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 started
2.7(ix)	Agree action plan for cooperation with Norway on oil and gas, CCS and renewables (due to complete Dec 2011)	Work started
2.7(xii)	Re-prioritise the work of the International Energy Agency at the ministerial meeting to increase focus on low carbon technologies and non-members (due to complete Oct 2011)	Work started
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 started
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 started
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 started
3.4(i)	Design a new international Green Fund with international partners (due to complete Dec 2011)	Work started
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 started
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 started

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 (due to complete Dec 2011).	Work started
3.5(iii)	Deliver £300 million of UK fast-start finance to reduce emissions from deforestation (due to complete Dec 2012)	Work started
4.1(i)	Complete the competition for the management of the Dounreay site (due to complete Mar 2012)	Work started
4.1(ii)	Complete removal of fuel from Sizewell A site (due to complete Mar 2013)	Work started
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 started
4.1(iv)	Put at least one Magnox station into effective care and maintenance (due to complete Mar 2015)	Work started
4.2(i)	Implement the EU Nuclear Safety Directive (due to complete Jul 2011)	Work started
4.3(i)	Complete risk assessment of safety and security at civil nuclear sites (due to complete Aug 2011)	Work started
4.4 (i)	Conduct review of environmental regulation of oil and gas exploration in the light of Gulf of Mexico spill (due to complete Jul 2011)	Work started

### 3) Explanation of missed deadlines

In June 2011 the following deadline was missed:

Deadline missed	Comments
<b>2.2(iv)</b> Work with the Department for Transport to address the role of Renewable Transport Fuel in the UK Renewables Road map.	Before summer recess, we will set out the detail of delivery of the UK Renewables target in the Renewables Roadmap, including for electricity, heat and transport, and actions to overcome barriers to delivery of key technologies.

There are three missed deadlines from previous reports:

Deadline missed	Status	Comments
<b>2.1(vi)</b> Submit energy National Policy Statements (making the case for new energy infrastructure) to Parliament for ratification (due to complete May 2011)	Complete	Completed June 2011

2.6(i) Design National Policy Statements with clear and effective guidance on onshore grid infrastructure to enable network development to take place in an environmentally sustainable and timely manner (due to complete May 2011).	Complete	Completed June 2011
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 to complete May 2011).	Still not complete	The consultations closed on 8 March 2011. Responses to the consultations have raised a number of significant issues which require detailed consideration before final policy proposals can be published. The revised publication date for the Waste Transfer Pricing Methodology is July 2011. The revised publication date for the Funded Decommissioning Guidance is Q4 2011.

#### (4) External delays

The following action was delayed in June for reasons outside of the Department's control:

Deadline missed	Status	Comments
2.3(iv) Set arrangements for the independent assessment of the safety, security and environmental impact of new reactor designs.	Delayed	The exact timing of the Generic Design Assessment is a matter for Regulators and Industry. They met following the events in Fukushima and agreed to postpone the planned June decisions on whether to issue interim outputs whilst they take into account Dr Weightman's work. Work continues on resolving issues already identified under GDA and the parties have published a 7 step plan for taking the process forward over the next 7 months. We continue to encourage them to identify a timetable for closure of the process as soon as possible.