

**Unite the Union response to the Office of Gas and Electricity
Markets Consultation seeking views on proposed changes to the
format of the Renewables Obligation (RO) Annual Report**



1. Introduction

- 1.1. This submission is made by Unite, the UK's largest trade union with over one million members across all sectors of the economy, including manufacturing, financial services, transport, food and agriculture, construction, energy and utilities, information technology, service industries, health, local government and the not for profit sector. Unite also organises in the community, enabling those who are not in employment to be part of our union.
- 1.2. Of particular relevance to this submission, Unite represents over 35,000 energy and utility workers.

2. Background summary

- 2.1. As stated in the consultation, the Renewables Obligation Orders (ROO) requires Ofgem to produce an annual report on the scheme by 1 April following the end of an obligation period. Much of the information Ofgem publishes in the RO Annual Report is required under the Renewables Obligation Order as part of our statutory functions. Ofgem also include additional information that they think is relevant and beneficial to scheme stakeholders and the general public.
- 2.2. Ofgem are seeking to make a number of changes to the ROO annual report in an attempt to reduce its length.

3. Questions

Question 1: Do you agree with the changes outlined in Annex 1?

- 3.1. Unite believes that the streamlining of the report would make sense but disagrees with some of the proposals. Whilst some information may well be available elsewhere on public record it is very useful to have the information summarised in one location. At the very least the location of this information needs to be highlighted so that this data can be viewed easily.
- 3.2. Specifically Tables 2.2; Figures 2.5, 2.6, a combined total for figures 2.7, 2.8, 2.9 & 2.10 as opposed to separate charts; the banding information, information related to Drax, wind load factors, monthly ROC issue profile, country overview charts and commentary and the ROC validation summary.
- 3.3. The number of Renewable Obligation Certificates (ROC) issued is important politically as it will highlight where any one nation in the UK is falling behind another in relation

to the generation of renewable energy. Whilst the Welsh and Northern Irish governments may only have issued a tenth of those in England which is understandable given their relative size it would be interesting to see how the amount of energy generated by each nation would look if divided by the relative sizes of the nations by area and population.

- 3.4. Unite agrees that combining the charts and tables in section 3 may be a better way forward as long as the breakdown information is available somewhere and is referenced for ease of accessibility to the data. Where charts have scales that fall into two distinct areas, it could be possible to overlay one set of data with another using a secondary axis provided on the right of the chart. This would allow a scale <25MW and >25 MW to be on the same chart without hiding the scale of the information. Of course doing so would require the chart to make clear which dataset is represented on which axis. Where pie charts are used the data could instead be represented in either a bar chart or conventional calumniated chart. Alternatively a log scale would provide more detail top the lower values.

Question 2: Are there any other improvements that you think we could be make to the report? If so, please explain why the change is needed and the benefits?

- 3.5. Unite would request that the published report is made available and e-mailed out to interested parties upon request.

4. Conclusion

- 4.1. Unite agrees with the UK's Committee on Climate Change (CCC) that the challenges we face now are an opportunity to make faster progress towards meeting the Net Zero challenge. Unite strongly believes that future-proofing the network is one of the top five priorities we should be accelerating now, not at some point nearer the UK's Net Zero target date of 2050. Any additional funding should be regarded as a 'low regrets' investment. Unite believes that Ofgem's view puts the UK at a strategic competitive disadvantage.
- 4.2. Unite believes that with an aging workforce, so many out of work as a result of Covid-19, displacement from highly polluting industrial practices and the need for swift adaptation to combat the worst that the environment can throw at us, there could not be a better time than now to invest more in training and investments for the future. Instead, Ofgem is suggesting a tightening of financial outgoings which could risk delays in the battle toward an economic and environmentally sustainable recovery. Unite believes that tightening of financial outgoings threatens how the networks can deliver the work required. Without investment in the future the networks will not have a trained, skilled and experienced workforce when they need them to carry out the maintenance and upgrades. Unite would therefore ask Ofgem to ensure that the sector has the funding to provide such training in order to futureproof and make the energy industry ready for whatever demands are put upon it.
- 4.3. Further Unite would like to see the UK manufacturing supply chain obtain a greater slice of the pie when it comes to the procurement of new equipment rather than rely on imports. From 1st January 2021, all of these imported goods may be subject to

tariffs and the volume of administration needed will also be that much greater. Unite therefore believes that if a UK supplier was sort prior to the award of a contract to supply goods (turbines for example) then the volume of freight transport emissions will also be significantly reduced. Additionally an increase in the volume of UK manufacturing will also assist the UK economy in its recovery post Covid-19, post Brexit, post the net zero 2050 target and on into a carbon negative future.

- 4.4. Unite would therefore like to see reported not only details on the level of skills available in the UK, investment in training and further education and also the relative scale of the UK manufacturing involvement in the industry. As the UK will now be battling to recover from the Covid-19 pandemic, the changes post Brexit and the challenge to reduce carbon emissions, the inclusion of these statistics may also encourage a faster rate of change.

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6th November 2020

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