



Ofgem Environmental Advisory Group

TERMS OF REFERENCE

Background

Ofgem is the Office of Gas and Electricity Markets, regulating the gas and electricity industries in Great Britain. Ofgem operates under the direction and governance of the Gas and Electricity Markets Authority which determines strategy and policy priorities. Ofgem's powers and duties are provided for under the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998, the Utilities Act 2000 and other statutes.

In May 2002, the Authority Ofgem's decided to establish a 'high level external group to provide advice on Ofgem's environmental work'. This was reported in the Environmental Action Plan annual review (June 2002).

The Environmental Advisory Group is designed to reflect a broad range of interests. Members have been invited to participate as individuals, not as representatives of organisations.

Purpose of the Group

The purpose of the Group will be to advise Ofgem on the priorities for its work in relation to the environment. Its scope extends beyond considering the commitments made in the Environmental Action Plan, to cover the environmental aspects of any work Ofgem is undertaking, consistent with our statutory responsibilities.

In particular it is expected the group will:

- Assist Ofgem in developing its work on the environment
- Review achievements under the Environmental Action Plan and annual reviews of the Plan
- Identify areas for future research on environmental issues
- Advise on the role that Ofgem's executive functions play in meeting the Governments environmental targets. These functions include the Climate Change Levy exemption for renewables and CHP, the Renewables Obligation, the Energy Efficiency Commitment, and the remaining NFFO and SRO contracts