



## Mandatory energy reporting: Are you ready to reap the benefits of compliance?

For a growing number of businesses, measuring and reporting on energy consumption has become both a mandatory requirement and an administrative headache. However, many are realising that compliance can bring additional business benefits.

Two sets of energy reporting regulations are challenging large and medium-sized businesses. The first is the Energy Savings Opportunity Scheme (ESOS), which introduced mandatory carbon reporting every four years for qualifying organisations in 2015.

The second is the Streamlined Energy and Carbon Reporting (SECR), which replaces the CRC Energy Efficiency Scheme. Its introduction means that approximately 8,000 businesses will be measuring and reporting on their energy consumption and emissions relating to their use of electricity, gas and transport for the very first time this year.

### Don't risk a penalty for non-compliance!

Despite the significant number of businesses impacted, industry estimates indicate that only around 30 per cent of businesses qualifying for SECR are aware of the need to comply, and yet those who fail to are at risk of being issued with a civil penalty. Indeed, during ESOS phase one, too many organisations failed to comply, or left the process too late. It meant that fines were issued, ranging from between £1,500 and £45,000. Organisations are therefore urged to act quickly in order to meet the compliance deadlines.

### Need help?

The requirements of ESOS and SECR are complex, but engaging with a commercial energy auditing organisation can enable you to meet your compliance obligations, while identifying measures for reducing energy consumption.

If you are unsure whether you need to comply with ESOS and/or SECR, or for anything else to do with your energy, contact our team of energy experts on [0333 1234 313](tel:03331234313) or [info@powerdirectltd.com](mailto:info@powerdirectltd.com).

### What's the opportunity?

Business electricity prices increased by an average 11 per cent (excluding CCL) between Q1 2018 and Q1 2019. While for gas, the increase was 17 per cent. Using the collected data from your mandatory energy reports to identify how and where you are using the most energy may enable you to reduce your energy consumption and thereby lower your bills.

We partnered with the Cotswold Motor Group when its staff established that the group qualified for ESOS. The group only had a short timeframe in which to comply, and the availability of lead assessors required to authorise the work was limited. We supported the group by collating the consumption data for each site and working with a partner organisation to complete and submit the audits ahead of the compliance deadline. The audit for the second phase of ESOS identified an adjustment to the building management system which, for an implementation cost of around £2,000, will save the group an estimated £25,000 per annum.

"We chose to work with Power Direct Ltd because they were able to quickly help us comply with ESOS. We have continued to partner because they are easy to work with and deliver ongoing value."

Mitch James, Group Accountant, Cotswold Motor Group

Assess

Plan

Manage

### Further reading:

<https://www.powerdirectltd.com/news/2019/07/secr-does-your-business-need-to-comply-with-energy-efficiency-reporting/>

<https://www.powerdirectltd.com/news/2019/02/esos-how-to-turn-your-legal-obligation-into-an-energy-saving-opportunity/>