

blue for business

How it works

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It's good to feel confident about the decisions you make

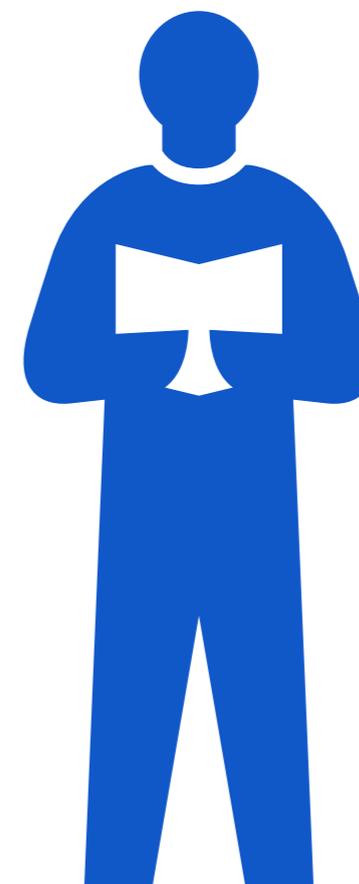
Here at EDF, we believe in being upfront about what we offer. When it comes to our electricity supply contracts that means helping you to understand:

1. which ones are most suitable for your business
2. how our contracts work to deliver the benefits we describe.

So here are the ins and outs of how Blue for Business works as a business electricity supply backed by low-carbon generation*.

Contents

1. How we work out how much Blue for Business we can offer
2. How we report the carbon emissions of our different contracts
3. How UK businesses can calculate their reportable emissions with Blue for Business



*Low-carbon electricity purchased for Blue is supplied into the national grid. Blue customers receive electricity via the national grid, not directly from low-carbon generators.

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How we guarantee you an electricity supply backed by low-carbon generation

Electricity from all kinds of power generation – fossil-fuelled, renewable and nuclear – are supplied to the national grid each day. From there it enters your local distribution network, which supplies it to you.

Because electricity from all these various sources gets mixed together in the grid, it's impossible to tell exactly who or what generated the electricity your organisation ends up using.

So instead of trying to do the impossible, we promise to get enough electricity from our nuclear power stations to match every unit of Blue for Business electricity we supply.

This is how we do it:



FORECAST

In April, the start of our reporting year, our nuclear power stations forecast how much power they'll generate over the next 12 months.



EARMARK

We earmark a portion of this power, allowing for any potential risks to generation, to be sold exclusively to Blue for Business customers.



RESERVED FOR YOU

As soon as you ask for a Blue for Business quote, we reserve the amount of electricity you'll need from the earmarked Blue supply.



BOOKED

When you accept your Blue for Business quote, we update our electricity supply agreement to confirm that we won't supply your reserved volume to anyone else.



SOLD OUT

We will only sell Blue contracts to customers where we still have enough available in the portion earmarked for Blue customers. This prevents us selling more Blue electricity than our nuclear power stations will generate. In other words, we can match every unit of electricity supplied to our Blue customers to a unit generated by our nuclear power stations.

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How we report the carbon emissions of our different contracts

Because this promise is based on forecasts and estimates, we also check the real figures at the end of the reporting year to make sure everything matches up. We do this in the same way we calculate our fuel label for the year (technically called our **Fuel Mix Disclosure or FMD**).

Every electricity supplier in the European Union has to publicly disclose its fuel label, so customers can see which energy sources it uses to supply electricity.

The Department for Business, Energy & Industrial Strategy (BEIS) oversees the FMD scheme in the UK and Ofgem – the energy market regulator

– provides guidance on the method for putting together accurate figures.

We use this guidance to create both our overall Fuel Mix Disclosure and our three product fuel labels:

1. Low Carbon
2. Renewable
3. “All other”, which is our total electricity supply minus everything reserved for our Low Carbon or Renewable customers.

This shows that we’re not “double-counting” the low-carbon attributes of our nuclear or renewable power, which makes sure that there is real rigor to

the emissions factors we provide our customers.

We were the first energy supplier to carry out externally verified audits on our electricity source and worked with PwC for 7 years on auditing our electricity source position. During this period, we’ve worked to improve our processes to robustly track and manage our fuel source position when backing electricity supply contracts with energy from nuclear sources and renewable sources. Given this long commitment to improving our processes, we now have sufficiently vigorous processes in place to confidently guarantee our electricity sources.

Our fuel mix

	Coal	Gas	Nuclear	Renewable	Other	CO ₂ g/kWh	Radioactive waste g/kWh
EDF's fuel mix	3.50%	9.30%	66.60%	20.50%	0.10%	70	0.0047
Contribution to our carbon emissions	49.00%	49.30%	0.00%	0.00%	1.70%		
UK average fuel mix*	3.90%	39.40%	16.60%	37.90%	2.20%	198	0.0012

* The figures for UK average fuel mix are provided by the Department for Business, Energy & Industrial Strategy (BEIS).

Our product fuel labels

	Coal	Gas	Nuclear	Renewable	Other	CO ₂ g/kWh	Radioactive waste g/kWh
Low Carbon	0.00%	0.00%	100.00%	0.00%	0.00%	0	0.0070
Renewable	0.00%	0.00%	0.00%	100.00%	0.00%	0	0.0000
All other	9.10%	24.40%	55.3%	10.90%	0.03%	183	0.0039

Every year we must publish details of the fuel sources that have been used to generate the electricity we supply to our customers. The information in the table on the left covers our supply licence for EDF Energy Customers Ltd for the period from April 2019 to March 2020. Our customers’ electricity is sourced from our own UK power stations, the wholesale energy market and other independent power generators. We are a major supporter of independent renewable generators.

Depending on the tariff you are on, the fuel source and carbon emissions associated with the generation of your electricity may vary. The low-carbon electricity that we buy for Residential, Blue or Renewable tariffs and products is supplied into the National Grid. Customers receive that electricity through the National Grid, not directly from low-carbon generators.

Low Carbon tariffs and products – includes residential tariffs sold since 7th June 2019, Blue+ tariffs and Blue for Business

Renewable All renewable tariffs and products (includes EV tariff)

All other means products not referred to as Low Carbon or Renewable.

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Calculating reportable emissions with Blue for Business

Since 1 October 2013, all listed companies in the UK must report their greenhouse gas emissions each year, and the government is encouraging all other UK companies to follow suit.

This table describes the two main methods that businesses can choose to follow and how Blue for Business fits in each scheme:

Scheme	GHG Protocol	Defra Guidance
An overview	The World Resources Institute's Greenhouse Gas Protocol (GHG Protocol) is the most widely used international accounting tool for business and public sector organisations to understand, quantify and manage greenhouse gas emissions. This is the standard used by CDP (formerly the Carbon Disclosure Project), the world's largest carbon reporting initiative for businesses.	This scheme is officially called Defra's "Guidance for businesses on measuring and reporting their greenhouse gas emissions". It is based on the GHG Protocol with a few key differences, and maintained by the Department for the Environment, Food and Rural Affairs (Defra).
How electricity use is counted for emissions reporting	Global best practice in carbon accounting recommends that your organisation's carbon inventory should include details of: <ol style="list-style-type: none"> 1. The emissions associated specifically to your electricity supply contract, to reflect your choice of energy source 2. The UK's national grid average emissions, to reflect the location of your operations. Your choice of electricity supply is reported under GHG Protocol Scope 2: Indirect emissions from electricity purchases.	The main difference is in Scope 2: Indirect emissions from electricity purchases. Defra says that the carbon intensity of every organisation's electricity supply should be calculated using the UK grid average figure, rather than the specific figure for its chosen electricity supply contract. So your emissions report won't reflect the specific emissions associated with the electricity source your organisation has chosen.
What data to use	Our Blue for Business fuel label has the data you need to compile your report. The processes behind Blue for Business ensure the energy source and carbon intensity are fully verifiable and that no double-counting occurs. For the UK average emissions we use data published by Defra.	Use the conversion factors published by Defra here: ukconversionfactorscarbonsmart.co.uk
What you can say	You can report lower carbon emissions and tell customers and other stakeholders your organisation uses electricity backed by low-carbon generation*.	You can tell customers and other stakeholders your organisation uses electricity backed by low-carbon generation* but you won't be able to make the same claim in your carbon inventory report.
IMPORTANT	Whichever way you report your emissions, remember that your purchase of nuclear or renewable backed energy does not cause any additional low-carbon generation to be produced. It does, however, show that your organisation is aware of the carbon intensity of the power it buys and consistent with recommended standards in carbon accounting.	

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Bookmarks for your browser



Greenhouse Gas Protocol: ghgprotocol.org

Defra Environmental Reporting Guidelines:
gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses

Carbon Footprint of Electricity Generation:
<http://researchbriefings.parliament.uk/ResearchBriefing/Summary/POST-PN-383#fullreport>

Glossary of Terms edfenergy.com/large-business/glossary

Carbon Disclosure Project cdp.net



Choose blue for Business

Any questions? Please contact our B2B Sales team on **0800 328 9030** or at **directsalestenders@edfenergy.com**, or if you are an existing customer please speak to your Relationship Manager.

e-factsheet - a better way of working

Why an e-factsheet? At EDF we are committed to using the most sustainable working practices wherever possible and this includes when delivering communications to our customers.

E-factsheets significantly reduce the volume of printed material we need, reducing our carbon footprint.

Our customers appreciate e-factsheets because they offer timely delivery of easy to access information in an ideal format for the modern screen based working environment.

edfenergy.com/largebusiness

To view our fuel mix visit edfenergy.com/fuel-mix