

Press Release From: Dr John R. Etherington, former Reader in Ecology, University of Wales

RSPB Energy adjudged guilty of misrepresenting its ‘green’ electricity marketing scheme

Advertising Standards Authority upholds complaint: 8 December 2004
http://www.asab.org.uk/asa/adjudications/Adjudication+Details.htm?Adjudication_id=39042

The RSPB is amongst a high-profile group of wildlife organisations including the WWF, which have expressed extreme and undoubting support for ‘green tariff’ electricity schemes despite considerable reservation being expressed from the scientific and engineering communities that such schemes are ineffective in reducing carbon dioxide emissions.

The complaint, now upheld, was based on two advertisements in RSPB publications which maintained that “for every 10 customers, RSPB Energy will support the generation of enough additional renewable electricity to supply the needs of an average home” and “RSPB Energy helps reduce the amount of CO₂ entering the atmosphere and is increasing the amount of renewable energy being produced in the UK.” The reasons for objection were: -

1. Scottish and Southern Energy, RSPB E’s partner in the ‘green’ electricity scheme has been criticised by Ofgem for a substantial down-rating of hydroelectric generating capacity to make it eligible for the huge ‘effective subsidy’ of the Renewables Obligation (RO) payment. The down-rating was so large that there is little possibility that RSPB E’s scheme could counterbalance it.
2. The totally opaque functioning of the 'Retired RO Certificates' scheme, operated by RSPB Energy, makes it impossible for the 'green' tariff subscriber (or anyone!) to verify claims that it allows the creation of new renewable generating capacity, and it may indeed not do so

Both of these complaints have been upheld

The Renewables Obligation payments together with market increment of RO Certificates and the smaller Climate Change Levy exemption (CCLe) result in ‘green’ electricity receiving an ‘effective subsidy’ which, per unit of electricity generated, is more than 25 times the subsidy on coal fired generation. It is also many times larger than the now defunct subsidy of nuclear generation (which ceased to be paid in 1996).

The marketing of ‘green tariff’ electricity is little more than an advertising ploy, as the ‘green’ subscriber is not paying significantly for the much higher cost of generation (particularly that of windpower). The support comes from the RO/ROC and CCLe scheme as acknowledged in the Energy White Paper (2003) which says: - “The cost is met through higher prices to consumers” and continues, “By 2010, it is estimated that this support [RO] and Climate Change Levy (CCL) exemption will be worth around £1 billion a year to the UK renewables industry.”

It is time for the renewables industry at large to show that it is making a significant contribution to reducing CO₂ emission and that it is not simply driven by a scramble for profits ‘effectively subsidised by the plundering of all our bills. We need verifiable ‘carbon’ targets, **NOT** ‘installed-megawattage’ targets which may be unrelated to saving of fossil fuel consumption.