

ESOS Newsletter

Issue 2 July 2021

Welcome to the Energy Savings Opportunity Scheme (ESOS) newsletter, keeping you updated with key information relating to the scheme. In this issue:

- Phase 3 Qualification and Compliance
- Compliance Enforcement
- ESOS Compliance Audits
- Publication of ESOS Submissions
- ESOS Consultation

Phase 3 Qualification and Compliance

The Environment Agency would like to emphasise to Phase 3 Participants that they can be starting their ESOS audit work now, there is no need to wait for the qualification date of **31st December 2022**. The deadline for complying with Phase 3 is **5th December 2023**.

You will not be able to complete the assessment of your total energy consumption (TEC) as this has to include the qualification date of 31 December 2022, however if you expect to qualify for Phase 3 and you know that an energy supply will be included in your significant energy consumption (SEC) you can do the audit work on this supply. The audit needs to have at least one year's energy measurement, but this can be from any time between 6 December 2018 and 5 December 2023. The audit can use data that has been collected at any time during this period provided that the audit itself is carried out no later than 24 months after the data period and the data has not already been used for an audit in a previous Phase.

Different energy streams can be audited at different times so the workload can be spread better to suit your business needs, for more information please refer to Sections 2.1 and 5.4.1 of our main guidance document: *Complying with the Energy Savings Opportunity Scheme (ESOS)*.

Compliance Enforcement

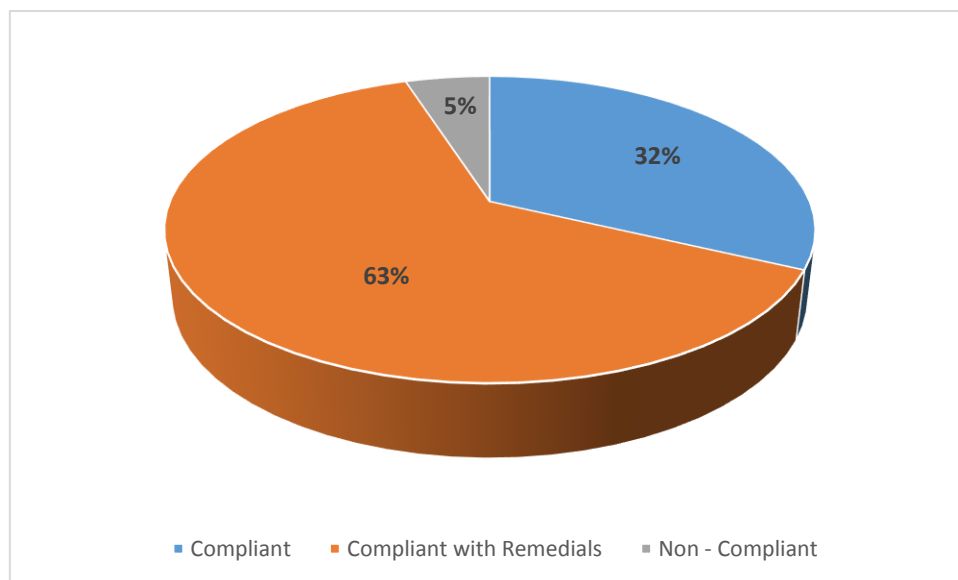
The Regulators are continuing to issue compliance notices to all corporate groups in the UK where we believe they may be required to participate in ESOS but we do not have a record of their having completed a notification.

The compliance notice requires the organisation to inform the regulator that they are in the process of completing their ESOS obligations or provide evidence that they have already submitted a notification or do not qualify for ESOS.

ESOS Compliance Audits

We are continuing our programme of compliance audits for ESOS participants.

All compliance audits are currently being carried out on Phase 2 evidence packs. To date the auditing programme has resulted in the following levels of compliance:



The areas in which we have found issues requiring corrective action have included:

- ➡ Organisation Structure
- ➡ Total Energy Consumption & Significant Areas of Energy
- ➡ Sampling Approach and Quality of ESOS Energy Audit
- ➡ Energy Saving Opportunities

Please find attached a copy of the 'ESOS Audit Need to Know Guide' which contains good practice for these areas, based on issues that have been identified, which will assist in maintaining compliance moving forwards.

Publication of ESOS Submissions

We have published a list of all the organisations who have made a submission to the ESOS notification system as of 10 February 2021. This can be found at <https://data.gov.uk/dataset/15eb8228-32e4-40e1-b722-b2efe571edd3/energy-savings-opportunity-scheme>

ESOS Consultation

A consultation on improvements to the Energy Savings Opportunity Scheme (ESOS) was launched on 6th July 2021 and will be open until **28th September 2021**. The consultation sets out proposals for strengthening the scheme including: Improving the quality of audits through increased standardisation of reporting requirements, inclusion of a net zero element to audits, and requiring public disclosure of high-level recommendations by participants. It also seeks views on additional options that could potentially be implemented in the longer term – extension of ESOS to medium sized enterprises and mandating implementation of ESOS recommendations. All responses are welcome.

To register your interest in attending a stakeholder event on the proposals set out in the ESOS consultation, please complete the following form by the 12th July 2021: <https://forms.office.com/Pages/ResponsePage.aspx?id=BXCsy8EC60O0I-ZJLRst2JIO7g5dcGNMkAa-h87NpkJUM1dVRDIZRDE5NEVJSzNOU0JZVTU1UTFENSQIQCN0PWcu>

For more information about the ESOS consultation and how you can respond please visit: <https://www.gov.uk/government/consultations/strengthening-the-energy-savings-opportunity-scheme-esos>. For any queries please contact: businessenergyuse@beis.gov.uk.

If you have any queries relating to ESOS Phase 2 or if there is anything specific you would like to see in future ESOS newsletters, please email esos@environment-agency.gov.uk or consult the [ESOS guidance](#).