

# Greenhouse Gas Suite - UK™

## Development Group

**Industry collaboration for greenhouse gas information management associated with the UK Emissions Trading Scheme and the UK Climate Change Levy Agreements**

### Industry Need

#### What's wrong with Spreadsheets?

Most companies already have in place a system for measuring and reporting on their emissions. Many will use some form of on-line reporting which has been developed to monitor energy use, and have added a mechanism, often a spreadsheet, to turn this information into carbon data. As a starting point this may do the job of reporting for compliance purposes.

But an ad-hoc solution may not be enough to properly run and manage carbon assets. GHG Suite - UK™ is designed to go beyond the one-off report in order to maximise the potential for carbon management and to provide full risk mitigation across all eventualities. It is relevant to both members of Climate Change Agreements and to Direct Participants in the Emissions Trading Scheme. Here we summarise some of the main ways in which the system can help your business.

#### Non-Manual Data Management

There are significant risks in manual crossover between data systems. There is straightforward human error in re-entering data, but also potential error in constructing complicated spreadsheets and in understanding what is happening in them. Moreover, such one-off systems are often very dependent on a limited number (perhaps as low as one) of individuals. They are time-consuming, insecure, and labour intensive -- and auditors and verifiers do not like them.

A GHG Suite implementation can avoid these problems with automatic data transfer and commercially supported systems.

#### From Measurement to Money

Carbon management is not just about monitoring the position for compliance and verification. It is also about financial decision-making for asset management and trading. Understanding the potential trade-offs between carbon use in the business and buying or selling allowances will be absolutely key to turning a regulatory burden into an opportunity.

The GHG Suite will provide a variety of asset management tools to enable you to value carbon, determine portfolio risk, assess trading opportunities and evaluate brokers' offers.

#### Up-to-Date Information

Understanding the current position as the year progresses is crucial to compliance and trading strategies alike. Efficient, timely and cost-effective acquisition of the right data is central to this understanding, as is the presentation of the data in relevant formats. ESP has ten years experience of designing such reporting systems and has witnessed first-hand the cost savings that can accrue to companies with the ability to monitor their positions on a regular basis. Experience shows that clear presentation allows companies to identify more easily the emission reduction opportunities that can generate credits in the trading system.

The GHG Suite gives you greater awareness of your compliance risk, and enables you to take advantage of hedging and trading opportunities as they arise.

#### Upgrades and Rule Changes

We know that rules change, and that every change has to be incorporated into the systems that you operate. It is time-consuming and difficult to incorporate changes on an individual basis, and easy to make mistakes. Once again this will trigger additional verification effort and cost.

The GHG Suite Development Group will monitor rules changes and incorporate them into future upgrades of the software.



ESP (Environmental Software Providers)  
www.esp-net.com  
Phone: 650-968-9000  
E-mail: info@esp-net.com

In association with:



The Environment Business  
www.environmentbusiness.net  
In the U.K., phone: 020 8392 0643  
E-mail: GHGSuiteUK@environmentbusiness.net



ERM  
www.ermuk.com  
In the U.K., phone: 020 7465 7200  
E-mail: GHGSuiteUK@erm.com