

Annex A Glossary

Term	Definition
Balancing mechanism	The mechanism used by the National Grid Company to balance the supply and demand of electricity.
Biomass	Biomass is anything derived from plant or animal matter and includes agricultural, forestry wastes/residues and energy crops. It can be used for fuel directly by burning or extraction of combustible oils.
British Electricity Trading & Transmission Arrangements (BETTA)	Arrangements to create a single wholesale electricity market for Great Britain.
Capacity Margin Instruments (CMI)	A mechanism such as a capacity obligation that requires electricity industry participants to provide a defined level of generating capacity.
Carbon capture	Removal of CO ₂ from fossil fuels either before or after combustion. In the latter the CO ₂ is extracted from the fluegas.
Carbon credits	A credit or permit arising from a greenhouse gas emissions reduction scheme, such as emissions trading
Carbon emissions trading scheme/carbon trading	A scheme in which greenhouse gas emissions are controlled by setting a cap on total emissions and allowing the market sector(s) to reach an economically balanced response via trading of emissions allowances. Allowances are allocated initially, perhaps through a free distribution or through an auction, and the total allocation is adjusted (capped) periodically.
Carbon storage	The long-term storage of carbon or CO ₂ in the forests, soils, ocean, or underground in depleted oil and gas reservoirs, coal seams, and saline aquifers. Also referred to as engineered carbon sequestration. Carbon Capture and Storage can be referred to as CCS.
Carbon Trust	An independent not for profit company set up by the Government with support from business to encourage and promote the development of low carbon technologies. Key to this aim is its support for UK businesses in reducing carbon emissions through funding, supporting technological innovation and by encouraging more efficient working practices.

Term	Definition
CCGT	Combined cycle gas turbine - a gas fired electricity generation plant.
Climate Change Agreement	An agreement between the Government and a business user, whereby a reduced rate of Climate Change Levy is payable in return for a commitment by the user to achieve certain pre-determined targets for energy usage or carbon emissions.
Climate Change Levy (CCL)	A levy applied to the energy use of all non-domestic sectors. Subject to certain exemptions and reductions to encourage energy efficiency.
Climate Change Programme	Published in 2000, sets out the Government and Devolved Administration strategic approach to tackling Climate Change and meeting the UK's Kyoto target of a 12.5% reduction in greenhouse gas emissions from 1990 levels by 2008-2012 and the domestic goal of reducing CO ₂ emissions by 20% by 2010.
CMM plant	Coal Mine Methane plants generate electricity and heat from methane that is emitted from disused coal mines.
CO ₂	Carbon dioxide (a greenhouse gas).
COGENT	Sector Skills Council for the oil and gas extraction and chemical manufacturing sector.
Combined Heat and Power (CHP)	CHP is the simultaneous generation of usable heat and power (usually electricity) in a single process, thereby discarding less wasted heat.
Community Energy Programme	A £50m, 2 year capital grants programme (2002-04) offering funding, information and support to Local Authorities, Registered Social Landlords, Universities, Hospitals and other public service organisations for the refurbishment of existing and installation of new community heating schemes. Operates across UK and is jointly managed by the Energy Saving Trust and the Carbon Trust on behalf of Defra.

Term	Definition
'Decent standards'	Set by ODPM, the decent home standard is a minimum standard that all social housing in England should achieve by 2010. A decent home is one that is wind and weather tight, warm and has modern facilities. Similar standards apply in the DAs.
Defra	Department for Environment, Food and Rural Affairs.
DETR	Former Department of the Environment, Transport and the Regions.
DFES	Department for Education and Skills.
DFID	Department for International Development.
DfT	Department for Transport.
Distributed generation	Electricity generation usually on a relatively small scale that is connected to the distribution networks rather than directly to the national transmission systems.
Distribution Network Operators (DNOs)	Companies that are responsible for operating the networks that connect electricity consumers to the national transmission system and provide interconnection with embedded generation.
EAGA	The Eaga Partnership manages fuel poverty programmes on behalf of the Government and Devolved Administrations.
Embedded generation	See distributed generation.
ENERGIE Programme	An EU programme supporting research, development and demonstration aimed at delivering cost effective solutions to key energy related problems on a European scale. In particular the aims are to minimise the environmental impact of the production and use of energy and to increase the share of new and renewable energy sources in EU's energy balance. See www.dti.gov.uk/ent/energie/index.htm
Energy Charter Treaty (ECT)	A multilateral treaty to promote trade, investment and transit of energy products between Contracting Parties and sets a standard for non-discriminatory access to energy supplies.

Term	Definition
Energy Efficiency Advice Centres	Network of centres across the UK providing free, impartial and locally relevant energy efficiency advice to householders and small businesses. Call free on 0800 512012.
Energy Efficiency Commitment (EEC)	The Energy Efficiency Commitment (formerly known as Energy Efficiency Standards of Performance, EESoP) is an obligation placed on all domestic energy suppliers to achieve a specified energy saving target through the installation of energy efficiency measures in homes across Great Britain. At least 50% of the benefits are focused on disadvantaged households. A similar scheme (Energy Efficiency Levy) operates in Northern Ireland.
Energy for the Poor Initiative	An EU initiative focusing on poverty eradication in developing countries by improving people's access to adequate, affordable and sustainable energy services.
Energy intensity	Energy consumed per unit contribution to Gross Domestic Product, ie for business sectors it is the energy per unit Gross Value Added. The equivalent for the domestic sector is energy consumed per household.
Energy Research Network	A new network being developed by the Research Councils to establish interdisciplinary teams addressing all aspect of energy research (scientific, technological, social, economic and health impacts).
Energy Research Review Group (ERRG)	A group of experts set up under the chairmanship of the Government's Chief Scientific Adviser. The Group was assembled to review Government support for energy research, development and demonstration as an input to the PIU's Energy Review. The report of the Group was published on 14 February 2002.
Energy Saving Trust (EST)	The Energy Saving Trust is an independent not-for-profit organisation, set up and largely funded by the Government to manage a number of programmes to improve energy efficiency, particularly in the domestic sector.
Engineering & Physical Sciences Research Council (EPSRC)	The UK Government's leading funding agency for research and training in engineering and the physical sciences.

Term	Definition
Enhanced Oil Recovery (EOR)	Increased production of oil from an oil field, brought about by injecting gas (eg CO ₂) or water to raise the oil pressure and force more oil out.
Environment Attache Network	Network of Environment Attachés at British Missions Overseas.
EU 6th Framework Programme for R&D	The European Framework programme supports R&D projects across a range of science and technologies. The 6th Framework Programme will start during 2003 with a large emphasis on renewables.
EU Data Transparency Initiative	This was announced by the Prime Minister at WSSD to increase the transparency over payments by companies to Governments and Government-linked entities, as well as transparency over revenues by these host country Governments.
EURATOM Programme	European Atomic Energy Community.
EUREKA programme	Established in 1985 by 17 countries and the European Union to encourage a bottom-up approach to technological development and to strengthen the competitive position of European companies on the world market.
European Emissions Trading Scheme	The EU emissions trading scheme, to be introduced in April 2005. See the section on 'Carbon emissions trading scheme', above.
Extractive Industries Transparency Initiative	The Extractive Industries Transparency Initiative was announced by the Prime Minister at WSSD, Johannesburg in September 2002. Its aim is to increase transparency over payments by companies to Governments and Government-linked entities, as well as transparency over revenues by host country Governments.
FCO	Foreign and Commonwealth Office.
FGD	Fuel gas desulphurisation.
Freight Facility grants	Government grants that are given to assist taking freight movements from road to rail or ship.

Term	Definition
Fuel cells	Fuel cells produce electricity from hydrogen and air, with water as the only emission. Potential applications include stationary power generation, transport (replacing the internal combustion engine) and portable power (replacing batteries in mobile phones).
Fuel poverty	The common definition of a fuel poor household is one needing to spend in excess of 10% of household income to achieve a satisfactory heating regime (21°C in the living room and 18°C in the other occupied rooms).
GLA	Greater London Authority.
Global Village Energy Partnership (GVEP)	Launched at the WSSD, this is a 10 year programme to reduce poverty and enhance sustainable development through the accelerated provision of modern energy services to those un-served or under-served.
Government Offices (GOs)	There is one Government Office in each of the 9 English regions. Their role is to act as the Government's eyes and ears in the regions, communicating the Government's messages and ensuring a regional input to the policy making process at the centre.
Greenhouse gases	Gases which contribute to global warming.
Grid Codes	The industry codes that govern the technical interface between the users of the electricity transmission systems and the transmission licence holders. Under a GB market the codes will be amalgamated into a single code.
Hybrid vehicles	Vehicles which use batteries or fuel cells as part of their power source in combination with a traditional internal combustion engine (ICE). Allows the ICE to be used with less energy loss and has overall greater efficiency.
Hydrogeneration	Electricity generation involving the use of water to turn a turbine.
Hypothecated revenue	Tax revenue that is raised for a specific expenditure purpose.
IAG	Interdepartmental analysts group.

Term	Definition
IFI	International Financial Institutions.
IMO	International Maritime Organisation.
Integrated Gasification Combined Cycle (IGCC)	IGCC plants initially gasify the raw fuel input, before passing the so-called synthesis gas through a conventional combined cycle set up. IGCCs can be designed to use a range of raw fuel inputs, including coal, oil products and wastes.
International Energy Agency (IEA)	An autonomous body, established in 1974 within the framework of the OECD, to implement an international energy programme.
IPCC	Intergovernmental Panel on Climate Change.
Joint Energy Security of Supply (JESS)	The JESS Working Group, set up in July 2001, has brought together DTI and OFGEM to monitor the security of energy supplies as part of an initiative to keep the reliability of energy supplies under ongoing review.
Kyoto Protocol	A Protocol to the UN Framework Convention on Climate Change (UNFCCC) agreed in 1997. Developed nations are required to cut overall greenhouse gas emissions by an average of 5.2 per cent below 1990 levels over the period 2008-2012.
Learning & Skills Council (LSC)	The Learning and Skills Council is responsible for funding and planning education and training for over 16-year-olds in England.
LGA	Local Government Association.
Liabilities	The costs involved in: decommissioning; the processing, long term management, storage and final disposal of waste materials and spent fuel; and the environmental remediation of nuclear sites.
Liquefied Natural Gas (LNG)	When natural gas is cooled to a temperature of approximately -160°C at atmospheric pressure it condenses to a liquid called liquefied natural gas (LNG). Natural gas is composed primarily of methane (typically, at least 90%), but may also contain ethane, propane and heavier hydrocarbons.

Term	Definition
Liquefied Petroleum Gas (LPG)	Gas usually propane or butane, derived from oil and put under pressure so that it is in liquid form. Often used to power portable cooking stoves or heaters and to fuel some types of vehicle, eg some specially adapted road vehicles and forklift trucks.
Low Carbon Vehicle Partnership	An action and advisory group, set up early in 2003, to bring together all stakeholders in the UK's shift to clean low carbon vehicles and fuel.
Major Infrastructure Projects	Projects such as interconnectors, which typically involve a substantial investment over a number of years to construct and bring into operation.
MARKAL energy model	A model whose main characteristic is the processing of detailed bottom-up data in order to meet pre-determined energy demand at the lowest cost. Its emphasis is on analysis of the longer term potential for new technology uptake.
Micro-CHP	CHP (as above), but in very small scale, typically below 5kW electrical output, applications (eg in the residential and commercial sectors). It is likely to operate in place of a domestic central heating boiler.
MtC	Million tonnes of Carbon.
Mtoe	Million tonnes of oil equivalent.
Market Transformation Programme (MTP)	A Government programme that aims to bring forward products, systems and services which do less harm to the environment, using less energy, water and other resources. The MTP provides strategic support to a growing set of 'product' policies that aim to encourage resource efficiency through supply-chain measures such as reliable product information, raising minimum standards and encouraging best practice.
MW	Mega Watt - a measure of power, one million watts.
MWh	Mega Watt hour, one thousand kWh. A 1 MW power-generating unit running for 1 hour produces 1 MWh of electrical energy.

Term	Definition
NEPAD	The New Partnership for Africa's Development.
New Electricity Trading Arrangements (NETA)	New Electricity Trading Arrangements - in England and Wales these arrangements replaced 'the pool' from 27 March 2001. The arrangements are based on bi-lateral trading between generators, suppliers, traders and customers and are designed to be more efficient, and to provide greater choice for market participants.
New HEES (Wales)	A scheme for the provision of energy efficiency improvements, in Wales. The 'Basic' scheme offers a range of insulation and basic heating improvements. 'HEES +' offers gas or electric central heating and is available to households containing lone parents, sick or disabled persons and those over the age of 60 in receipt of Income Support, Housing Benefit, Council Tax Benefit and income based Job Seekers Allowance.
ODPM	Office of the Deputy Prime Minister.
OECD	Organisation for Economic Cooperation and Development.
OFGEM	Office of Gas and Electricity Markets.
OPEC	Organisation of Petroleum Exporting Countries.
Photovoltaics (PV)	The direct conversion of solar radiation into electricity by the interaction of light with the electrons in a semiconductor device or cell.
PIU	Performance and Innovation Unit (now the Strategy Unit).
PPG	A Planning Policy Guidance note for England. PPG22 covers renewable energy and the planning system. The guidance notes are in the process of being replaced by Public Planning Statements (PPS).
RCEP	Royal Commission on Environmental Pollution.
Regional chambers	In each English region outside London there is a voluntary multi-party body with members drawn from local government and the social, economic and environmental sectors in the region.

Term	Definition
Regional Development Agencies (RDA)	The agencies aim to co-ordinate regional economic development and regeneration, enable the English regions to improve their relative competitiveness and reduce the imbalances that exist within and between regions.
Regional Selective Assistance (RSA)	RSA is a discretionary grant which provides assistance towards projects with fixed capital expenditure over £500,000 and which will create or safeguard employment in assisted areas.
Registered Social Landlords (RSLs)	RSLs are non-profit making bodies run by voluntary committees who provide rented accommodation at an affordable cost. Some also provide homes for sale through special schemes to help people on lower incomes become homeowners.
Renewable energy	Renewable energy includes solar power, wind, wave and tide, and hydroelectricity. Solid renewable energy sources consist of energy crops, other biomass, wood, straw and waste, whereas gaseous renewables consist of landfill gas and sewage waste.
Renewable Energy and Energy Efficiency Partnership (REEEP)	An international partnership to promote the growth of renewable energy and energy efficiency systems, launched by the UK at the WSSD.
Renewables Obligation	The obligation placed on licensed electricity suppliers to deliver a specified amount of their electricity from eligible renewable sources.
Renewables Obligation Certificate (ROC)	Eligible renewable generators receive Renewable Obligation Certificates (ROCs) for each MWh of electricity generated. These certificates can then be sold to suppliers. In order to fulfil their obligation, suppliers can either present enough certificates to cover the required percentage of their output, or they can pay a 'buyout' price of £30 per MWh for any shortfall. All proceeds from buyout payments are recycled to suppliers in proportion to the number of ROCs they present.
Regional Economic Strategies (RES)	Produced by RDAs with partners and stakeholders in their region. These documents set out the framework of regional economic priorities which guide the activities of organisations promoting regional economic development, and are revised at least every three years.

Term	Definition
Science & Technology Attaché Network	Network of Science & Technology Attachés at British Missions Overseas.
Sector Skills Councils (SSCs)	SSCs are independent, UK wide organisations developed by groups of influential employers in industry or business sectors of economic or strategic significance, to tackle the skills and productivity needs of their sector throughout the UK.
Sector Skills Development Agency (SSDA)	The SSDA funds, supports and champions the new UK-wide network of influential employer-led SSCs to promote effective working between sectors.
Small and Medium-Sized Enterprise Energy Advice Centre	The Energy Savings Trust together with the Carbon Trust has launched a new service called Action Energy to give advice to Small and Medium-Sized Enterprises.
SMEs	Small and Medium-Sized Enterprises.
Sustainable Development Commission	The Commission's main role is to advocate sustainable development across all sectors in the UK, review progress towards it and build consensus on the actions needed if further progress is to be achieved.
UK Emissions Trading Scheme	A scheme which started in April 2002, under which 34 organisations have voluntarily taken on legally binding obligations to reduce their greenhouse gas emissions against 1998-2000 levels, delivering over 4 million tonnes of additional CO ₂ equivalent emission reductions in 2006.
UKCS	United Kingdom Continental Shelf - areas of seabed and subsoil over which UK exercises sovereign rights of exploration and exploitation of natural resources (popularly known as 'North Sea' but geographically wider than that).
UN Framework Convention on Climate Change (UNFCCC)	The international framework established in 1992 to tackle the issue of climate change and greenhouse gas emissions. The UNFCCC aims to prevent dangerous man-made climate change and commits developed countries to taking the lead in tackling climate change.

Term	Definition
UNDP	United Nations Development Programme.
USDOE	United States Department of Energy.
Warm Deal (Scotland)	A scheme for the provision of energy efficiency improvements, in Scotland, administered by Eaga Partnership for all housing stock and Local Authorities for their own stock.
Warm Front (England)	A scheme for the provision of energy efficiency improvements, in England, providing grants to households with children, who are on income related benefits. Larger grants are available for households whose occupants are 60 and over and receive an income related benefit.
Warm Homes (Northern Ireland)	A scheme for the provision of energy efficiency improvements, in Northern Ireland, designed to increase access to energy efficiency advice, including grant availability, among families with young children from low income families, particularly those from single parent families. It also aims to reduce the incidence of fuel debt within the target group, improve comfort levels and prevent cold related illnesses.
World Summit on Sustainable Development (WSSD)	An international summit, held in Johannesburg in August/September 2002, to reaffirm the international community's commitment to sustainable development.
WTO	World Trade Organisation.