

Energy Redress

CERF & Innovation Fund

September 2022



Energy Redress Scheme

- Distributes voluntary payments from companies that may have breached Ofgem rules
- Funding amounts vary depending on level of Redress payments
- Quarterly calls – Jan, Apr, Jul, Oct
- All projects focused on energy issues within Ofgem remit



Energy Redress Scheme

- Currently four streams:
 - Main Fund
 - Small Fund
 - Innovation Fund
 - Carbon Emissions Reduction Fund (CERF)
- Up to two-year project duration
- Paid quarterly in arrears
- Aim to maximise benefit per £ spent



Energy Redress Phase 2

- Energy Saving Trust were successful at retaining the contract to manage Redress until 2024
- Phase Two Round Two funding open now
- Phase Two opened up the Innovation Fund and CERF to:
 - Community Interest Companies
 - Co-operative Societies
 - Community Benefit Societies



Phase Two Round Two Funding

- Large amount of funding available:

	Innovation Fund	CERF
Amount available	£3.3 million	£3.3 million
Grant size	£50k to £1 million	£50k to £1 million


Deadline for applications – 5pm Thursday 6 October 2022



Updated guidance for applicants

Presented by
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**Energy Industry Voluntary
Redress Scheme**



**Energy Industry Voluntary Redress Scheme –
Phase Two
Guidance for applicants to the
Innovation Fund and
Carbon Emissions Reduction Fund**

September 2022

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Please note: In addition to charities, this Fund is now open to Community Interest Companies, Community Benefit Societies and Cooperative Societies registered in England, Scotland or Wales. The Main and Small Funds are **only open to registered charities**.

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Scheme priorities

1. Innovative products and services (Innovation Fund)

Energy Redress Scheme funding can support the development of innovative products or services related to domestic energy use and as such can allocate funding to projects that meet the following criteria:

- have a realistic prospect of delivering benefits to existing and/or future energy consumers
- help to reduce the environmental impact of energy use (or minimise negative impacts where the scheme is delivering significant social benefit)
- are efficiently managed and provide value for money

For information on other ways that Ofgem supports innovation, see details of the [Network Innovation Funding](#) and the recently-launched [Innovation Link](#).

2. Carbon emissions reduction projects (Carbon Emissions Reduction Fund, CERF)

Energy Redress Scheme funding can support initiatives principally aimed at reducing the climate change impact associated with domestic energy use, which relate to Ofgem's regulated areas of energy generation, distribution, supply and use. Projects applying to this fund must satisfy the following criteria:

- can demonstrate measurable and lasting reductions in the carbon intensity of energy end use and accelerate the transition to net zero carbon dioxide (CO₂) emissions
- have a realistic prospect of delivering broadly replicable benefits to existing and/or future energy consumers

Further information on Ofgem's strategic approach towards meeting the challenge of net zero greenhouse gas emissions by 2050 is contained in [Ofgem's Decarbonisation Action Plan](#).

Projects funded via the Innovation and CERF funding streams can benefit all domestic energy consumers, not just households in vulnerable situations.

Energy Industry Voluntary Redress Scheme 2

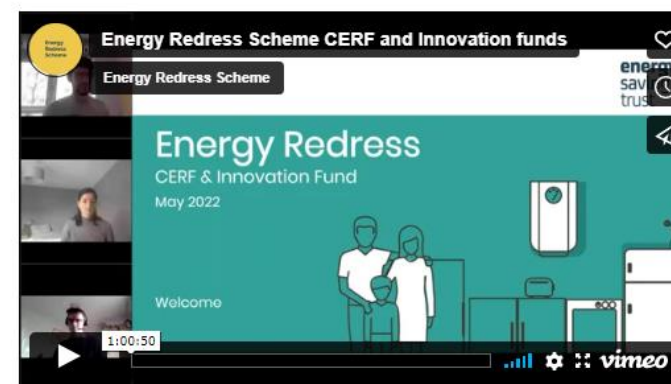


The Innovation and Carbon Emission Reduction Funds

20 May 2022

Registered Charities, Community Interest Companies, Co-operative Societies and Community Benefit Societies can apply to the Innovation and Carbon Emission Reduction Funds of the Energy Redress Scheme.

To find out more, you can watch our webinar recording which discusses the scope of these funds as well as commonly asked questions.



Previous
Webinars



CERF – Scope

- Enabling everyone to contribute to net zero
 - Challenges to decarbonise certain key sectors
 - Heat (particularly domestic transition from gas)
 - Affordability, accessibility, confidence
 - Electricity supply stability & network implications
 - Massive increase in demand for electrical energy
 - Demand-side measures, storage & smarter systems
- Just transition leave no-one behind



Innovation Fund – Scope

- Supporting the development of innovative products or services
- Projects must deliver benefits to existing and/or future energy consumers
 - Can be all energy consumers or targeted at vulnerability
- Should be compatible with Net Zero



Which Fund?

- Do you have a clear focus on reducing carbon emissions?
- Are you trialling a new technology or approach with a benefit to energy consumers but not carbon focussed?

Is your project idea focussed on giving advice to vulnerable consumers?...



Tips on preparing an application

- Focus on what you want funded
- Sense check your own project
 - Eligibility and compliance – needs to benefit energy consumers
 - Cost effectiveness
- Use the guidance
 - Have it open next to you
- If appropriate, ensure you fill out and attach the Carbon Emissions Reduction Spreadsheet.



Common threads for success

- See the ‘bigger picture’
 - Does it address key problems?
 - Convincing pathways to contribute to just transition to UK net zero
- Tangible / measurable impact
- Strong rationale for why project is needed and how it will succeed.
- Demonstrate capacity to deliver the project
- Replicable – to achieve broader impact



Previous Innovation Grants

Organisation	Project Name	Grant Amount	Round	Funding Stream
National Energy Action	Increasing self-consumption of solar PV	£138,809.00	6	Innovation
Age UK Barnsley	Smart Solar in Barnsley	£228,203.13	10	Innovation
Applecross Community Company	AppleCoRRE - unlocking local grid constraints	£85,668.06	10	Innovation
Centre for Sustainable Energy	Smart and Fair Energy Choices Tool	£163,518.50	10	Innovation
National Energy Foundation	Pilot Whole House Retrofit Service	£749,925.00	10	Innovation
Research Institute for Disabled Consumers	Enabling Inclusive Innovation & Sustainable Choice	£242,713.00	11	Innovation
PEC Trust	Kings Tamerton Affordable Net Zero Homes	£240,992.00	12	Innovation
Nottingham Energy Partnership	Conservation Retrofit Catalyst	£380,749.80	13	Innovation
Zero Carbon Harrogate	Retrofit Training and Engagement Programme	£125,422.00	13	Innovation



Example Innovation grants

Project	Focus & Fit
Kings Tamerton Affordable Net Zero Homes	Innovative approach to delivering community-led Net Zero carbon social housing
Levelling the Renewable Playing Field	Local supply model to enable social housing tenants to buy solar electricity from roof-mounted community PV
Enabling Inclusive Innovation and Sustainable Choice	A programme of insight and test evaluation projects to investigate the accessibility and usability of low carbon products and services, including co-design workshops, accessibility and usability evaluations and mystery shopping.



Previous CERF Grants

Organisation	Project Name	Grant Amount	Round	Funding Stream
Beat the Cold	Smart Solar in Cannock	£227,012.82	10	CERF
Centre for Sustainable Energy	Futureproof advice support	£150,148.45	10	CERF
Community Energy Plus	Sustainable Homes Advice Cornwall	£139,132.40	10	CERF
Cumbria Action for Sustainability	Retrofit for Cumbria	£161,758.50	10	CERF
Forth Valley Sensory Centre	Making Sense of Carbon Efficiency	£83,915.24	10	CERF
Hjaltland Housing Association	Fabric First Retrofit To Timber Kit	£64,577.03	13	CERF
Marches Energy Agency	Building Retrofit across the Marches	£499,640.50	13	CERF
The Energy Advisory Service SCIO	Fair Energy Isles	£285,290.00	13	CERF



Example CERF grants

Project	Focus & Fit
Smart solar in Cannock	Improving PV self-consumption among low income households and potentially enabling more local renewables onto the network
Futureproof advice support	Independent advice to support households in making good decisions on low carbon measures. Reach extended by cascading 'train the trainer'
Conservation Retrofit Catalyst	Focus on improving the journey to retrofit for older homes in conservation areas – creating a robust workforce and modelling local building archetypes through detailed surveys.
Making sense of carbon efficiency	Increase awareness of options to reduce carbon emissions amongst vulnerable clients with additional needs, who cannot otherwise effectively access information on such topics



Contact us

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Energy Redress Scheme



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