

# The Energy Savings Opportunity Scheme (ESOS)

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Dear Director

I am writing to you about the new Energy Savings Opportunity Scheme (ESOS). ESOS is a mandatory energy assessment and energy saving identification scheme for large undertakings in the United Kingdom. The Environment Agency is the scheme administrator and believes that **Organisation Name** (and your corporate group, where applicable) may need to take part. We would therefore like to ensure you are aware of the scheme, how to determine if you are covered by it, and how to comply if required.

## What are the aims of ESOS?

ESOS is intended to increase business profitability and competitiveness, while also benefitting the environment, by identifying cost-effective energy savings opportunities. It does this by requiring energy audits that provide high-quality, targeted advice to large undertakings.

## Which organisations have to take part?

Your organisation will qualify for ESOS if on **31 December 2014** it is:

1. A UK registered undertaking with 250 or more employees
2. A UK registered undertaking which has fewer than 250 employees, but has:
  - an annual turnover of €50m; **and**
  - a balance sheet exceeding €43m
3. Part of a corporate group, which includes an undertaking that meets either criteria (1) or (2).

This letter has only been sent to organisations we believe meet criteria (1) or (2). If you do qualify and your organisation has other corporate group members please make them aware of the scheme.

## If your organisation qualifies, what does it need to do?

Organisations that qualify for ESOS need to complete an assessment and notify their compliance by **5 December 2015**. For members of corporate groups this can be done collectively or individually.

Full guidance on ESOS has been published at <https://www.gov.uk/energy-savings-opportunity-scheme-esos>. This explains the actions you need to take over the coming year to ensure you are in a position to meet this deadline. If you don't already collect energy data, you should start to do so as soon as possible as this will help you to comply. You will need to complete an **ESOS assessment** for your organisation and submit a notification to the Environment Agency. Notifications will be submitted via a simple, online portal



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on the ESOS webpage - there are no registration forms to complete and no administrative fees payable for participation.

## What is an ESOS assessment?

In summary, an ESOS assessment is comprised of three elements:

- A measurement of an organisation or corporate group's total energy consumption over 12 consecutive months
- An audit of at least 90% of the total energy consumption to identify cost-effective energy saving opportunities. The audit must be conducted or reviewed by a "Lead Assessor" who is a member of a professional body approved by the Environment Agency.
- A review of the audit by a Board-level Director.

Organisations qualifying for ESOS that do not complete an assessment or submit a notification by **5 December 2015** will be at risk of enforcement action including the possibility of civil penalties.

## Further Information

More detailed information and guidance on ESOS and how to comply can be found at <https://www.gov.uk/energy-savings-opportunity-scheme-esos>. If having read the guidance you can't find what you are looking for please email the Environment Agency at [ESOS@environment-agency.gov.uk](mailto:ESOS@environment-agency.gov.uk), regardless of whether your business is in England, Scotland, Wales or Northern Ireland.

Yours sincerely



**Bernadette Carr**  
Director National Services Environment & Business  
Environment Agency

