



Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

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<sup>1</sup> Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup> Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup> Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan

Supplier name: Fuse Energy Supply Limited

Publication date: 15th January 2025

## Commitment to achieving Net Zero

Fuse Energy Supply Limited is committed to achieving Net Zero emissions by 2050.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

<b>Baseline Year: 2024</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<p>As Fuse Energy Supply Limited continues to grow, FY2024 marks the first year we've established a formal emissions baseline.</p> <p>Our baseline assessment has been conducted in accordance with best industry practices, utilizing the most accurate and up-to-date data available, as required by PPN06/21. This approach ensures that emissions from all facilities (both UK and international) and operations under our control are measured and accounted for.</p> <p>We do not have operations that fall under categories 8, 10, 11, 12, 14, or 15.</p> <p>Additionally:</p> <ul style="list-style-type: none"> <li>• Emissions categorized under 4 and 9 are included in category 1.</li> <li>• Emissions categorized under 13 are included in category 3.</li> </ul>	
<b>Baseline year emissions: 48,144 tCO<sub>2</sub>e</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	107 tCO <sub>2</sub> e
<b>Scope 2</b>	40,680 tCO <sub>2</sub> e
<b>Scope 3</b>	7,357 tCO <sub>2</sub> e

<b>Total Emissions</b>	48,144 tCO2e

## Emissions reduction targets

At Fuse Energy, we are committed to achieving net zero by 2050. This year marks our baseline, establishing a foundation for our sustainability strategy and future initiatives.

Our targets include:

- **Near-Term Goal:** Reduce absolute Scope 1 and Scope 2 emissions by 50% by 2030, using 2024 as our baseline.
- **Long-Term Goal:** Achieve net-zero greenhouse gas (GHG) emissions across our entire value chain (Scopes 1, 2, and 3) by 2050.

To support these goals, we will work closely with our suppliers and partners to reduce Scope 3 emissions, ensuring a holistic approach to sustainability.

We are dedicated to transparency and will report our progress annually, holding ourselves accountable as we take meaningful steps toward a sustainable future.

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

At Fuse Energy, we're committed to delivering impactful solutions for a greener future, and our ongoing projects reflect that dedication. Here's a snapshot of our current work:

**Development Pipeline:** We've built a solid foundation for growth with an impressive 450MW development pipeline across the UK. This allows us to scale quickly and contribute significantly to the renewable energy landscape.

**Smart Metering Expansion:** Our smart metering program is rapidly expanding, with over 2,100 installations completed and a skilled team of engineers poised to handle even more. We are set to scale this program to include a wider range of installations, broadening our presence in the smart energy sector. This initiative not only enables off-peak consumption and reduces grid pressure but also empowers smarter, more sustainable choices as we work towards a low-carbon future.

**Renewable Energy Generation:** Fuse Energy generated 18.6 GWh of power from solar and wind, supplying the equivalent energy needs of 6,800 homes. We sell renewable energy certificates (REGOs) to help reduce customer tariffs and reinvest all proceeds into new renewable energy projects, ensuring that every penny goes toward creating a sustainable future.

**Hydrogen Production Innovation:** We've successfully built the second iteration of our in-house electrolyser, and early results are promising. Our focus is on enhancing pressure tolerance, improving efficiency with new catalysts, and scaling up the system to generate cost-effective green hydrogen. Hydrogen represents a clean, sustainable alternative to natural gas, with zero harmful by-products. Additionally, it offers an innovative solution for excess renewable energy, like surplus wind power, by converting it into hydrogen that can be stored for future use.

Through these initiatives, Fuse Energy continues to focus on delivering tangible, real-world impact rather than relying on certificates alone. We're reinvesting profits back into the development of renewable energy, with the ultimate goal of driving the transition to a low-carbon future.

### In The Future We Hope To Implement Further Measures As:

**Decentralised Renewable Energy Incentives:** We're exploring crypto-based rewards to drive renewable energy adoption. Inspired by open innovation models like Tesla's, we aim to create permissionless tools that encourage collaboration across the energy sector, amplifying collective impact.

**Scaling Renewable Energy Capacity in the UK:** We plan to expand solar and wind capacity by **500 MW**, bringing our total UK capacity to **1 GW**, with new projects across multiple sites.

**Global Expansion:** We're investing in **50 MW** of renewable energy capacity across the USA, Europe, Ireland, and India, accelerating our international reach.

**Hydrogen Innovation:** Our third-generation hydrogen electrolyser, capable of achieving **99.9% purity**, is nearing industrial deployment. We are preparing to supply hydrogen to domestic offtakers and pursuing a license to blend hydrogen with natural gas, reducing environmental impact.

**Expanding Solar and Battery Installations:** We're increasing our focus on domestic solar PV and battery storage installations to help customers lower their energy costs and reliance on the grid. Our engineers are in the process of securing MCS certifications for solar, ensuring we meet the highest industry standards.

**Launching Heat Pump Installations:** Heat pumps are set to become a key part of our offerings. Our team is finalising MCS certifications to deliver reliable and efficient systems as we prepare to launch this service soon.

**Supporting EV Adoption:** We've tested EV tariffs through a successful pilot program where customers helped us refine our approach by onboarding their vehicles and chargers. Domestic EV charger installations are underway, and we're now preparing to roll out commercial chargers. To encourage adoption, we're introducing options like monetised charge sessions for business owners.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>6</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Supplier:

DocuSigned by:  
  
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Director  
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Date: January 15th, 2025  
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<sup>4</sup> <https://ghgprotocol.org/corporate-standard>

<sup>5</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup> <https://ghgprotocol.org/standards/scope-3-standard>