

Renewable for Business – FAQs



What is 100% green electricity?

Renewable electricity (or green electricity as it's sometimes referred to) is generated from renewable sources that don't harm the environment.

Renewable energy occurs naturally and repeatedly in the environment. This can be energy from waves, wind, the sun, and geothermal heat from the ground. As the term suggests, renewable energy will not run out, unlike energy from fossil fuels. It provides a more sustainable, environmentally friendly way to power your business, helping to reduce your carbon footprint and improve your green credentials.

What is a green tariff?

All the renewable energy we sell through our green energy tariffs is sourced from renewable generation and backed by green energy certificates known as Renewable Energy Guarantee of Origin (REGOs).

ScottishPower's Renewable For Business product is a green tariff backed by 100% renewable electricity sourced directly from ScottishPower's own renewable resources across Great Britain. By choosing this tariff, business customers can support the generation of renewable electricity in Great Britain by opting for a green alternative to traditional fossil fuel generation and helping to reduce CO² emissions from electricity usage.

What is a Renewable Guarantee of Origin (REGO) Certificate and how is it regulated?

The Renewable Energy Guarantee of Origin (REGO) scheme is overseen by Ofgem (the energy regulator for Great Britain) and provides transparency to consumers about the proportion of electricity that suppliers source from renewable generation. Ofgem administer the scheme on behalf of the Government Department for Business, Energy & Industrial Strategy (BEIS).

Ofgem issue one REGO certificate per megawatt hour (MWh) of eligible renewable output to generators of renewable electricity. The purpose of the certificate is to prove to the final customer that a given share of energy was produced from renewable sources.

Our Renewable For Business tariff is backed by REGOs which gives you added confidence that every megawatt hour of renewable energy supplied has been generated by us through our renewable sources right here in the UK.

How can I be sure this isn't greenwashing?

Greenwashing is the practice where companies provide a false impression or inflated claims about their environmental credentials. It's considered greenwashing when consumers are misled into believing a company's products or services are more environmentally friendly than they really are.

In the context of the energy market, a supplier would be greenwashing if it claimed to offer 100% green electricity tariffs, when in fact it was still buying 'brown' electricity – i.e. electricity that comes from fossil fuels and releases harmful emissions. The supplier may purchase cheap green certificates to make it look renewable.

Over the last 20 years, we've invested millions in our renewable sources (including wind and solar) and we're proud to have been the first integrated energy company in the UK to generate 100% green electricity.

You can be 100% sure that our green electricity tariffs are genuine because we generate every unit of it from our own UK-based renewable sources.

Is ScottishPower's renewable energy verified by experts?

Yes. The renewable electricity generated by ScottishPower is verified by independent auditors and sustainability experts. And it's fully compliant with the World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol Scope 2 Guidance which is the global standard framework for measuring and managing greenhouse gas emissions from private and public sector operations, value chains, and mitigation actions. With the ScottishPower Renewable For Business tariff, you'll be able to report zero emissions under the Greenhouse Gas Protocol using the market-based method for your Scope 2 purchased electricity.

What benefits does 100% green electricity bring to my business?

Whilst the UK is taking positive steps towards lowering its carbon emissions, there continues to be a huge global demand for fossil fuels. Supplies of oil and gas in the UK are depleting, meaning that more needs to be imported. By doing this, we put ourselves at risk of supply issues and we become subject to massive global price volatility.

A continued reliance on fossil fuels will mean UK businesses are likely to face unpredictable supply issues and future uncertainty over the cost of energy. By supporting more renewable energy sources, we can begin to become less reliant on fossil fuels and minimise some of these risk factors.

Aside from financial and stability reasons, using renewable electricity can have reputational advantages and play a part in meeting carbon reduction targets, as well as supporting corporate responsibility and Environmental, Social and Governance (ESG) development.

The more businesses that choose a truly 100% green electricity tariff, the more support there will be for further investment in renewable generation. This helps to lower carbon emissions, tackle climate change and supports the UK on its journey to net zero.

- Reduce your carbon emissions: Switching to renewable energy is a great way to lower your business's carbon footprint.
- Improve your brand: Customers increasingly want to buy from businesses with good sustainability credentials.
- Future-proof your business: Renewable energy is going to become more widespread as the country moves towards net zero.

How can my business prove it supports renewable electricity?

By choosing our Renewable For Business tariff, businesses can demonstrate their commitment to helping build a greener future and showcase their renewable credentials. Once you are on supply, we will provide you with a certificate that you can use for marketing purposes which will confirm that you have chosen a green tariff from ScottishPower. It can be displayed anywhere in your business where staff and customers alike can see that sustainable choices are at the heart of your business and that you are working towards net zero.

Will my prices go up if I choose a Renewable For Business tariff?

Business customers have the flexibility to fix their energy costs for a 1, 2 or 3 year term with the ScottishPower Renewable For Business tariff – providing peace of mind and the ability to plan for the years ahead.

The tariff however consists of two parts:

- a fixed price element, where the energy costs are 100% fixed for the duration of the fixed term contract, so this protects you from rising wholesale energy costs, and
- a variable element, which is linked to changes in external industry costs, such as network, social and environment obligations that may increase or decrease during the term. You can find out more information on the variable element at scottishpower.co.uk/forbusiness

However, as with any fixed term energy tariff, prices may increase or decrease at the point of contract renewal once the fixed term period has ended. For more information on our tariffs please visit scottishpower.co.uk/small-business/gas-electricity-tariffs

Why should I choose a renewable contract if it's more expensive than a normal fixed term contract?

If a renewable contract is more expensive than a "brown" energy contract, the slightly higher cost is arguably outweighed by the fact that many businesses recognise the value of wider investment in the future. Choosing renewable electricity means that you can play your part in supporting the development of renewable infrastructure, providing a more reliable energy supply and, potentially, lowering energy costs for the longer term. By choosing a renewable energy contract you are future proofing your business as renewable energy is going to become more widespread as the UK moves towards net zero.

If renewable energy is made in the UK and cheaper than fossil fuels, why are prices still rising?

Higher gas prices have pushed up electricity prices because of the way the energy market is structured, with the highest cost producer typically setting the wholesale price for the market at any given time. Great Britain generates around a third of its electricity from burning natural gas - because of this, it's the price of gas that sets the price for the whole electricity market. As a 100% renewable energy generator, ScottishPower is calling for a reform of the market to break the link between the price of gas and the price of electricity to allow our customers to benefit from cheaper and greener electricity from renewable sources.

We're also working to build the renewable energy generation that is needed to decrease the reliance on fossil fuels, which in the longer term will provide more protection from price volatility as well as support net zero targets to reduce the impact of climate change.

