

# UK businesses sitting on £6bn energy efficiency gold mine: study

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**The private sector is sitting on an untapped opportunity in the energy efficiency space that could save UK businesses up to £6bn a year, according to a [Carbon Connect](#) report launched by UK Energy and Climate Change Secretary Chris Huhne MP.**

Huhne has lent his backing to the study, which suggests that energy efficiency could save businesses costs as well as safeguarding fuel security and of course, cutting carbon.

The latest report from Carbon Connect, *Energy Efficiency: The Untapped Business Opportunity*, has garnered cross-party and private sector backing, identifying policy measures to increase energy efficiency and ultimately enable businesses to retain capital.

Huhne said, 'Energy efficiency can save businesses money as the report's incontrovertible findings show. Businesses can pioneer energy saving.'

'Energy efficiency is an untapped opportunity for all UK businesses, whatever their size. By saving energy, businesses can slash overheads and boost the bottom line. What's more, by cutting carbon, the private sector can play its part in reducing the UK's emissions.'

Huhne revealed that he wanted the Coalition government's Energy Bill to be renamed the Energy Saving Bill at the House of Commons launch of the report that was attended by NewNet today, highlighting the importance of accounting for energy efficiency across the supply chain.

Quantifying the supply chain as well as tracking energy use and consumption among businesses can identify waste expenditure and critically save energy and money, Huhne and the private sector agree.

Energy saving performance contracting should be employed to ensure that when and not just how much energy is used is accounted for going forward, according to the co-chair of the Carbon Connect inquiry Julius Brinkworth.

Only last week, the United Nations called for two per cent of worldwide income to be invested in a green economy, but energy wastefulness alone accounts for £6bn a year. With energy prices estimated to inflate by more than 40 per cent in real terms in the next decade, according to Ofgem, addressing this wastage is critical to restoring the UK economy.

Lord Teverson, Liberal Democrat peer and co-chair of the inquiry, said, 'A 34 per cent target can only be met with energy efficiency as part of the equation.'

'A larger perspective is needed than energy saving alone. With government leadership, businesses across the UK can thrive, while securing a low carbon and fuel-secure future for the nation.'

The Carbon Connect report recommends that the UK government should deliver energy policy that is based around an energy management hierarchy, which identifies energy savings that will be most effective and easily achieved.

Building on a cap-and-trade structure, it also suggests that the government should introduce a

mandatory greenhouse gas reporting requirement for large companies in 2012 and give tax rebates to businesses that improve energy efficiency.

One of the key messages to the business community that the Carbon Connect report gives is that companies of all sizes should appoint non-executive leadership to encourage raising energy saving opportunities at board level.

Bill Farmer, founder of low carbon building consultancy Bill Farmer Business Services, told NewNet that a transparent system of energy accountancy could revolutionise the economy. Labelling retail products according to energy costs, for example, could also spur a consumer-driven green economy.

'The business case for energy efficiency is clear and compelling. Few other investments get anywhere near that rate of return,' said Hugh Jones, managing director of Carbon Trust Advisory Services.

'Yet our data suggests big businesses are leaving around half the investment opportunities on the table and continuing to waste billions of pounds on unnecessary energy use every year.'

[Read the full Carbon Connect \*Energy Efficiency: The Untapped Business Opportunity\* report.](#)

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