



Sustainability in the Dutch Power Sector

Fact Sheet Series

Oxxio

Joseph Wilde-Ramsing, Tim Steinweg, Maaike Kokke

Oxxio

1 Introduction

This series of fact sheets is designed to investigate the Dutch power sector and raise public awareness about the sustainability of power companies operating in the Netherlands. The series consists of ten company fact sheets and four thematic fact sheets, for a total of 14. The ten company fact sheets focus on ten of the Netherlands' leading power companies: DELTA, Electrabel, Eneco, E.ON, Essent, Greenchoice, Nuon, Oxxio, RWE, and Windunie. For each company, the fact sheet will contain information on four measures of sustainability: the company's current fuel mix for installed electricity generation capacity in Europe, current fuel mix of electricity supplied in the Netherlands, investments in new generating capacity in Europe, and initiatives to encourage consumers to become more sustainable in their energy use by conserving energy and reducing overall use (demand-side initiatives) in the Netherlands. The thematic fact sheets focus on these same four areas and compare the ten companies' performance in each area. Information for the fact sheets has been gathered from news articles and databases; company sources such as websites, annual reports and CSR reports; and personal interviews with the companies. All of the companies were given and used the opportunity to review a draft of their fact sheet, provide comments, and correct any factual errors. Funding for the fact sheets was provided by Greenpeace. All fact sheets in this series are available on the SOMO website at www.somo.nl.

2 Basic company information

Oxxio is a relatively young energy company that was incorporated in 2000. With over 800,000 private and business clients and a Dutch market share of more than 7%, it is the fourth largest energy supplier of the Netherlands in terms of clientele. In 2005, all shares in Oxxio were taken over by the energy company Centrica, the parent company of British Gas.

Oxxio has thus far only been a supplier of electricity, but it is now evolving into an energy production company as well. The company recently began construction of a new gas-fired power plant that is expected to be commercially operational in the summer of 2010.¹ With this new generating capacity, Oxxio expects to be able to serve 60% of its clients with its own electricity production.

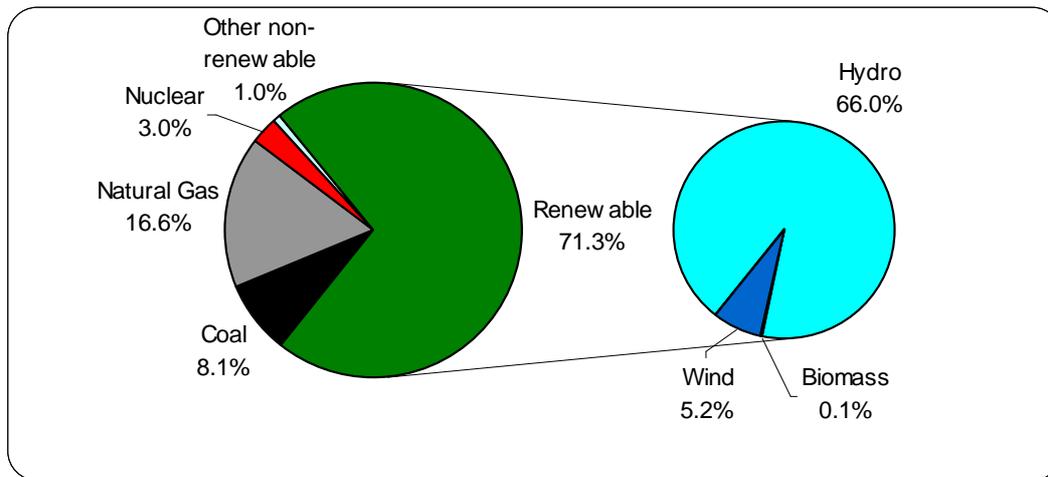
3 Installed capacity for electricity generation in Europe

Oxxio does not currently own any generation capacity. As explained above and below, the company has announced an investment in a natural gas power plant.

4 Electricity supplied in the Netherlands

Figure 1 shows the fuel mix of energy supplied by Oxxio, and Table 1 presents the CO₂ emissions and radioactive waste production resulting from the generation of the electricity that Oxxio supplies in the Netherlands.

Figure 1: Fuel mix of electricity supplied by Oxxio, 2007



Based on: Oxxio²

Table 1: Emissions and waste resulting from Oxxio's electricity supply, 2007

Indicator	Amount
CO ₂ (g/kWh)	140.4
Radioactive waste (µg/kWh)	89

Based on: Oxxio³

Oxxio supplies electricity to private consumers and business clients. The fuel mix supplied to private households is fully renewable, consisting of 92.6% hydropower, 7.3% wind power and 0.1% biomass. Small business clients receive 100% renewable electricity. Large scale business clients are offered non-renewable and renewable energy. 66% of all electricity supplied by Oxxio is generated by hydropower. No information was available on whether the hydro power originates from large-scale hydropower stations or small-scale hydropower stations.⁴

5 Announced investments in new generation capacity in Europe

Oxxio's announced investment in a natural gas plant will be its first investment in production capacity.⁵

Table 2: Oxxio's announced investments in new production capacity

Project name	Location	Fuel Type	Date in operation	Amount (€)	Output Capacity (MW)	Project Status
Maasroom power plant	Rijnmondgebied (NL)	Natural gas (CCGT) ⁶	Summer 2010	480 million ⁷	428	Under construction

Based on: Oxxio⁸

6 Demand-side initiatives

Oxxio's demand-site initiatives include:

- Oxxio informs its clients about sustainable products (e.g. Visa Green Card, an electric scooter, and the Pharox LED Lamp) and offers them a discount on these products.

- Oxxio helps its clients consume 10% less energy in three years by means of concrete online advice and the smart meter. The smart meter helps clients lower their energy consumption by giving them more insight into their energy use, and is a substitution for the old electricity and gas meter. Rental costs for the smart meter are the same as, or lower than, a normal meter.
- Oxxio rewards the clients that are able to save 10% less in three years with a cash payment of EUR 300.

¹ Centrica Annual Report 2007, p. 22.

² Oxxio stroometiket 2007

³ Idem

⁴ Small hydro is often developed using existing dams or through the development of new dams whose primary purpose is river and lake water-level control. Since small hydropower projects usually have minimal reservoirs and construction work, they are seen as having a relatively low environmental impact compared to large hydropower.

⁵ The station is owned by InterGen. Oxxio has tolling contract with InterGen that has a validity of 20 years.

⁶ The power plant disposes of an environmental technology that makes it the most economical and efficient gas-fired power plant in Europe at this moment. In order to take into account the air quality problem in the Rijnmond area, the SCR (Selective Catalytic Reduction)-technology is used voluntarily. This is the most advanced technology for minimising nitrogen emission.

⁷ InterGen, "InterGen completes financing 428 Megawatt Rijnmond II project in the Netherlands", 12 December 2007, <http://www.intergen.com/news/releases.php?shownews=true&id=116> (24-07-08)

⁸ Oxxio, "Bouw energiecentrale Oxxio van start", 3 April 2008, <http://www.oxio.nl/Over-Oxxio/Nieuws-Pers/Archief/Nieuwsbericht?id=38> (24-07-08)