



Big 6 and Wind Energy Firms Face Further Reputational Risk

New pricing regulation and outcry over wind farm idling dominate energy debate

London, UK. 6th July 2010: Debate on the suitability for wind energy for the UK dominated opinion leader discussion in June according to the latest In Sight Energy & Utilities analysis from Alva, the corporate reputation analysis company. Negative coverage on the National Grid paying wind farm owners for idling their turbines during heavy winds called into question the technology's suitability to meet the UK's energy requirements, but there were also positive predictions for the future growth of wind power, resulting in the subject monopolising the energy debate with more than 20% of all issues coverage. Discussions on Belarus switching off the flow of Russian gas to Europe came second, grabbing more than 14% of discussion, while new coalition Government policy and thinking for nuclear power took third place with over 9% of all issues debate.

“Renewable and nuclear energy gained considerable coverage as the new coalition government ruled out government subsidies for the new nuclear build,” explained Alberto Lopez-Valenzuela, CEO of Alva. “Gas supply issues due to disputes between Russia and Belarus had such an impact because they accentuate the UK's dependence on imported energy supplies and its inherent risk to the country.”

At a domestic level, June also saw further negative coverage on pricing transparency from the big 6, countered by new regulation from Ofgem. Customer statements will now have to show which tariff customers are on, how much energy has been used in the previous 12 months and the estimated cost for the following year. The statements will also show if customers received any discounts, the discounts they could be receiving and if any premiums were paid. EDF and Scottish Power are also facing an Ofgem probe in July for alleged customer overcharging, which will continue to contribute to the negative customer relations coverage surrounding the sector.

“How well and how quickly the energy companies deliver this transparency will have a major impact on their corporate reputation over the coming year,” added Alberto. “For those that get

it right there will be a considerable advantage and the opportunity to win many new customers.”

“Looking forward, the UK’s commitment to reduce carbon emissions is likely to come under further scrutiny as the economy picks up and emissions start to rise. This will pose a significant challenge to the Government and renewable energy firms, but also demonstrates a real opportunity for innovation and growth in this sector. This issue could be where reputations are won and lost over coming months.”

Each month, corporate reputation analysis company Alva reports on the emerging and most prominent reputational risk issues in the Energy and Utility industry using information collected from its daily more than media Alva Energy & Utilities In Sight service.

For the latest updates on emerging Energy and Utilities issues follow Alva on Twitter @AlvaUtilities

Ends

Summary of Energy and Utilities Industry Issues in June 2010

Top 10 Manufacturers

1. National Grid- 4.43%
2. Scottish Power- 4.03%
3. RenewableUK- 3.53%
4. Department of Energy and Climate Change- 3.41%
5. EDF- 3.03%
6. Renewable Energy Foundation- 2.83%
7. Gazprom- 2.64%
8. E.ON- 2.42%
9. Greenpeace- 2.21%
10. Scottish and Southern Energy- 2.17%

Top 10 Stories

1. Wind farm owners get fee to switch off turbines in heavy winds – 16.47%
2. Belarus turns off flow of Russian gas to Europe – 14.51%
3. Huhne warns of £4bn hole in nuclear power budget –9.82%
4. UK June 2010 Budget –6.00%
5. EWEA predicts 2010 will be a 'strong year' for wind installations – 4.04%
6. UK to remove barriers to nuclear power, energy minister says – 4.04%

7. EU plans green taxes to cut debt – 3.78%
8. Sheffield Forgemasters' £80m nuclear parts loan axed –3.67%
9. Manufacturers appeal for simplified carbon tax – 3.13%
10. Giant wind turbines 'the future of UK green energy' –2.80%

Issues Dominance

1. Renewable Energy- 24.06%
2. UK Production- 15.04%
3. UK Infrastructure- 13.88%
4. Corporate- 13.52%
5. Carbon Emissions- 10.05%
6. Nuclear Power- 7.39%
7. Political- 5.51%
8. Energy Prices- 5.01%
9. Climate Change- 3.13%
10. Smart Meters- 1.14%

About Alva

Alva specialises in analysing corporate reputation and reputational risk.

Our services equip organisations with the analysis tools to manage reputation and reputational risk in the same way as any other valuable business asset.

Alva's services are industry sector specific. Reputation analysis services for the Automotive and Energy and Utilities industries are already being delivered with services for the financial services communities following shortly, with 32 industry sectors planned in total.

Alva's founding team brings more than 50 years experience in media intelligence, business analysis and technology innovation, having worked at leading organisations such as Clifford Chance, Deutsche Bank, Datamonitor and PA Consulting.

Alva's Board of Directors consists of industry experts with extensive first-hand experience in managing reputation at PLC level. Alva Chairman Andrew Vickerman is the former Global Head of Communications & External Relations at Rio Tinto Plc. Serving as Non-Executive Directors are Alan Schofield, former special-adviser and press secretary to HM Government and Mark Rigby, Director of Corporate Affairs at Sainsbury's PLC.

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