
DRAFT SCOTTISH STATUTORY INSTRUMENTS

2006 No.

The Renewables Obligation (Scotland) Order 2006

PART 4

Alternative Ways of Discharging Renewables Obligation

Alternative way of discharging renewables obligation: payments

11.—(1) Instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by making a payment to the Authority before the specified day relating to that obligation period.

(2) Subject to paragraphs (3) and (4), the payment to be made under paragraph (1) is £33.24 for each megawatt hour of electricity generated from eligible renewable sources for which the designated electricity supplier does not produce certificates pursuant to article 3 or article 13 or NIROCs pursuant to article 12 (“the buy-out price”).

(3) If, in the case of the calendar year 2006 or any subsequent calendar year, the annual retail prices index for that year (“the later year”) is higher or lower than that for the previous year, the buy-out price relating to the obligation period beginning on the 1st April immediately following the later year shall be increased (if the index is higher) or decreased (if the index is lower) by the annual percentage inflation rate of the retail prices index for the later year.

(4) When the buy-out price is calculated under paragraph (3) the result shall be rounded to the nearest penny (with any exact half of a penny being rounded upwards).

Alternative way of discharging renewables obligation: NIROCs

12.—(1) Subject to article 14, instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by producing to the Authority in accordance with this article eligible NIROCs issued in respect of electricity that has been supplied to customers during that obligation period.

(2) A NIROC referred to in paragraph (1) shall be regarded as produced to the Authority in respect of an obligation period where, before the specified day relating to that period, the Authority receives, from the designated electricity supplier which is treated as holding the NIROC for the purposes of the NIRO Order under which it was issued, a notification in writing identifying the NIROC to be so produced and giving its NIROC identifier.

(3) Without prejudice to paragraph (2), the Authority may draw up procedural guidelines for the production of NIROCs under this article.

Alternative way of discharging renewables obligation: certificates certifying the matters in section 32B(2A) of the Act

13.—(1) Subject to article 14, instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by producing to the Authority in accordance with this article certificates issued by the Authority and certifying the matters in section 32B(2A) of the Act, provided that such certificates relate to electricity generated from eligible renewable sources.

(2) A certificate referred to in paragraph (1) shall be regarded as produced to the Authority in respect of an obligation period where, before the specified day relating to that period the Authority receives from the designated electricity supplier which holds the certificate, a notification in writing identifying the certificate to be produced for that purpose and, in the case of a SROC, the SROC identifier.

(3) Without prejudice to paragraph (2), the Authority may draw up procedural guidelines for the production of certificates under this article.

Further provision in relation to production of certificates and NIROCs

14.—(1) A designated electricity supplier may discharge up to 25 per cent of its renewables obligation in respect of an obligation period by producing to the Authority certificates issued by the Authority under section 32B of the Act and eligible NIROCs relating to electricity supplied in the immediately preceding obligation period.

(2) In respect of any obligation period which falls—

- (a) from 1st April 2006 until 31st March 2011, no more than 10 per cent; and
- (b) from 1st April 2011 until 31st March 2016, no more than 5 per cent,

of a designated electricity supplier's renewables obligation may be satisfied by the production of certificates issued by the Authority under section 32B of the Act and eligible NIROCs issued in respect of generating stations which during the month to which a certificate or NIROC relates, have been fuelled partly by fossil fuel (as defined in article 8) and partly by biomass (and by no other fuel).

(3) A designated electricity supplier shall not produce to the Authority a certificate issued under section 32B of the Act or a NIROC which has previously been or is simultaneously produced to the Northern Ireland Authority under a NIRO Order.