
DRAFT SCOTTISH STATUTORY INSTRUMENTS

2009 No.

The Renewables Obligation (Scotland) Order 2009

PART 2

The renewables obligation

The renewables obligation

5.—(1) The renewables obligation is imposed on each electricity supplier supplying electricity to customers in Scotland (a “designated electricity supplier”).

(2) The renewables obligation is that, subject to articles 42 and 43, each designated electricity supplier must, by the specified day, produce to the Authority, in respect of each megawatt hour of electricity that it supplies to customers in Scotland during an obligation period—

- (a) subject to sub-paragraph 4(1)(b), the number of renewables obligation certificates determined in accordance with article 11;
- (b) where the obligation period commences on 1st April 2009, 0.097 renewables obligation certificates for each megawatt hour so supplied.

(3) To enable the number referred to in paragraph (a) to be determined, the Scottish Ministers must first determine for the obligation period in question, calculations A, B, and C and the total number of renewables obligation certificates required to be produced by designated electricity suppliers in accordance with articles 6 to 11.

(4) Where the number of renewables obligation certificates that a designated electricity supplier is required to produce by virtue of paragraph (1) is not a whole number, it is to be rounded to the nearest whole number (one half being rounded upwards).

(5) For the purposes of this Order, electricity generated by a generating station which cannot be shown to have been supplied to customers in Scotland, is to be regarded as having been so supplied if and to the extent that the condition in paragraph (6) has been met.

(6) The condition is met if—

- (a) the generating station is located in Scotland;
- (b) the electricity has been supplied to customers or premises in a Renewable Energy Zone, or any part of such a Zone, which is designated by Order under section 84(5) of the Energy Act 2004 (areas in relation to which Scottish Ministers have functions); and
- (c) those customers or premises are connected to a transmission or distribution system (or part of such a system) located in Scotland.

Calculation A

6.—(1) Calculation A for the obligation period is the part of calculation A referable to Great Britain in article 7, added to the part of calculation A referable to Northern Ireland in article 8, rounded to the nearest whole number (one half being rounded upwards).

(2) References to calculation A are to be construed accordingly.

Part of calculation A referable to Great Britain

7. The part of calculation A referable to Great Britain is the estimate of megawatt hours of electricity likely to be supplied to customers in Great Britain during a particular obligation period, as estimated by the Secretary of State under article 6(1) of the Renewables Obligation Order 2009(1) (Part of calculation A referable to Great Britain), multiplied by the figure which corresponds to that particular obligation period in the second column of Schedule 1.

Part of calculation A referable to Northern Ireland

8. The part of calculation A referable to Northern Ireland is the estimate of megawatt hours of electricity likely to be supplied to customers in Northern Ireland during a particular obligation period, as estimated by the Secretary of State under article 7(1) of the Renewables Obligation Order 2009 (Part of calculation A referable to Northern Ireland), multiplied by the figure which corresponds to that particular obligation period in the third column of Schedule 1.

Calculation B

9.—(1) Calculation B is the number of renewables obligation certificates likely to be issued in respect of renewable electricity for a particular obligation period, as estimated by the Secretary of State under article 9(2) of the Renewables Obligation Order 2009, increased by 8 per cent and rounded to the nearest whole number (one half being rounded upwards).

(2) References to calculation B are to be construed accordingly.

(3) In this article “renewable electricity” means electricity which is generated from renewable sources and in respect of which renewables obligation certificates may be issued.

Calculation C

10.—(1) The figure representing the sum of the estimates in articles 7 and 8, multiplied by 0.2 and rounded to the nearest whole number (one half being rounded upwards), is calculation C for that obligation period.

(2) References to calculation C are to be construed accordingly.

Determining the total number of renewables obligation certificates to be produced in an obligation period

11.—(1) Following the determination of calculations A and B for an obligation period and having calculated calculation C for that period in accordance with article 10, the Scottish Ministers are to determine the total number of renewables obligation certificates required to be produced by designated electricity suppliers (“the total obligation”) for that period in accordance with paragraphs 10(1) to 10(4).

(2) Where calculation A is greater than or equal to calculation B for an obligation period, the total obligation for that period is calculation A.

(3) Subject to paragraph 10(3), where calculation B is greater than calculation A for an obligation period, the total obligation for that period is calculation B.

(4) Where calculation B is greater than both calculations A and C for an obligation period, the total obligation for that period is calculation C.

(5) References to the total obligation are to be construed accordingly.

Determining the number of renewables obligation certificates to be produced by a designated electricity supplier in order to discharge its renewables obligation

12.—(1) Where the total obligation for an obligation period is calculation A, the number of renewables obligation certificates that a designated electricity supplier is required to produce in order to discharge its renewables obligation in respect of electricity that it supplies to customers in Scotland during that period is, for each megawatt hour so supplied, the figure set out in the second column of Schedule 1 that corresponds to that period.

(2) Where the total obligation for an obligation period is calculation B, the number of renewables obligation certificates that a designated electricity supplier is required to produce in order to discharge its renewables obligation in respect of electricity that it supplies to customers in Scotland during that period is, for each megawatt hour so supplied, equal to—

$$\frac{\text{figure set out in second column of Schedule 1 for that period} \times \text{calculation B for that period}}{\text{calculation A for that period}}$$

(3) Where the total obligation for an obligation period is calculation C, the number of renewables obligation certificates that a designated electricity supplier is required to produce in order to discharge its renewables obligation in respect of electricity that it supplies to customers in Scotland during that period is, for each megawatt hour so supplied, 0.2 renewables obligation certificates.

(4) The Scottish Ministers must publish, by the 1st October preceding an obligation period, the number of renewables obligation certificates that a designated electricity supplier is required to produce in respect of each megawatt hour of electricity that it supplies to customers in Scotland during that period in order to discharge its renewables obligation for that period(2).

Further provision in relation to the production of renewables obligation certificates

13.—(1) A designated electricity supplier may discharge its renewables obligation by the production to the Authority of Northern Ireland certificates.

(2) 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 renewables obligation certificates relating to electricity supplied in the immediately preceding obligation period.

(3) Subject to paragraphs 12(3) and 12(4), no more than 12.5 per cent of a designated electricity supplier's renewables obligation may be satisfied by the production of renewables obligation certificates issued in respect of electricity generated by a generating station in a month during which it generated electricity partly from fossil fuel and partly from biomass.

(4) Paragraph (2) does not apply to the 1st April 2009 to 31st March 2010 obligation period, where no more than 10 per cent of a designated electricity supplier's renewables obligation may be satisfied by the production of renewables obligation certificates issued in respect of electricity generated by a generating station in a month during which it generated electricity partly from fossil fuel and partly from biomass.

(5) In the case of a renewables obligation certificate issued in respect of electricity generated by a generating station in a month during which it generated electricity partly from fossil fuel and partly from biomass the limits set out in paragraph (2) or (3) do not apply to the production of those certificates if and to the extent that the electricity in respect of which they were issued was generated by—

- (a) co-firing of biomass with CHP;
- (b) co-firing of energy crops; or

(2) See www.scotland.gov.uk/home for publication.

(c) co-firing of energy crops with CHP.

(6) In determining how electricity has been generated for the purposes of paragraphs (2) to (4), no account is to be taken of any fossil fuel which the generating station uses for permitted ancillary purposes.

(7) A designated electricity supplier must not produce to the Authority a renewables obligation certificate which has previously been or is produced to the Northern Ireland authority under a NIRO Order.

(8) In this article, “co-firing of biomass with CHP”, “co-firing of energy crops” and “co-firing of energy crops with CHP” have the same meaning as in Schedule 2.