Draft Order laid before Parliament under sections 124(5) and 192(3) of the Energy Act 2004, for approval by resolution of each House of Parliament.

#### DRAFT STATUTORY INSTRUMENTS

# 2015 No. 0000

# TRANSPORT ENERGY

# SUSTAINABLE AND RENEWABLE FUELS

# The Renewable Transport Fuel Obligations (Amendment) Order 2015

 Made
 2015

 Coming into force
 15th April 2015

The Secretary of State makes the following Order in exercise of the powers conferred by sections 124(1) and (2), 125A(1)(a), 125B(1)(a), 126(1) and (2)(j) and (k), and 192(4)(a) and (c) of the Energy Act 2004(1) ("the 2004 Act").

The Secretary of State has consulted such persons appearing to the Secretary of State to represent persons whose interests will be affected by this Order, and such other persons as the Secretary of State considers appropriate, as required by section 124(4) of the 2004 Act.

A draft of this Order was laid before Parliament in accordance with sections 124(5) and 192(3) of the 2004 Act and approved by a resolution of each House of Parliament.

#### Citation and commencement

**1.** This Order may be cited as the Renewable Transport Fuel Obligations (Amendment) Order 2015 and comes into force on 15th April 2015.

## **Amendment of Order**

**2.** The Renewable Transport Fuel Obligations Order 2007(**2**) is amended as follows.

<sup>(1) 2004</sup> c. 20; sections 125A and 125B were inserted by the Climate Change Act 2008 (c. 27), Schedule 7, paragraphs 1 and 2.

<sup>(2)</sup> S.I. 2007/3072, amended by S.I. 2009/843, S.I. 2011/493, S.I. 2011/2937, S.I. 2013/816.

#### **Amendment of article 2 (interpretation)**

**3.** In article 2(1), in the definition of "notional volume", after the words "in accordance with article 5(4A)" insert "and, where that notional volume expressed in litres includes a fraction of a litre, rounded up or rounded down to the nearest whole litre (rounding up where the fraction is 0.5 litres or above)".

#### Amendment of article 4 (the renewable transport fuel obligation)

- **4.**—(1) After article 4(8)(c) omit "and".
- (2) After article 4(8)(d) insert—
- "; and
- (e) to the extent that the eligible oil is hydrotreated vegetable oil derived from relevant feedstocks and thermochemically treated with hydrogen derived from a non-biological origin, S is deemed to be 100% in respect of that portion of the eligible oil.".
- (3) For article 4(9) substitute—
  - "(9) For the purposes of this article—
    - (a) except where sub-paragraph (b) or (c) applies, one kilogram of gaseous relevant hydrocarbon oil must be treated as equivalent to one litre of relevant hydrocarbon oil;
    - (b) where the gaseous relevant hydrocarbon oil is biomethane, one kilogram of that oil must be treated as equivalent to 1.90 litres of liquid relevant hydrocarbon oil; and
    - (c) where the gaseous relevant hydrocarbon oil is either biobutane or biopropane (or a combination of both biobutane and biopropane), one kilogram of that oil must be treated as equivalent to 1.75 litres of liquid relevant hydrocarbon oil.".

### Amendment of article 5 (determinations of amounts of transport fuel)

- **5.**—(1) After article 5(4B)(b) omit "and".
- (2) After article 5(4B)(c) insert—
- "; and
- (d) to the extent that the renewable transport fuel is hydrotreated vegetable oil derived from relevant feedstocks and thermochemically treated with hydrogen derived from a non-biological origin, S is deemed to be 100% in respect of that portion of the renewable transport fuel."
- (3) For article 5(5) substitute—
  - "(5) For the purposes of this article—
    - (a) except where sub-paragraph (b) or (c) applies, one kilogram of gaseous renewable transport fuel must be treated as equivalent to one litre of liquid renewable transport fuel;
    - (b) where the gaseous renewable transport fuel is biomethane, one kilogram of that fuel must be treated as equivalent to 1.90 litres of liquid renewable transport fuel; and
    - (c) where the gaseous renewable transport fuel is either biobutane or biopropane (or a combination of both biobutane and biopropane), one kilogram of that fuel must be treated as equivalent to 1.75 litres of liquid renewable transport fuel.".

# Amendment of article 13 (power to require information)

**6.** In article 13 omit paragraph (4).

# Amendment of article 16 (application for RTF certificates)

- 7. In article 16(3)—
  - (a) omit sub-paragraph (d); and
  - (b) in sub-paragraph (e) for the words "sub-paragraphs (b) and (d)" substitute "sub-paragraph (b)".

Signed by authority of the Secretary of State for Transport

Minister of State Department for Transport

#### **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order amends the Renewable Transport Fuel Obligations Order 2007 (S.I. 2007/3072) ("the 2007 Order").

Article 3 amends the definition of "notional volume" in the 2007 Order so that, where the volume as calculated in accordance with article 5 of that Order includes a fraction of a litre, it is to be rounded up or down to the nearest whole litre.

Articles 4(1) and (2) and 5(1) and (2) amend articles 4 and 5 of the 2007 Order. The effect is to provide that where hydrotreated vegetable oil derives in part from hydrogen from a non-biological source, that portion is nevertheless deemed to be wholly derived from renewable feedstocks for the purposes of calculating notional volume.

The 2007 Order provides that one kilogram of gaseous relevant hydrocarbon oil must be treated as equivalent to one litre of liquid relevant hydrocarbon oil. *Articles 4(3) and 5(3)* of this Order amend the 2007 Order to provide that one kilogram of certain renewable gaseous fuels is equivalent to 1.9 (in the case of biomethane) or 1.75 (in the case of biopropane and biobutane) litres of liquid renewable fuel.

The effect of the amendment made by *article 6* is to update the power of the Administrator (the Secretary of State) to require information. The types of information listed in article 13(4) of the 2007 Order which could be required from a transport fuels supplier are either no longer needed or may be required under other powers in the 2007 Order, following amendments made in 2011. These included the introduction of mandatory carbon and sustainability reporting requirements to transpose Directive 2009/28/EC (on the promotion of the use of energy from renewable sources). The amendments made by *Article 7* are consequential to the amendment made by *Article 6*.

No impact assessment has been prepared for this instrument. A cost benefit analysis on the effect of this instrument is annexed to the Explanatory Memorandum which is published alongside the instrument at www.legislation.gov.uk.