



Utilities Act 2000

2000 CHAPTER 27

PART IV

AMENDMENT OF THE ELECTRICITY ACT 1989

Electricity from renewable sources

62 Obligation in connection with electricity from renewable sources.

For section 32 of the 1989 Act there is substituted—

“32 Obligation in connection with electricity from renewable sources.

- (1) The Secretary of State may by order impose on each electricity supplier falling within a specified description (a “designated electricity supplier”) an obligation to do what is set out in subsection (3) (and that obligation is referred to in this section and sections 32A to 32C as the “renewables obligation”).
- (2) The descriptions of electricity supplier upon which an order may impose the renewables obligation are those supplying electricity—
 - (a) in Great Britain;
 - (b) in England and Wales; or
 - (c) in Scotland,excluding such categories of supplier (if any) as are specified.
- (3) Subject to the provisions of this section and sections 32A and 32C, the renewables obligation is that the designated electricity supplier must, before a specified day (or before each of several specified days, or before a specified day in each year), produce to the Authority evidence of a specified kind showing—
 - (a) that it has supplied to customers in Great Britain during a specified period such amount of electricity generated by using renewable sources as is specified in relation to such a supplier; or

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- (b) that another electricity supplier has done so (or that two or more others have done so); or
 - (c) that, between them, they have done so.
- (4) If the order applies only to electricity suppliers in part of Great Britain, it may specify that the only electricity supplied which counts towards discharging the renewables obligation is electricity supplied to customers in that part of Great Britain.
- (5) Evidence of the supply of electricity may not be produced more than once in relation to the same electricity.
- (6) In the case of electricity generated by a generating station fuelled or driven partly by renewable sources and partly by fossil fuel, only the proportion attributable to the renewable sources can count towards discharging the renewables obligation (but this is subject to section 32A(1)(g)).
- (7) Before making an order, the Secretary of State must consult—
- (a) the Authority;
 - (b) the Council;
 - (c) the electricity suppliers to whom the proposed order would apply;
 - (d) the generators of electricity from renewable sources; and
 - (e) such other persons, if any, as he considers appropriate.
- (8) In this section—
- “fossil fuel” means coal, substances produced directly or indirectly from coal, lignite, natural gas, crude liquid petroleum, or petroleum products (and “natural gas” and “petroleum products” have the same meanings as in the ^{M1}Energy Act 1976);
- “renewable sources” means sources of energy other than fossil fuel or nuclear fuel, but includes waste of which not more than a specified proportion is waste which is, or is derived from, fossil fuel;
- “specified” means specified in the order.
- (9) An order under this section shall not be made unless a draft of the instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.”

Commencement Information

- II** S. 62 wholly in force at 1.10.2001; s. 62 not in force at Royal Assent see s. 110(2); s. 62 in force for specified purposes at 16.5.2001 by [S.I. 2001/1781](#), [art. 2](#), [Sch.](#) (subject to transitional provisions in [arts. 3-10](#)); s. 62 in force for all remaining purposes at 1.10.2001 by [S.I. 2001/3266](#), [art. 2](#), [Sch.](#) (subject to transitional provisions in [arts. 3-20](#))

Marginal Citations

- M1** 1976 c. 76.

63 Orders under section 32: supplementary.

After section 32 of the 1989 Act there is inserted—

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“32A Orders under section 32: supplementary.

- (1) An order under section 32 may make provision generally in relation to the renewables obligation imposed by the order, and may in particular specify—
 - (a) different obligations for successive periods of time;
 - (b) that only electricity generated using specified descriptions of renewable source is to count towards discharging the obligation (or that such electricity is to count only up to a specified amount);
 - (c) that only electricity generated by specified descriptions of generating station is to count towards discharging the obligation (or that such electricity is to count only up to a specified amount);
 - (d) that a specified minimum amount of electricity generated as mentioned in paragraph (b) or (c) is to be counted towards the discharge of the renewables obligation;
 - (e) how the amount of electricity supplied by an electricity supplier (whether generally or to particular customers or descriptions of customer) is to be determined;
 - (f) how the proportion referred to in section 32(6) or in the definition of “renewable sources” in section 32(8) is to be determined;
 - (g) the consequences for the discharge of the renewables obligation if a generating station of the type mentioned in section 32(6) uses more than a specified proportion of fossil fuel during a specified period (which may include the consequence that none of the electricity generated by that generating station during that period is to count towards discharging the obligation);
 - (h) that specified information, or information of a specified nature, is to be given to the Authority (in addition to the evidence referred to in section 32(3)), and the form in which it is to be given.
- (2) An order may, in relation to any specified period (“the current period”)—
 - (a) provide that evidence of electricity supplied in a later period may, when available, be counted towards discharging the renewables obligation for the current period;
 - (b) provide that evidence of electricity supplied in the current period may, in a later period, be counted towards discharging the renewables obligation for that period;
 - (c) specify how much later the later period referred to in paragraph (a) or (b) may be;
 - (d) specify a maximum proportion of the renewables obligation for any period which may be discharged as mentioned in paragraph (a) or (b);
 - (e) specify a maximum proportion of electricity supplied in any period evidence of which may be counted towards discharging the renewables obligation for a different period.
- (3) An order may make—
 - (a) different provision for different cases or circumstances; and
 - (b) different provision in relation to different suppliers,if the Secretary of State is of the opinion that the differences are such that no electricity supplier would be unduly disadvantaged in competing with other electricity suppliers.

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- (4) An order may provide for the Authority to require an electricity supplier to provide it with information, or with information of a particular kind, which is in its opinion relevant to the question whether the supplier is discharging, or has discharged, the renewables obligation.
- (5) That information must be given to the Authority in whatever form it requires.
- (6) No person shall be required by virtue of this section to provide any information which he could not be compelled to give in evidence in civil proceedings in the High Court or, in Scotland, the Court of Session.
- (7) An order may make further provision as to the functions of the Authority in relation to the obligation imposed by the order.”

Commencement Information

I2 S. 63 wholly in force at 1.10.2001; s. 63 not in force at Royal Assent see s. 110(2); s. 63 in force at 1.10.2001 by [S.I. 2001/3266](#), [art. 2](#), [Sch.](#) (subject to transitional provisions in [arts. 3-20](#))

64 Green certificates.

After section 32A of the 1989 Act there is inserted—

“32B Green certificates.

- (1) An order under section 32 may provide for the Authority to issue from time to time, in accordance with such criteria (if any) as are specified in the order, a certificate to the operator of a generating station or to an electricity supplier.
- (2) A certificate is to certify—
 - (a) that the generating station or, in the case of a certificate issued to an electricity supplier, a generating station specified in the certificate, has generated from renewable sources the amount of electricity stated in the certificate; and
 - (b) that it has been supplied to customers in Great Britain (or the part of Great Britain stated in the certificate).
- (3) If an electricity supplier produces a certificate to the Authority, it is to count for the purposes of section 32(3) as sufficient evidence of the facts certified.”

Commencement Information

I3 S. 64 wholly in force at 1.10.2001; s. 64 not in force at Royal Assent see s. 110(2); s. 64 in force at 1.10.2001 by [S.I. 2001/3266](#), [art. 2](#), [Sch.](#) (subject to transitional provisions in [arts. 3-20](#))

65 Alternative way of discharging renewables obligation: payments.

After section 32B of the 1989 Act there is inserted—

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“32C Payment as alternative to complying with order under section 32.

- (1) An order under section 32 may provide that instead of producing evidence under section 32(3), an electricity supplier may discharge (in whole or in part) its renewables obligation (or its obligation in relation to a particular period) by making a payment to the Authority.
- (2) The order may make provision—
 - (a) as to the sum which for the purposes of subsection (1) is to correspond to the supply of a given amount of electricity;
 - (b) for different such sums in relation to different periods;
 - (c) for different such sums in relation to electricity generated in different ways specified in the order (such as those referred to in section 32A(1) (b) and (c)); and
 - (d) for any such sum to be adjusted from time to time for inflation by a method specified in the order (which may refer to a specified scale or index or to other specified data of any description, including such a scale or index or such data in a form not current when the order was made, but in a subsequent form attributable to revision or any other cause and taking effect afterwards).
- (3) The Authority must pay the amounts received to electricity suppliers in accordance with a system of allocation specified in the order.
- (4) The system of allocation specified in the order may provide for payments to specified categories of electricity supplier only.”

Commencement Information

I4 S. 65 wholly in force at 1.10.2001; s. 65 not in force at Royal Assent see s. 110(2); s. 65 in force at 1.10.2001 by [S.I. 2001/3266](#), [art. 2](#), [Sch.](#) (subject to transitional provisions in [arts. 3-20](#))

66 Abolition of fossil fuel levy.

Section 33 of the 1989 Act shall cease to have effect.

67 Supplementary.

- (1) The Secretary of State may by order made by statutory instrument make such provision as he considers necessary or expedient for the purpose of—
 - (a) providing for section 32 of the 1989 Act to have effect, before its substitution by section 62 of this Act, with modifications specified in the order (but if this power is exercised the modifications must include the omission of subsections (3) and (4) of section 32);
 - (b) saving orders under section 32 of the 1989 Act made before the coming into force of section 62;
 - (c) preserving, modifying, replacing or otherwise dealing with arrangements [^{F1}made pursuant to such an order (or such arrangements as modified or replaced by virtue of an order under this section)], including making provision for substituting different parties to the arrangements or for replacement

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- arrangements to be between parties different from those party to the replaced arrangements;
- (d) requiring the continued payment of any fossil fuel levy payable by virtue of section 33 of the 1989 Act and providing for payments out of that levy despite the repeal of that section.
- (2) The power in subsection (1)(c) may be exercised both before the coming into force of section 62 and afterwards.
- (3) An order under this section may, in particular, provide for section 32 (apart from subsections (3) and (4)) or 33 of the 1989 Act (as they had effect immediately before the coming into force of section 62 or 66) to continue to have effect with modifications specified in the order.
- (4) An order under this section may, in particular—
- (a) provide for what is to happen in relation to the fossil fuel levy and payments out of it if in any month—
- (i) the cost referred to in section 33(5)(b) of the 1989 Act is greater than the cost referred to in section 33(5)(a) of the 1989 Act, or
- (ii) the same is true in relation to any other corresponding measures referred to in section 33 of the 1989 Act as modified under subsection (3);
- (b) provide in such a case for payments of amounts determined in accordance with the order (but not exceeding the difference between the sums referred to in paragraph (a)) to be made by, instead of to, the person to whom payments out of the fossil fuel levy would otherwise have been made.
- (5) An order under this section may provide—
- (a) that any specified requirement contained in it is to be treated as a relevant requirement for the purposes of Part I of the 1989 Act; and
- (b) for one of those requirements to be that a person referred to in paragraph (a) or (b) of subsection (6) is not to act or omit to act as set out there,
- but while subsections (3) and (4) of section 32 of the 1989 Act remain in force an order may not provide for anything which would be an offence under section 32(3) to be treated as a relevant requirement.
- (6) The persons, acts and omissions referred to in subsection (5)(b) are—
- (a) an act or omission by a person subject to requirements contained in the order which prevents any arrangements made pursuant to the order from securing such results as are specified in the order; and
- (b) an act or omission by a party to arrangements made pursuant to an order under section 32 of the 1989 Act made before the coming into force of section 62 of this Act (or such arrangements as modified or replaced by virtue of an order under this section) which prevents the arrangements from securing the result mentioned in subsection (2) of that section (or that subsection as modified by virtue of an order under this section), or such corresponding result as is specified in the order.
- (7) An order under this section may make different provision for different areas.
- (8) A statutory instrument containing an order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

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Textual Amendments

F1 Words in s. 67(1)(c) substituted (26.1.2009) by [Energy Act 2008 \(c. 32\)](#), **ss. 39**, 110(2); S.I. 2009/45, [art. 2\(a\)\(ii\)](#)

Modifications etc. (not altering text)

C1 S. 67: transfer of functions (1.11.2001) by virtue of [S.I. 2001/3504](#), [arts. 1\(1\)](#), [2](#), [4](#), [Sch.](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(3A) inserted by [2023 c. 52 s. 197\(2\)](#)
- s. 33(1)(f) word omitted by [2018 c. 14 s. 6\(10\)\(a\)](#) (This amendment not applied to [legislation.gov.uk](#). The word "or" is already omitted present (19.7.2018) by virtue of [2018 c. 21, ss. 11\(2\), 13\(2\)](#))