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STATUTORY INSTRUMENTS

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**2015 No. 1947**

**The Renewables Obligation Order 2015**

**PART 8**

**Payments to discharge the renewables obligation, dealing with the buy-out and late payment funds, and mutualisation**

**Payments to be made by suppliers towards the total mutualisation sum**

**74.**—(1) Where a relevant shortfall has occurred in relation to the relevant period, as soon as reasonably practicable after the 31st October in the settlement period the Authority must notify each relevant supplier of—

- (a) the amount of the shortfall,
- (b) the total mutualisation sum, and
- (c) the payment which that supplier is required to make under paragraph (3).

(2) Where the Authority notifies relevant suppliers under paragraph (1) it must publish a notice stating the amount of the shortfall in relation to the relevant period and the total mutualisation sum.

(3) Where a relevant shortfall has occurred in relation to the relevant period, each relevant supplier must make a payment to the Authority (a “supplier payment”).

(4) The supplier payment for each relevant supplier is equal to

- (a) T is the total mutualisation sum,
- (b) E is the number of UK ROCs that the supplier, if it had made no payments under article 67 or 68, would have had to produce to the Authority in order for it to have discharged its renewables obligation for the relevant period in full, and
- (c) F is the total number of UK ROCs that all relevant suppliers, if none of them had made payments under articles 67 or 68 would have had to produce in order for each of them to discharge their renewables obligation for the relevant period in full.

(5) Subject to article 75, each relevant supplier must make its supplier payment in the following instalments (“instalment payments”)—

- (a) 25% of the supplier payment required must be paid to the Authority before 1st September in the mutualisation period;
- (b) 25% of the supplier payment must be paid to the Authority before 1st December in that period;
- (c) 25% of the supplier payment must be paid to the Authority before 1st March in that period; and
- (d) 25% of the supplier payment must be paid to the Authority before 1st June immediately following that period.

(6) Where a person required to make a supplier payment—

- (a) fails to make payment in full, and

(b) at any time during or after the end of the relevant period ceases to hold a licence to supply electricity under section 6(1) of the Act<sup>M1</sup>,  
sections 25 to 28 of the Act<sup>M2</sup> are to apply in respect of that person in respect of the obligations imposed by this article, as if that person still held a licence to supply electricity.

**Marginal Citations**

- M1** Section 6 of the Act was substituted by section 30 of the [Utilities Act 2000 \(c.27\)](#). Section 6(1) has been amended by section 136, section 145 and paragraph 1 of Schedule 23 to the [Energy Act 2004 \(c.20\)](#) and by article 6(2) and (3) of [S.I. 2012/2400](#).
- M2** Sections 27A to 27F were inserted by section 59 of the [Utilities Act 2000 \(c.27\)](#) and sections 27G to 27O were inserted by paragraph 2 of Schedule 14 to the [Energy Act 2013 \(c.32\)](#).

**Changes to legislation:**

There are currently no known outstanding effects for the The Renewables Obligation Order 2015, Section 74.