## **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order amends the Renewables Obligation Order (NI) 2009 ("the 2009 Order")

The 2009 Order imposes an obligation ("the renewables obligation") on all electricity suppliers, licensed under the Electricity Order (Northern Ireland) 1992 ("the Electricity Order") who supply electricity in Northern Ireland, to produce a certain number of renewables obligation certificates in respect of each megawatt hour of electricity that each supplies to customers in Northern Ireland during a specified period known as an obligation period (Article 5). It also "bands" the different technologies that are used to generate electricity from renewable sources, meaning that the number of certificates that will be issued in respect of that electricity depends on the way in which that electricity has been generated. The Order provides for the renewables obligation to be administered by the Northern Ireland Authority for Utility Regulation ("the Authority") who are responsible for issuing renewables obligation certificates (NIROCs) to renewable electricity generators on their renewable output. These certificates are sold to electricity suppliers with or without the associated renewable electricity.

Alternatively, instead of producing the required number of certificates in respect of all or part of their renewables obligation, a supplier is permitted to make a payment to the Authority.

Article 5 deletes Article 10 (Calculation C) of the 2009 Order to remove the ceiling of 20% on the level of the renewables obligation. Consequential amendments are made by Articles 3, 6 and 7 to remove references to calculation C in Articles 5(3), 11 and 12 of the 2009 Order.

Article 4 amends Article 9 (Calculation B) of the 2009 Order to increase the level of the percentage increase which is to be applied in calculation B from 8% to 10% for all obligation periods after 31st March 2011. 8% will be used for the 1st April 2010 to 31st March 2011 obligation period.

Article 8 inserts provisions to extend the end date for the NIRO from 2027 until 2033 and to introduce a limit of 20 years on the eligibility period for generators accredited after 25th June 2008.

Article 9 amends the provisions for microgenerators and certain small scale renewable generation to permit higher levels of support for qualifying generation.

Article 10 makes a correction to Article 28 of the 2009 Order.

Articles 11 and 12 amend Article 37 of, and insert a new Article 37A, into the 2009 Order. These amendments and new provisions allow the Authority, in certain circumstances, to reduce the number of NIROCs issued to a generator in any period to take account of NIROCs that had been wrongly issued to that generator within the previous 6 years.

Article 13 inserts a new paragraph 6A into Article 41 (Late Payments to discharge the renewables obligation) clarifying the existing legal position in relation to the late payment period (defined in Article 41 of the 2009 Order).

Article 14 amends Article 46 of the 2009 Order in order to exclude landfill gas and sewage gas from the biomass sustainability reporting requirements.

Article 15 makes a correction to Article 53 of the 2009 Order.

Article 16 makes consequential changes to Schedule 1.

Article 17 inserts definitions into Part 1 of Schedule 2 for "dedicated biomass with CHP" and "dedicated energy crops with CHP". Article 17 also deletes and replaces Parts 2, 3 and 4 of Schedule 2.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Article 18 provides for some provisions of the 2009 Order to be saved in respect of outstanding obligations or requirements imposed by it.