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SCOTTISH STATUTORY INSTRUMENTS

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**2009 No. 140**

**The Renewables Obligation (Scotland) Order 2009**

**PART 8**

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

**Circumstances in which payments towards the total mutualisation sum are to be re calculated**

- 50.**—(1) This article and article 51 apply where—
- (a) a relevant shortfall has occurred in relation to the relevant period; and
  - (b) a designated electricity supplier which failed to discharge its renewables obligation for the relevant period makes a payment to other United Kingdom suppliers which, if it had been made to the Authority under article 43 or 44, would have increased the amounts that those suppliers would have received under article 47 from the buy-out and late payment funds, that payment being designed to compensate those suppliers for that loss.
- (2) A designated electricity supplier which makes a payment mentioned in paragraph (1)(b) must, immediately after making the payment, notify the Authority—
- (a) of the United Kingdom suppliers to which the payment was made;
  - (b) how much each United Kingdom supplier received; and
  - (c) to which obligation period the payment relates.
- (3) Any designated electricity supplier which receives a payment mentioned in paragraph (1)(b) must notify the Authority, immediately after receiving the payment, of the amount it received.
- (4) Where a designated electricity supplier receives a payment from an electricity supplier supplying electricity in England and Wales in relation to the electricity supplier's failure to discharge in full any UK renewables obligation imposed on it by a renewables obligation order made by the Secretary of State, the designated electricity supplier must notify the Authority, immediately after receiving the payment, of the amount it received.
- (5) Where, before 1st August in the obligation period immediately following the mutualisation period, the Authority receives a notification under paragraph (2) or (3), relevant suppliers shall cease to be required to make instalment payments in respect of dates specified in article 49(5) which have not yet passed and the Authority must, as soon as is reasonably practicable—
- (a) recalculate the total mutualisation sum (in relation to the relevant period);
  - (b) recalculate the supplier payment (in relation to the relevant period) which each relevant supplier is required to make (to take account of the recalculated total mutualisation sum);
  - (c) calculate, in accordance with article 51, the payments (if any) suppliers are required to make under that article;
  - (d) notify each relevant supplier of—
    - (i) the recalculated total mutualisation sum;

- (ii) its recalculated supplier payment; and
- (iii) the payments (if any) the supplier is required to make under article 51; and
- (e) publish a notice stating the amount of the shortfall in relation to the relevant period and the total mutualisation sum as recalculated.

**Changes to legislation:**

There are currently no known outstanding effects for the The Renewables Obligation (Scotland) Order 2009, Section 50.