
DRAFT STATUTORY INSTRUMENTS

2015 No.

The Renewables Obligation Order 2015

PART 2

The renewables obligation

The renewables obligation

7.—(1) The renewables obligation is imposed on each electricity supplier supplying electricity in England and Wales (a “designated electricity supplier”).

(2) The renewables obligation is that, subject to articles 67 and 68, each designated electricity supplier must, by the specified day, produce to the Authority, in respect of each megawatt hour of electricity that it supplies to customers in England and Wales during an obligation period, the number of UK ROCs determined in accordance with article 13.

(3) To enable the number referred to in paragraph (2) to be determined, the Secretary of State must first determine, for the obligation period in question, calculations A and B and the total number of UK ROCs required to be produced by designated electricity suppliers in accordance with articles 8 to 12.

(4) Where the number of UK ROCs that a designated electricity supplier is required to produce by virtue of paragraph (2) is not a whole number, it is to be rounded to the nearest whole number (one-half being rounded upwards).

Part of calculation A referable to Great Britain

8.—(1) Before the start of each obligation period, the Secretary of State is to estimate, in megawatt hours, the total amount of electricity likely to be supplied to customers in Great Britain during that period by designated electricity suppliers and electricity suppliers on whom the renewables obligation has been imposed by an order made under sections 32 to 32M of the Act by the Scottish Ministers.

(2) The figure representing the number of megawatt hours so estimated for an obligation period is to be multiplied by 0.154.

Part of calculation A referable to Northern Ireland

9.—(1) Before the start of each obligation period, the Secretary of State is to estimate, in megawatt hours, the total amount of electricity likely to be supplied to customers in Northern Ireland during that period by electricity suppliers on whom an obligation has been imposed by an order made under Articles 52 to 55F of the Energy (Northern Ireland) Order 2003.

(2) The figure representing the number of megawatt hours so estimated for an obligation period is to be multiplied by 0.063.

Calculation A

10.—(1) The product of the calculation in article 8(2), added to the product of the calculation in article 9(2), is (for the obligation period to which those calculations relate) calculation A.

(2) Where calculation A is not a whole number, it is to be rounded to the nearest whole number (one-half being rounded upwards).

(3) References to calculation A in articles 12 and 13 are to be construed accordingly.

Calculation B

11.—(1) Before the start of each obligation period, the Secretary of State is to estimate, in megawatt hours, the total amount of renewable electricity likely to be supplied to customers in the United Kingdom during that period by designated electricity suppliers and electricity suppliers on whom an obligation has been imposed under an order made under sections 32 to 32M of the Act by Scottish Ministers or Articles 52 to 55F of the Energy (Northern Ireland) Order 2003.

(2) Having regard to this estimate, the Secretary of State is to calculate how many UK ROCs are likely to be issued in respect of that renewable electricity during that obligation period.

(3) The figure representing the number of UK ROCs likely to be so issued, increased by 10%, is calculation B for that obligation period.

(4) Where calculation B is not a whole number, it is to be rounded to the nearest whole number (one-half being rounded upwards).

(5) References to calculation B in articles 12 and 13 are to be construed accordingly.

(6) In this article “renewable electricity” means electricity which is generated from renewable sources and in respect of which UK ROCs may be issued.

Determining the total number of UK ROCs to be produced in an obligation period

12.—(1) Having determined calculations A and B for an obligation period, the Secretary of State is to determine the total number of UK ROCs required to be produced by designated electricity suppliers (“the total obligation”) for that period in accordance with paragraphs (2) to (4).

(2) Where calculation A is equal to or greater than calculation B for an obligation period, the total obligation for that period is calculation A.

(3) Where calculation B is greater than calculation A for an obligation period, the total obligation for that period is calculation B.

(4) References to the total obligation in article 13 are to be construed accordingly.

Determining the number of UK ROCs to be produced by a designated electricity supplier in order to discharge its renewables obligation

13.—(1) Where the total obligation for an obligation period is calculation A, in order to discharge its renewables obligation in respect of electricity that it supplies to customers in England and Wales during that period, a designated electricity supplier is required to produce 0.154 UK ROCs for each megawatt hour of electricity so supplied.

(2) Where the total obligation for an obligation period is calculation B, the number of UK ROCs that a designated electricity supplier is required to produce in order to discharge its renewables obligation in respect of electricity that it supplies to customers in England and Wales during that period is, for each megawatt hour so supplied, equal to—

$$\frac{\text{calculation B for that period} \times 0.154}{\text{calculation A for that period}}$$

(3) The Secretary of State must publish, by the 1st October preceding an obligation period, the number of UK ROCs that a designated electricity supplier is required to produce in respect of each megawatt hour of electricity that it supplies to customers in England and Wales during that period in order to discharge its renewables obligation for that period.

Further provision in relation to the production of UK ROCs

14.—(1) A designated electricity supplier may discharge its renewables obligation by the production to the Authority of a Northern Ireland certificate.

(2) A designated electricity supplier may discharge up to 25% of its renewables obligation in respect of an obligation period by producing to the Authority UK ROCs relating to electricity supplied in the immediately preceding obligation period.

(3) Subject to paragraph (4), no more than 4% of a designated electricity supplier's renewables obligation may be satisfied by the production of UK ROCs issued in respect of electricity generated from bioliquid.

(4) The limit set out in paragraph (3) does not apply to the production of UK ROCs issued in respect of electricity—

- (a) generated by a generating station to which article 34 applies,
- (b) generated by a qualifying CHP station which has, as at the date of generation of the electricity, a total installed capacity of less than 1 megawatt,
- (c) generated from advanced fuel, or
- (d) generated in the way described as “energy from waste with CHP” in Schedule 5.

(5) A designated electricity supplier must not produce to the Authority a UK ROC which is previously been or has previously been produced to the Northern Ireland authority under a NIRO Order.