

2005 No. 391

ELECTRICITY

The Electricity (Fuel Mix Disclosure) Regulations 2005

Made - - - - - *24th February 2005*

Laid before Parliament *25th February 2005*

Coming into force - - - *18th March 2005*

The Secretary of State, being a Minister designated for the purposes of section 2(2) of the European Communities Act 1972(a) in relation to measures relating to the regulation of the electricity sector(b), in exercise of the powers conferred on her by that section, hereby makes the following Regulations:

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Electricity (Fuel Mix Disclosure) Regulations 2005 and shall come into force on 18th March 2005.

(2) These Regulations do not extend to Northern Ireland.

Modification of electricity supply licences

2.—(1) The standard conditions of electricity supply licences are modified by the insertion of the standard condition appearing in the Schedule.

(2) The conditions which by virtue of section 33 of the Utilities Act 2000(c) are the standard conditions for the purposes of electricity supply licences granted after these Regulations come into force are modified by the insertion of the standard condition appearing in the Schedule.

(3) In this regulation, “electricity supply licence” means a licence granted under section 6(1)(d) of the Electricity Act 1989(d).

24th February 2005

Mike O'Brien,
Minister of State for Energy and E-Commerce
Department of Trade and Industry

(a) 1972 c.68.

(b) S.I. 1998/745.

(c) 2000, c.27, section 33 was amended by the Energy Act 2004(c.20), Schedule 19, paragraph 20.

(d) 1989, c.29, section 6 was substituted for the original by the Utilities Act 2000 (c.27), section 30.

SCHEDULE

“Section B

Condition 30A

1. In this condition:

“disclosure period” means each period of 1 April to 31 March after 31 March 2004.

“energy source” means the fuel used for the generation of the electricity supplied by the licensee being coal, natural gas, nuclear, renewable or other.

“fuel mix disclosure data table” means a table published by the Department of Trade and Industry on its website which will be available by 1 August each year after 31 July 2005 and identified as being for use by suppliers for the provision of: the factor referred to in the definition of the total amount of electricity purchased for supply by the licensee in this paragraph, the percentages for the calculation of the amount of each energy source in the residual fuel mix for the purposes of paragraph 10, and the information about environmental impact for the purposes of paragraph 11.

“generator declaration” means a declaration including details of:

- (a) the name and location of the generating station;
- (b) the name of the licensee to which the information in the generator declaration relates;
- (c) the disclosure period to which the generator declaration relates;
- (d) the fuel used in the generating station, and when the generating station uses more than one fuel the proportion of each fuel used according to the calorific value of the fuel used;
- (e) the amount of electricity subject to the declaration, expressed in MWh;
- (f) a statement that the generator has not issued generator declarations or transferred guarantees of origin in relation to an amount of electricity that exceeds the total output of the generating station in the disclosure period; and
- (g) the signature of a director of the generation company or person of similar standing where the generation licensee is not a company to verify the facts referred to in sub-paragraphs (a) to (f).

“guarantee of origin” means a certificate issued by the Authority or issued by another competent body and recognised by the Authority under The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003.

“other” means an energy source other than coal, natural gas, nuclear or renewable.

“promotional materials” means documents intended to promote the sale of electricity, other than newspapers and magazines, handed out or sent directly to consumers.

“renewable” means wind, solar, geothermal, wave, tidal, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases.

“total amount of electricity purchased for supply by the licensee” means the sum of the figures determined by the licensee under article 6(3) of the Renewables Obligation Order 2002 and article 6(3) of the Renewables Obligation (Scotland) Order 2004 (or equivalent determinations under any amendments to those Orders or re-enactments of the renewables obligation on revocation of those Orders) multiplied by a factor provided in the fuel mix disclosure data table to allow for transmission and distribution losses.

2. Provided that the licensee has supplied electricity for a full disclosure period, and subject to paragraph 3, it shall during the 12 month period commencing on 1 October

immediately following the end of the disclosure period, provide the information referred to in paragraph 4:

- (a) at least once in the period, to each customer that receives a bill or a statement in that period, either with or on the bill or the statement; and
- (b) in promotional materials.

3. The licensee may, during the final two months of each period commencing on 1 October mentioned in paragraph 2, use in any item of promotional material the information required for the next following such period, instead of the information required by paragraph 2.

4. In respect of each disclosure period the information referred to in paragraph 2 is:

- (a) the contribution of each energy source, even where the contribution is necessarily expressed as zero, to the total amount of electricity purchased for supply by the licensee; and
- (b) the environmental impact per kWh of electricity supplied resulting from the total amount of electricity purchased for supply by the licensee in terms of emissions of carbon dioxide and the production of radioactive waste.

5. The contribution referred to in sub-paragraph 4(a) must be expressed as a percentage of the total amount of electricity purchased for supply by the licensee, rounded to the nearest whole percentage point or, where the contribution is less than one percent, to one decimal place.

6. The information referred to in sub-paragraph 4(b) may be provided by means of a reference to an existing reference source such as a web page, provided that such reference is sufficiently clear to enable the source to be readily accessible and that the purpose for which the reference is provided is stated on or with the bill or statement and on promotional materials.

7. The licensee shall indicate clearly with the information referred to in paragraph 4:

- (a) the disclosure period to which the information relates; and
- (b) that the information relates to the total amount of electricity purchased for supply by the licensee.

8. Subject to paragraphs 9 and 10, the licensee shall claim a contribution referred to in sub-paragraph 4(a) where the following evidence is held at midday on 1 July immediately following the end of the disclosure period:

- (a) in the case of renewable, a guarantee of origin relating to generation in the disclosure period or, until 1 July 2006 only, a generator declaration relating to that period indicating a renewable energy source; or,
- (b) in the case of coal, natural gas, nuclear or other, a generator declaration relating to that period indicating the particular energy source; or
- (c) in the case of electricity obtained via an electricity exchange or imported from an undertaking outside the Community, where aggregate figures are provided by the electricity exchange or undertaking, such of those figures as identify the amount of electricity produced from a particular energy source.

9. The licensee shall only rely on a guarantee of origin issued outside Great Britain or a generator declaration from a generator outside Great Britain where:

- (a) it holds evidence of supply in Great Britain of the electricity referred to in the guarantee of origin or generator declaration, and
- (b) the guarantee of origin or generator declaration has not been used as evidence of fuel mix outside Great Britain.

10. Where the licensee does not hold the evidence required under paragraph 8 in respect of an amount of electricity purchased for supply by the licensee, the licensee shall apportion the amount of electricity in respect of which evidence is not held to each energy source according to the percentages detailed in the fuel mix disclosure data table.

11. For the purpose of sub-paragraph 4(b), the licensee shall refer to information expressed in terms of grams per kWh in the case of carbon dioxide and grams per kWh in the case of radioactive waste, where the figures are calculated:

- (a) for carbon dioxide emissions, by multiplying the percentage of each energy source as calculated according to sub-paragraph 4(a) by the CO₂ emission rate for each energy source as appears in the fuel mix disclosure data table and totalling the result obtained for each energy source; or
- (b) for radioactive waste, by multiplying the percentage of nuclear as calculated according to sub-paragraph 4(a) by the rate of radioactive waste as appears in the fuel mix disclosure data table.

12. The licensee shall upon request by the Authority provide to the Authority such information in such form and within such time as the Authority may reasonably require for the purpose of establishing whether, in the Authority's opinion, the licensee is complying or has complied with the requirements of this licence condition."

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the standard conditions in electricity supply licences in Great Britain in order to give effect to Article 3.6 of Directive 2003/54/EC concerning common rules for the internal market in electricity and repealing Directive 96/92/EC (O.J. No. L176, 15.7.2003, p.37). Article 3.6 of Directive 2003/54/EC requires Member States to ensure that electricity suppliers specify in or with bills and in promotional materials made available to final customers, certain information regarding the contribution of each energy source to the overall fuel mix of the supplier over the preceding year.

A Regulatory Impact Assessment is available and can be obtained from the Energy Markets Unit, Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET.

The licences modified by these Regulations may be inspected at the Registry of the Office of Gas and Electricity Markets, 9 Millbank, London SW1P 3GE.

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