2010 No. 2715

ELECTRICITY

The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) (Amendment) Regulations 2010

Made - - - - 4th November 2010
Laid before Parliament 12th November 2010
Coming into force - - 5th December 2010

The Secretary of State, being a designated Minister(a) under section 2(2) of the European Communities Act 1972(b) in relation to energy and energy sources makes the following Regulations in exercise of the powers conferred under that section.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) (Amendment) Regulations 2010 and come into force on 5th December 2010.

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

Amendments to the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003

2. The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003(c) (“the 2003 Regulations”) are amended by regulations 3 to 11.

Interpretation

3. Regulation 2(1) (interpretation) of the 2003 Regulations is amended as follows—

(a) after the definition of “the Authority” insert—

“aerothermal energy” means energy stored in the form of heat in the ambient air;”;

(b) for the definition of “biomass” substitute—

“biomass” means the biodegradable fraction of products, waste and residues of biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste;”;

(a) S.I. 2010/761.
(b) 1972 c. 68; section 2(2) was amended by the Legislative and Regulatory Reform Act 2006 (c. 51), section 27(1) and by the European Union (Amendment) Act 2008 (c. 7), section 3(3) and Part 1 of the Schedule.
(c) S.I. 2003/2562.
(c) for the definition of “the Directive” substitute—


(d) after the definition of “electricity produced from renewable energy sources” insert—

“geothermal energy” means energy stored in the form of heat beneath the surface of solid earth;”;

(e) after the definition of “Great Britain” insert—

“hydrothermal energy” means energy stored in the form of heat in surface water;”;

(f) omit the definition of “levy exemption certificate”;

(g) omit the definition of “nominated person”;

(h) omit the definition of “Non-Fossil Fuel Order”;

(i) omit the definition of “qualifying arrangement”;

(j) for the definition of “recognise” substitute—

“recognise”, in relation to a guarantee of origin, means to recognise in accordance with Article 15(9) of the Directive as proof of the elements referred to in paragraph 1 and paragraph 6(a) to (f) of the Directive;”;

(k) in the definition of “registered holder” for “paragraph 2(a) of Schedule 2” substitute “paragraph 1(l) of Schedule 2”;

(l) for the definition of “renewable energy sources” substitute—

“renewable energy sources” means renewable non-fossil energy sources, that is, wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases;”;

(m) omit the definition of “supply successor company”; and

(n) after the definition of “storage system” insert—

“support scheme” means any instrument, scheme or mechanism that promotes the use of energy from renewable sources by reducing the cost of that energy, increasing the price at which it can be sold, or increasing the volume of such energy purchased.”.

Designation of the Authority

4. In regulation 3 of the 2003 Regulations (designation of the authority as the issuer of guarantees of origin), after “issued” insert “, transferred, cancelled and revoked”.

Request for issue of guarantees of origin

5. For regulation 4(1) of the 2003 Regulations (request for issue of guarantees of origin and information required) substitute—

“(1) The Authority shall issue guarantees of origin in response to a request from a producer of electricity from renewable energy sources.”.

Issue and transfer of guarantees of origin

6. In regulation 6(3) of the 2003 Regulations (issue and transfer of guarantees of origin), for all references to “kilowatt hour” substitute “megawatt hour”.

Guarantees of origin and the Register

7. In regulation 7(1)(a) of the 2003 Regulations (guarantees of origin and the register), for “may” substitute “shall”.

Cancellation of guarantees of origin

8. After regulation 7 of the 2003 Regulations (guarantees of origin and the Register) insert—

“Cancellation of guarantees of origin

7A.—(1) Where a guarantee of origin is issued by the Authority in respect of electricity generated—

(a) during a period of one month, that guarantee of origin shall be cancelled not more than 16 months after the end of that month; or

(b) during a period of longer than one month, that guarantee of origin shall be cancelled not more than 16 months after the end of the first month during which the electricity to which it relates was generated.

(2) Where a guarantee of origin has been cancelled under paragraph (1) or revoked under regulation 8(1) it shall no longer qualify as proof that the electricity to which it relates was produced from renewable energy sources.”.

Recognition of guarantees of origin

9.—(1) Regulation 9 of the 2003 Regulations (recognition of guarantees of origin) is amended as follows.

(2) In paragraph (2)—

(a) for “article 5(4)”, substitute “article 15(10)”; and

(b) for “article 5(1)”, substitute “article 15(2)”. 

(3) For paragraph (3)(b) substitute—

“(b) if it is satisfied that there is good reason to doubt the accuracy, reliability or veracity of the guarantee of origin.”.

(4) For paragraph (4)(b) substitute—

“(b) if it is satisfied that there is good reason to doubt the accuracy, reliability or veracity of the guarantee of origin.”.

(5) After paragraph (6) insert—

“(7) Where a competent authority acting pursuant to Article 15(9) of the Directive refuses to recognise or withdraws recognition from a guarantee of origin issued by another Member State under paragraph (3) or (4) respectively, it shall notify the Commission of the European Union of its refusal or withdrawal and the justification for such refusal or withdrawal.”.

The 2003 Regulations: Schedule 1

10. For Schedule 1 to the 2003 Regulations (information to be provided under regulation 4(4) in a request for a guarantee of origin) substitute—
“SCHEDULE 1

INFORMATION TO BE PROVIDED UNDER REGULATION 4(4) IN A REQUEST FOR A GUARANTEE OF ORIGIN

1. The name and address of the person requesting the issue of the guarantee of origin (if a body corporate, the registered or principal office) and, if a company, its registered number.

2. Where the person signing the statement required under regulation 4(5) is not the person making the request, the name and address of the person signing the statement.

3. Whether the person requesting the issue of the guarantee of origin is the producer of the electricity in respect of which the guarantee of origin is requested and, if not, the name and address of the producer (if a body corporate, the registered or principal office) and, if a company, its registered number.

4. The energy source from which the electricity (for which the guarantee of origin is requested) was produced.

5. The start and end dates of production of the electricity (for which the guarantee of origin is requested).

6. The name (if any), location, type and capacity of the installation where the electricity (for which the guarantee of origin is requested) was produced.

7. Whether and to what extent the installation specified in paragraph 6 has benefited from investment support through any support scheme and, if so, the name of the scheme.

8. Whether and to what extent the electricity for which the guarantee of origin is requested has benefited from any United Kingdom support scheme (other than any specified in response to paragraph 7) and, if so, the name of the scheme.

9. The date on which the installation specified in paragraph 6 became operational.

10. The quantity of electricity in respect of which the guarantee of origin is requested, together with the total quantity of electricity produced by the installation during the period referred to in paragraph 5.

11. Such further information or evidence as the Authority may, in the particular circumstances of the case, reasonably require for the purpose of ascertaining the accuracy of the information required to be provided under paragraphs 1 to 10 above or to enable it to be satisfied that any energy source specified in paragraph 4 is a renewable energy source.”.

The 2003 Regulations: Schedule 2

11. For Schedule 2 to the 2003 Regulations (information to be contained on the register) substitute—

“SCHEDULE 2

INFORMATION TO BE CONTAINED ON THE REGISTER

Registered particulars

1. In relation to each guarantee of origin issued in accordance with regulation 6—

(a) the name and address of the person to whom the guarantee of origin has been, or was originally, issued (if a body corporate, the registered or principal office) and, if a company, its registered number;

(b) the date that the guarantee of origin was issued;
(c) the fact that the guarantee of origin was issued in the United Kingdom;
(d) an identifier, which shall include the guarantee sequence number;
(e) the energy source from which the electricity (for which the guarantee of origin is issued) was produced;
(f) the start and end dates of production of the electricity (for which the guarantee of origin is issued);
(g) the fact that the guarantee of origin relates to electricity (not heating or cooling);
(h) the name (if any), location, type and capacity of the installation where the electricity (for which the guarantee of origin is issued) was produced;
(i) whether and to what extent the installation specified in sub-paragraph (h) has benefited from investment support through any support scheme and, if so, the type of the scheme;
(j) whether and to what extent the unit of energy has benefited from any United Kingdom support scheme other than any specified in relation to sub-paragraph (i) and, if so, the type of scheme;
(k) the date on which the installation became operational;
(l) where the guarantee of origin has been transferred in accordance with regulation 6(5), the name and address (if a body corporate, the registered or principal office) and, if a company, the registered number, of the last person to whom it has been transferred.

Other information

2. A list of guarantees of origin that have been—
   (a) cancelled under regulation 7A, including the dates of cancellation;
   (b) revoked under regulation 8, including the dates of revocation.”.

Transitionals

12. Nothing in these Regulations affects—
   (a) the issue and revocation of guarantees of origin issued before 5th December 2010, and anything which falls to be done or determined (whether by the Authority or some other person) in relation to such issue or revocation, under the 2003 Regulations;
   (b) any obligations or requirements relating to guarantees of origin issued before 5th December 2010, imposed on a producer of electricity from renewable energy sources or some other person in respect of those guarantees of origin, and anything which falls to be done or determined (whether by the producer or some other person) in relation to those guarantees of origin, under the 2003 Regulations;
   (c) any obligations and functions of the Authority in respect of guarantees of origin issued before 5th December 2010, and anything which falls to be done or determined (whether by the Authority or some other person) in relation to those guarantees of origin under the 2003 Regulations.

Charles Hendry
Minister of State,
4th November 2010

Department of Energy and Climate Change
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003 (S.I. 2003/2562) (“the 2003 Regulations”) and makes transitional provision.


Regulation 3 amends the interpretation provisions in regulation 2 of the 2003 Regulations.

Regulation 4 amends regulation 3 of the 2003 Regulations to provide that renewable energy guarantees of origin (“REGOs”) are to be issued, transferred, cancelled and revoked by the Gas and Electricity Markets Authority (“the Authority”).

Regulation 5 substitutes paragraph (1) of regulation 4 of the 2003 Regulations to provide that REGOs shall be issued in response to a request from a producer of electricity from renewable energy sources.

Regulation 6 amends regulation 6(3) of the 2003 Regulations to change the unit of energy in respect of which REGOs are issued from kilowatt hour to megawatt hour.

Regulation 7 amends paragraph (1)(a) of regulation 7 of the 2003 Regulations to provide that the Register of REGOs established and maintained by the Authority shall be held electronically.

Regulation 8 inserts new regulation 7A into the 2003 Regulations to provide for the rolling cancellation of REGOs 16 months after the end of the last month during which the electricity to which the REGO relates was generated.

Regulation 9 amends regulation 9 of the 2003 Regulations to update references to the Directive and sets out the circumstances in which the Authority may refuse to recognise a REGO issued by another Member State.

Regulation 10 substitutes Schedule 1 to the 2003 Regulations to set out the information that is to be provided under regulation 4(4) of the 2003 Regulations in making a request for a REGO.

Regulation 11 substitutes Schedule 2 to the 2003 Regulations to set out the information that under regulation 7(1) is to be contained on the Register.

Regulation 12 makes transitional provision in respect of the issue and revocation of REGOs issued before 5th December 2010.

A full regulatory impact assessment of the effect that these Regulations will have on the costs of business and the voluntary sector is available from the Renewable Financial Incentives Team, Department of Energy and Climate Change, 3 Whitehall Place, London, SW1A 2AW and is annexed to the Explanatory Memorandum which is available alongside these Regulations on the OPSI website.

A transposition note setting out how these provisions transpose into United Kingdom law the main provisions of Article 15 of the Directive is available from the Renewable Financial Incentives Team, Department of Energy and Climate Change, at the above address. Copies of the transposition note have been placed in the libraries of both Houses of Parliament.
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