
SCOTTISH STATUTORY INSTRUMENTS

2006 No. 173

The Renewables Obligation (Scotland) Order 2006

PART 1

Introductory Provisions

Citation, commencement and extent

1.—(1) This Order may be cited as the Renewables Obligation (Scotland) Order 2006 and shall come into force on 1st April 2006.

(2) This Order extends to Scotland only.

Interpretation

2.—(1) In this Order—

“the 2005 Order” means the Renewables Obligation (Scotland) Order 2005(1);

“the Act” means the Electricity Act 1989;

“accreditation” means accreditation as a generating station capable of generating electricity from eligible renewable sources;

“advanced conversion technologies” means gasification, pyrolysis or anaerobic digestion, or any combination thereof;

“advanced conversion technology fuel” means fuel that is in a gaseous or liquid form and has been manufactured using one or more advanced conversion technologies;

“anaerobic digestion” means the bacterial fermentation of organic material in the absence of free oxygen;

“banking day” means a day on which banks are generally open in the City of London excluding Saturdays or Sundays;

“biomass” means fuel used in a generating station of which at least 90 per cent of the energy content (measured over such period and with such frequency as the Authority deems appropriate) is derived from plant or animal matter or substances derived directly or indirectly therefrom (whether or not such matter or substances are waste) and includes agricultural, forestry or wood wastes or residues, sewage and energy crops (provided that such plant or animal matter is not or is not derived directly or indirectly from fossil fuel), provided that:

(a) this definition shall not include any substance that, at the time it is used as fuel in a generating station, is a fraction of any mixture of wastes that, taken as a whole, is not itself biomass; and

(b) in determining any period over which and frequency with which measurement must take place for the purposes of this definition, the Authority may take into account such matters

as it thinks fit, including the length of time for which the fuel has been used by the generating station or by other generating stations;

“CHPQA” means the Combined Heat and Power Quality Assurance Standard, Issue 1, November 2000 published by the Department of the Environment, Transport and the Regions⁽²⁾;

“combined heat and power generating station” means a station producing electricity that is (or may be) operated for purposes including the supply to any premises of–

- (a) heat produced in association with electricity; or
- (b) steam produced from, or air or water heated by, such heat;

“commissioned” means the completion of a process of such procedures and tests as from time to time constitute usual industry standards and practices for commissioning a generating station in order to demonstrate that the generating station is capable of commercial operation;

“connected person”, in relation to an owner or operator of a generating station, or a party to a qualifying arrangement, means a person connected to him within the meaning of section 839 of the Income and Corporation Taxes Act 1988⁽³⁾;

“declared net capacity” means the highest generation of electricity (calculated by adding together the highest generation of electricity at the main terminals of each alternator and dynamo) which, on the assumption that the source of power is available uninterruptedly, can be maintained indefinitely without causing damage to the plant less so much of that electricity as is consumed by the plant;

“designated electricity supplier” means any electricity supplier supplying electricity in Scotland;

“eligible NIROC” means a NIROC that satisfies the conditions for eligibility set out in Schedule 3;

“eligible renewable sources” has the meaning given to it in articles 5 to 8;

“energy content” of a fuel means the gross calorific value of that fuel (as expressed by weight or by volume) multiplied by the weight or volume of that fuel;

“energy crops” means a plant crop planted after 31st December 1989 and grown primarily for the purpose of being used as fuel;

“gasification” means the substoichiometric oxidation or steam reformation of a substance to produce a gaseous mixture containing two or all of the following: oxides of carbon, methane and hydrogen;

“hydro generating station” means a generating station which is wholly or mainly driven by water (other than a generating station driven by tidal flows, waves, ocean currents or geothermal sources) and the “generating station” extends to all turbines supplied by the same civil works, except that any turbine driven by a compensation flow supplied by those civil works where there is a statutory obligation to maintain such compensation flow in a natural water course shall be regarded as a separate hydro generating station;

“interconnector” means the electric lines, electrical plant and meters operated solely for the transfer of electricity between a transmission and distribution network in Great Britain and a transmission and distribution network in another country or in Northern Ireland;

“large hydro generating station” means a hydro generating station which has, or has had at any time since 1st April 2002, a declared net capacity of more than 20 megawatts;

(2) Available at <http://www.chpqa.com>.

(3) 1988 c. 1. Section 839 was amended by the Finance Act 1995 (c. 4), Schedule 17, paragraph 20, and by the Income Tax (Trading and Other Income) Act 2005 (c. 5), Schedule 1, paragraph 341 and modified by S.I.1997/1154.

“late payment period” in relation to an obligation period, means the period from the specified day in relation to that obligation period to the 31st October immediately following;

“micro hydro generating station” means a hydro generating station which—

- (a) has a declared net capacity of 1.25 megawatts or less;
- (b) has always been in private ownership and operation; and
- (c) has never generated electricity under an arrangement which has ever been a qualifying arrangement as defined in section 33 of the Act (as that section was originally enacted);

“NIRO Order” means any order made pursuant to article 52 of the Northern Ireland Energy Order;

“NIROC” means a certificate issued by the Northern Ireland Authority under article 54 of the Northern Ireland Energy Order and pursuant to a NIRO Order and, save where the context otherwise requires, includes a replacement NIROC;

“NIROC identifier” means an identifier unique to a NIROC determined by the Northern Ireland Authority and containing the following information (or reference to that information in coded format)—

- (a) the month and year during which the electricity was generated;
- (b) the location of the generating station;
- (c) a description of the generating station including reference to the source or sources of fuel used to generate electricity by that generating station;
- (d) the date of issue of the NIROC; and
- (e) a number allocated to a NIROC by the Northern Ireland Authority in accordance with a NIRO Order;

“nominated person” has the same meaning in this Order as is given to it in the Electricity from Non Fossil Fuel Sources Saving Arrangements Order 2000(4) or in the Electricity from Non Fossil Fuel Sources (Scotland) Saving Arrangements Order 2005(5) (as the case may be);

“Non Fossil Fuel Order” means (except where used in Schedule 3) any of the following orders: the Electricity (Non Fossil Fuel Sources) (England and Wales) Order 1994(6); the Electricity (Non Fossil Fuel Sources) (Scotland) Order 1994(7); the Electricity (Non Fossil Fuel Sources) (England and Wales) Order 1997(8); the Electricity (Non Fossil Fuel Sources) (Scotland) Order 1997(9); the Electricity (Non Fossil Fuel Sources) (England and Wales) Order 1998(10); and the Electricity (Non Fossil Fuel Sources) (Scotland) Order 1999(11);

“Northern Ireland Authority” means the Northern Ireland Authority for Energy Regulation;

“Northern Ireland Electricity Order” means the Electricity (Northern Ireland) Order 1992(12);

“Northern Ireland Energy Order” means the Energy (Northern Ireland) Order 2003(13);

“Northern Ireland supplier” means an electricity supplier within the meaning of Part 7 of the Northern Ireland Energy Order;

“obligation period” means any of the periods referred to in the first column of Schedule 1;

(4) S.I. 2000/2727, as amended by S.I. 2001/3268.

(5) S.S.I. 2005/549.

(6) S.I. 1994/3259, as amended by S.I. 1995/68.

(7) S.I. 1994/3275 (S. 190).

(8) S.I. 1997/248.

(9) S.I. 1997/799 (S. 76).

(10) S.I. 1998/2353.

(11) S.I. 1999/439 (S. 24).

(12) S.I. 1992/231 (N.I. 1), article 35 is prospectively repealed by S.I. 2003/419 (N.I. 6), but the relevant provision has not yet been commenced.

(13) S.I. 2003/419 (N.I. 6).

“on land”, in relation to the location of a generating station, means wholly or partly on land above mean high water level;

“particulars”, in relation to a SROC, has the meaning given to it in paragraph 2 of Schedule 2;

“plant”, with reference to crops or plant matter, includes shrubs and trees;

“pyrolysis” means the thermal degradation of a substance in the absence of any oxidising agent (other than that which forms part of the substance itself) to produce char and one or both of gas and liquid;

“qualifying arrangement” means (except in the definition of “micro hydro generating station” and in Schedule 3) an arrangement which was originally made pursuant to a Non Fossil Fuel Order (and includes any replacement of such an arrangement where that replacement was made pursuant to an order made under section 67 of the Utilities Act 2000);

“qualifying certificate” means a certificate issued pursuant to an order made under section 32 of the Act and which relates to electricity produced from eligible renewable sources, or an eligible NIROC;

“qualifying combined heat and power generating station” means a combined heat and power generating station which is fuelled wholly or partly by waste and which has been accredited under CHPQA;

“Register” has the meaning given to it in article 19(1);

“registered holder” has the meaning given to it in paragraph 2 of Schedule 2;

“renewables obligation” has the meaning given to it in article 3 except where this term is referred to in articles 22(5), 22(6), 22(7), 24(5), 24(6), 25(4), 25(5), 25(6), 26(8), 27(1)(a) and 27(1)(e);

“replacement NIROC” means a NIROC issued in accordance with the provisions of the NIRO Order to replace another NIROC;

“replacement SROC” means a SROC issued in accordance with article 20(4)(b) and (5);

“retail prices index” means–

- (a) the general index of retail prices (for all items) published by the Office of National Statistics; or
- (b) where the index is not published for a year, any substituted index or figures published by that Office;

“specified day”, in relation to an obligation period, means the 1st September immediately following it;

“SROC” means a certificate issued by the Authority under section 32B of the Act and pursuant to this Order;

“SROC identifier” has the meaning given by paragraph 2 of Schedule 2;

“SROC sequence number” has the meaning given to it in article 18(1);

“total SROC claim” means the total number of SROCs which have been claimed in respect of a particular obligation period, after deducting–

- (a) the number of SROCs which have been issued in respect of that obligation period; and
- (b) the number of SROCs which the Authority has, in respect of that obligation period, decided not to issue or refused to issue under article 17(2) or 17(3);

“transmission and distribution network” means any transmission system or any distribution system or both (as transmission system is defined and distribution system is used in the

definition of “distribute” in section 4(4) of the Act(14) in Great Britain or any equivalent system in another country or in Northern Ireland;

“United Kingdom supplier” means a designated electricity supplier, an electricity supplier supplying electricity in England and Wales or a Northern Ireland supplier;

“waste” has the meaning given to it in section 75(2) of the Environmental Protection Act 1990(15), but does not include gas derived from landfill sites or gas produced from the treatment of sewage; and

the expression “the United Kingdom” includes the territorial sea of the United Kingdom and waters in any area designated under section 1(7) of the Continental Shelf Act 1964(16).

(2) For the purposes of the definition of “hydro generating station”, the “civil works” which are to be regarded as supplying a particular turbine (“the relevant turbine”) are all the man-made weirs, man-made structures and man-made works for holding water which are located on the inlet side of the relevant turbine, but excluding any such weirs, structures or works which supply another turbine before water is supplied to the weirs, structures and works which supply the relevant turbine.

(3) Any reference in this Order to the provision of information “in writing” shall include the provision of such information by electronic mail, facsimile or similar means which are capable of producing a document containing the text of any communication.

(4) Unless the context otherwise requires any reference in this Order to a numbered article or Schedule is a reference to the article in or the Schedule to this Order bearing that number and any reference in an article or a Schedule to a numbered paragraph is a reference to the paragraph of that article or Schedule bearing that number.

(5) Any reference in this Order to the supply of electricity shall, in respect of a supply made to customers in Northern Ireland, be construed in accordance with the definition of “supply” in article 3 of the Northern Ireland Electricity Order.

PART 2

The Renewables Obligation

The renewables obligation

3.—(1) The renewables obligation is that, subject to Part 4, each designated electricity supplier shall before each specified day produce to the Authority evidence showing—

- (a) that it has supplied to customers in Great Britain during the obligation period to which the specified day relates such amount of electricity generated from eligible renewable sources as is determined under article 4; or
- (b) that another electricity supplier has done so (or that two or more others have done so); or
- (c) that, between them, they have done so.

(2) The evidence referred to in paragraph (1) is certificates issued by the Authority under section 32B(2) of the Act, provided that such certificates relate to electricity generated from eligible renewable sources.

(3) A certificate referred to in paragraph (2) shall be regarded as produced to the Authority as the evidence or part of the evidence required under paragraph (1) in respect of an obligation period where before the specified day relating to that period the Authority receives from the designated

(14) Section 4(4) was amended by section 28 of the Utilities Act 2000 and section 135 of the Energy Act 2004.

(15) 1990 c. 43. Section 75(2) was amended by paragraph 88 of Schedule 22 to the Environment Act 1995 (c. 25).

(16) 1964 c. 29. Section 1(7) of the Continental Shelf Act 1964 was amended by the Oil and Gas (Enterprise) Act 1982 (c. 23), section 37 and Schedule 3, paragraph 1.

electricity supplier which holds the certificate a notification in writing identifying the certificate to be produced for that purpose and, in the case of a SROC, the SROC identifier.

(4) Without prejudice to paragraph (3), the Authority may draw up procedural guidelines for the production of certificates as the evidence or part of the evidence required under paragraph (1).

(5) An electricity supplier has a renewables obligation in respect of an obligation period if it supplies electricity in Scotland at any time during that period regardless of whether it supplies electricity in Scotland for the whole of that period.

The amount of the renewables obligation

4.—(1) The amount of electricity referred to in article 3(1)(a), in respect of an obligation period, is such amount of electricity as equals the relevant percentage of all the electricity supplied by the designated electricity supplier to customers in Scotland during the obligation period (as determined pursuant to paragraph (3)), such amount being rounded to the nearest whole megawatt hour (with any exact half megawatt hour being rounded upwards).

(2) In paragraph (1) “the relevant percentage” means, in respect of an obligation period, the percentage set out in the second column of Schedule 1 against the reference to that obligation period in the first column of Schedule 1.

(3) For the purposes of paragraph (1) the amount of the electricity supplied by the designated electricity supplier to customers in Scotland during an obligation period is to be determined by reference to—

- (a) the estimated figures, for its total sales of electricity to customers in Scotland for each of the twelve periods of approximately one month falling wholly or mainly within the obligation period, which are furnished to the Department of Trade and Industry and the Authority under paragraph (4), together with,
- (b) any additional or updated figures for such sales as are furnished to the Authority under paragraph (5)(a).

(4) Each designated electricity supplier shall furnish to the Department of Trade and Industry and to the Authority, the estimated figures relating to its total sales of electricity to customers in Scotland during an obligation period by no later than 1st June immediately following the end of the obligation period.

(5) Each designated electricity supplier shall by no later than 1st July immediately following the end of an obligation period, inform the Authority of—

- (a) the amount of electricity which it has supplied to customers in Scotland during the obligation period; and
- (b) the amount in megawatt hours of its renewables obligation in respect of the obligation period.

(6) In furnishing the information specified in paragraphs (4) and (5), the designated electricity supplier shall have regard to any sales figures, which it has provided (or intends to provide) to the Department of Trade and Industry for statistical purposes and publication in “Energy Trends”(17).

(17) Available at <http://www.dti.gov.uk/energy/inform/energy.trends/index.shtml>.

PART 3

Electricity from Renewable Energy Sources

Eligible renewable sources: general

5.—(1) Subject to article 9, electricity shall be considered to have been generated from eligible renewable sources to the extent that it has been generated from renewable sources and provided that it has not been generated by an excluded generating station as specified in this article and articles 6 and 7.

(2) The following shall be excluded generating stations—

- (a) large hydro generating stations except those first commissioned after 1st April 2002;
- (b) subject to paragraphs (3) and (4), generating stations (other than micro hydro generating stations) which were first commissioned before 1st January 1990 and where the main components have not been renewed since 31st December 1989 as described in paragraph (5);
- (c) generating stations located outside the United Kingdom, except generating stations which are not located on land and which are directly and exclusively connected to a transmission or distribution network located in Northern Ireland; and
- (d) generating stations generating electricity under the arrangements or additional arrangements referred to in article 35(1) of the Northern Ireland Electricity Order.

(3) A generating station shall not be an excluded generating station by virtue of paragraph (2)(b) in any month during which it is fuelled partly by fossil fuel and partly by biomass (and by no other fuel).

(4) A generating station shall be an excluded generating station by virtue of paragraph (2)(b) in any month during which it is fuelled by biomass, if—

- (a) prior to 1st April 2003 at least 75 per cent of the energy content of the fuel by which it was fuelled was derived from fossil fuel; and
- (b) during no month (being a month after March 2004) after the first month during which it was fuelled wholly by biomass has the energy content of the fuel by which it was fuelled been derived as to more than 75 per cent from fossil fuel.

(5) For the purposes of paragraph (2)(b), the main components of a generating station shall only be regarded as having been renewed since 31st December 1989 where—

- (a) in the case of a hydro generating station, the following parts have been installed in the generating station after 31st December 1989 and were not used for the purpose of electricity generation prior to that date—
 - (i) either all the turbine runners or all the turbine blades or the propeller; and
 - (ii) either all the inlet guide vanes or all the inlet guide nozzles; or
- (b) in the case of any other generating station all the boilers and turbines (driven by any means including wind, water, steam or gas) have been installed in the generating station after 31st December 1989 and were not used for the purpose of electricity generation prior to that date.

Eligible renewable sources: qualifying arrangement

6.—(1) Paragraph (2) applies where—

- (a) a qualifying arrangement (“the applicable qualifying arrangement”) provided for the building of a generating station at a specified location (“the location”);

- (b) the applicable qualifying arrangement was terminated due to the operator of the generating station to which it applied having committed an unremedied breach of it; and
 - (c) the last period in the tables contained in Schedule 1 to the Non-Fossil Fuel Order which relates to the applicable qualifying arrangement has not expired.
- (2) Where this paragraph applies, a generating station—
- (a) which is situated at the location; and
 - (b) to which the applicable qualifying arrangement applied at the time it was commissioned, or which is owned or operated by a person who was a party to the applicable qualifying arrangement (or who is a connected person or a linked person in relation to any such party),
- shall be an excluded generating station.
- (3) Paragraph (4) applies where an extant qualifying arrangement (“the applicable qualifying arrangement”) provides for the building of a generating station (“the specified station”) at a specified location (“the location”) and the specified station has not been commissioned.
- (4) Where this paragraph applies, a generating station—
- (a) which is situated at the location; and
 - (b) which is owned or operated by a person who is a party to the applicable qualifying arrangement (or is a connected person or a linked person in relation to any such party),
- shall be an excluded generating station.
- (5) Paragraphs (2) and (4) shall not apply to a generating station which during the month in question, generates only electricity which is sold pursuant to another extant qualifying arrangement.
- (6) In paragraphs (2) and (4), in relation to a person who is a party to the applicable qualifying arrangement (“the first person”), another person (“the second person”) is a “linked person” where the second person has given or has arranged to give or has ensured or has arranged to ensure that the first person is given a financial or other inducement relating to any right or interest in, or in respect of, the construction or operation of a generating station at the location.
- (7) The references in paragraph (6) to the first person and the second person shall include any person who is a connected person in relation to either of them.
- (8) For the purposes of this article, a generating station shall be regarded as being situated at a location provided for by an extant qualifying arrangement whether it is situated wholly or partly at that location.

Eligible renewable sources: other fuels

- 7.—(1) A generating station shall be an excluded generating station in any month during which it is fuelled wholly or partly by waste unless—
- (a) the only waste or wastes by which it is fuelled in that month is or are biomass or liquids comprised wholly or mainly of hydrocarbon compounds;
 - (b) all the waste by which it is fuelled in that month which is not biomass has first been manufactured into fuel which is in either a gaseous or liquid form (or both) by means of plant and equipment using advanced conversion technologies only; or
 - (c) the generating station is a qualifying combined heat and power generating station.
- (2) A generating station shall be an excluded generating station in any month during which it is fuelled partly by fossil fuel and partly by another fuel (or fuels) other than biomass.
- (3) After 31st March 2009 a generating station which in any month is fuelled partly by fossil fuel and partly by biomass (and by no other fuel) shall be an excluded generating station during that month if, during that month, less than the specified percentage of the energy content of the biomass derives from energy crops.

(4) In paragraph (3), “the specified percentage” means–

- (a) in respect of any month from 1st April 2009 until 31st March 2010, 25 per cent;
- (b) in respect of any month from 1st April 2010 until 31st March 2011, 50 per cent; and
- (c) in respect of any month from 1st April 2011 until 31st March 2016, 75 per cent.

(5) After 31st March 2016 a generating station shall be an excluded generating station in any month during which it is fuelled partly by fossil fuel and partly by biomass (and by no other fuel).

(6) A generating station shall be an excluded generating station in any month during which it is fuelled wholly or partly by peat.

(7) A generating station shall be an excluded generating station in any month during which it is fuelled wholly or partly by any substance derived directly or indirectly from any of the substances referred to in article 8(1)(a)(i) unless that substance is a substance falling within article 8(1)(a)(ii) or it is waste or a component of biomass.

(8) A generating station shall be an excluded generating station in any month during which it is fuelled wholly or partly by waste where all the waste which is neither biomass nor liquids comprised wholly or mainly of hydrocarbon compounds is or is derived directly or indirectly from one or more of the substances referred to in article 8(1)(a)(i).

Eligible renewable sources: supplemental

8.—(1) In this article and articles 5, 7 and 14 and in Schedule 3–

(a) “fossil fuel” means–

- (i) coal, lignite, natural gas (as defined in the Energy Act 1976(18)) or crude liquid petroleum; and
- (ii) anything which is derived directly or indirectly from any of the substances referred to in paragraph (i) which (except as mentioned below) is created for the purpose of being used as a fuel,

other than anything (not being a liquid comprised wholly or mainly of hydrocarbon compounds), which is or is derived directly or indirectly from any of the substances referred to in paragraph (i), which is waste or a component of biomass; and for the purposes of paragraph (ii) a liquid comprised wholly or mainly of hydrocarbon compounds need not be created for the purpose of being used as a fuel;

- (b) “waste” is to be regarded as including anything derived directly or indirectly from waste (as that term is defined in article 2(1)); and
- (c) “standby generation” means the generation of electricity by equipment which is not used frequently or regularly to generate electricity and where all the electricity generated by that equipment is used by the generating station.

(2) In articles 5, 7 and 14 and in Schedule 3, in determining whether a generating station is fuelled by a particular fuel regard is to be had only to fuel which it uses to generate electricity.

(3) For the purposes of articles 5, 7 and 14 and Schedule 3, fossil fuel or waste which a generating station uses for–

- (a) the ignition of gases of low or variable calorific value; or
- (b) the heating of the combustion system to its normal operating temperature or the maintenance of that temperature; or
- (c) emission control; or
- (d) standby generation or the testing of standby generation capacity,

shall only be treated as comprising fuel used to generate electricity in any month in which the combined energy content of the fossil fuel or waste, or both, which the generating station uses for those purposes exceeds 10 per cent of the energy content of the energy sources by which it is fuelled.

Calculation of amount of electricity generated from eligible renewable sources

9.—(1) Subject to paragraphs (3) and (5), the amount of electricity generated by a generating station which is to be regarded as having been generated from eligible renewable sources in any month is to be calculated by multiplying the renewable output of that generating station in that month by a proportion which is equal to the proportion which the net output of that generating station in that month bears to the gross output of that generating station in that month.

(2) For the purposes of the calculation referred to in paragraph (1)—

- (a) subject to paragraph (6), “the renewable output” is such amount as is obtained by deducting from the gross output of that generating station in that month the amount of electricity which has been generated in that month from fossil fuel; and
- (b) “the net output” is such amount as is obtained by deducting from the gross output of that generating station in that month the input electricity of that generating station in that month.

(3) In the case of a generating station fuelled wholly or partly by biomass, 10 per cent of the electricity generated from biomass in any month shall be treated as having been generated from fossil fuel unless the operator of the generating station satisfies the Authority that during that month a lesser percentage of the energy content of the biomass derives from fossil fuel, in which case that lesser percentage shall be treated as having been generated from fossil fuel.

(4) In calculating “the renewable output” in the case of a generating station fuelled partly by fossil fuel and partly by another fuel or fuels the amount of electricity which has been generated from fossil fuel is to be determined according to the respective energy contents of the fuels used.

(5) Where the operator of a generating station satisfies the Authority that in any month the input electricity of the generating station does not exceed 0.5 per cent of its gross output, no input electricity shall be deducted from the gross output in calculating the net output of the generating station for that month and, accordingly, the net output shall be equal to the gross output in that month.

(6) In the case of a qualifying combined heat and power generating station, the renewable output shall be such amount as is obtained by—

- (a) deducting from the gross output of that generating station in that month the amount of electricity which has been generated in that month from fossil fuel; and
- (b) multiplying the figure resulting from the calculation in sub-paragraph (a) by the relevant proportion.

(7) In this article—

- (a) “fossil fuel” has the meaning given to it by section 32 of the Act except that the expression also includes any substance which is derived directly or indirectly from fossil fuel (whether or not such substance is waste or a component of biomass);
- (b) “gross output” means, in relation to any month, the total amount of electricity generated by a generating station in that month;
- (c) “input electricity” means, in relation to any month, all the electricity used by a generating station in that month (whether or not it is generated by the generating station and whether or not it is used while the generating station is generating electricity) for a purpose directly relating to the operation of that generating station, including fuel handling, fuel preparation, maintenance and pumping water; and

- (d) in the case of a generating station fuelled wholly or partly by hydrogen (not being fossil fuel), “input electricity” also includes any electricity in respect of which SROCs are or have been issued or which was not generated from eligible renewable sources that is used to produce the hydrogen by which that station is fuelled, regardless of where or by whom the hydrogen is produced;
- (e) “qualifying power output” and “total power output” have the meanings given to them in CHPQA; and
- (f) “relevant proportion” means a proportion which is equal to the proportion which the qualifying power output of the qualifying combined heat and power generating station bears to the total power output of that generating station.

Calculation of amount of electricity supplied to customers

10. Where electricity generated from eligible renewable sources has been sold by the operator of the generating station to an electricity supplier (or to a Northern Ireland supplier, in the case of a generating station which may lawfully be supplied with electricity by a Northern Ireland supplier) and is then purchased from the electricity supplier (or, in the case as aforesaid, from the Northern Ireland supplier) and consumed by the operator of the generating station, such electricity shall be regarded as having been supplied by an electricity supplier (or, as the case may be, by a Northern Ireland supplier) to a customer.

PART 4

Alternative Ways of Discharging Renewables Obligation

Alternative way of discharging renewables obligation: payments

11.—(1) Instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by making a payment to the Authority before the specified day relating to that obligation period.

(2) Subject to paragraphs (3) and (4), the payment to be made under paragraph (1) is £33.24 for each megawatt hour of electricity generated from eligible renewable sources for which the designated electricity supplier does not produce certificates pursuant to article 3 or article 13 or NIROCs pursuant to article 12 (“the buy-out price”).

(3) If, in the case of the calendar year 2006 or any subsequent calendar year, the annual retail prices index for that year (“the later year”) is higher or lower than that for the previous year, the buy-out price relating to the obligation period beginning on the 1st April immediately following the later year shall be increased (if the index is higher) or decreased (if the index is lower) by the annual percentage inflation rate of the retail prices index for the later year.

(4) When the buy-out price is calculated under paragraph (3) the result shall be rounded to the nearest penny (with any exact half of a penny being rounded upwards).

Alternative way of discharging renewables obligation: NIROCs

12.—(1) Subject to article 14, instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by producing to the Authority in accordance with this article eligible NIROCs issued in respect of electricity that has been supplied to customers during that obligation period.

(2) A NIROC referred to in paragraph (1) shall be regarded as produced to the Authority in respect of an obligation period where, before the specified day relating to that period, the Authority receives, from the designated electricity supplier which is treated as holding the NIROC for the purposes of the NIRO Order under which it was issued, a notification in writing identifying the NIROC to be so produced and giving its NIROC identifier.

(3) Without prejudice to paragraph (2), the Authority may draw up procedural guidelines for the production of NIROCs under this article.

Alternative way of discharging renewables obligation: certificates certifying the matters in section 32B(2A) of the Act

13.—(1) Subject to article 14, instead of producing certificates pursuant to article 3, a designated electricity supplier may discharge (in whole or in part) its renewables obligation in relation to a particular obligation period by producing to the Authority in accordance with this article certificates issued by the Authority and certifying the matters in section 32B(2A) of the Act, provided that such certificates relate to electricity generated from eligible renewable sources.

(2) A certificate referred to in paragraph (1) shall be regarded as produced to the Authority in respect of an obligation period where, before the specified day relating to that period the Authority receives from the designated electricity supplier which holds the certificate, a notification in writing identifying the certificate to be produced for that purpose and, in the case of a SROC, the SROC identifier.

(3) Without prejudice to paragraph (2), the Authority may draw up procedural guidelines for the production of certificates under this article.

Further provision in relation to production of certificates and NIROCs

14.—(1) A designated electricity supplier may discharge up to 25 per cent of its renewables obligation in respect of an obligation period by producing to the Authority certificates issued by the Authority under section 32B of the Act and eligible NIROCs relating to electricity supplied in the immediately preceding obligation period.

(2) In respect of any obligation period which falls—

- (a) from 1st April 2006 until 31st March 2011, no more than 10 per cent; and
- (b) from 1st April 2011 until 31st March 2016, no more than 5 per cent,

of a designated electricity supplier's renewables obligation may be satisfied by the production of certificates issued by the Authority under section 32B of the Act and eligible NIROCs issued in respect of generating stations which during the month to which a certificate or NIROC relates, have been fuelled partly by fossil fuel (as defined in article 8) and partly by biomass (and by no other fuel).

(3) A designated electricity supplier shall not produce to the Authority a certificate issued under section 32B of the Act or a NIROC which has previously been or is simultaneously produced to the Northern Ireland Authority under a NIRO Order.

PART 5

SROCs: Issue and Revocation

Obligation to issue SROCs

15.—(1) Where each of the relevant criteria in article 16 has been met (having regard as necessary to the requirements in article 17), the Authority shall issue SROCs, in accordance with the procedure set out in article 18, in relation to a generating station in respect of each month of each obligation

period in which electricity has been generated by the generating station from eligible renewable sources (whether or not for the whole of that month) to the persons specified below.

(2) Except as provided for in paragraphs (3) to (5), SROCs shall be issued to the operator of the generating station by which the relevant electricity was generated in a particular month.

(3) Where electricity is required to be generated by a generating station from eligible renewable sources under a qualifying arrangement or in compliance with such an arrangement to be made available to the nominated person (“the relevant output”), SROCs shall be issued as set out below.

(4) Where the nominated person is entitled to the relevant output under or in compliance with a qualifying arrangement, SROCs shall be issued to electricity suppliers notified to the Authority by the nominated person as being purchasers of the relevant output and to each in such quantities as are appropriate to the amount of the relevant output which the nominated person notifies the Authority each has purchased (subject to the total amount of SROCs available to be so issued).

(5) Where one or more electricity suppliers are entitled to the relevant output under a qualifying arrangement, SROCs shall be issued to those electricity suppliers, each in proportion to its entitlement.

Criteria for issue of SROCs

16.—(1) The criteria for issue of SROCs referred to in article 15 and issue of replacement SROCs referred to in article 20(4) are those detailed in paragraphs (2) to (10).

(2) The first criterion is that the Authority has previously confirmed in writing to the operator of the generating station to which the SROC relates that the generating station has been granted accreditation as a generating station capable of generating electricity from eligible renewable sources and the Authority has not since withdrawn that accreditation.

(3) The second criterion is that the Authority has been provided in writing with all the information listed in paragraphs 2(b)(i) to (iii) of Schedule 2 together with any other information which it reasonably requires in order to assess whether the SROC should be issued and it is satisfied that such information is accurate and reliable.

(4) The third criterion is that the operator of the generating station has provided the Authority with a declaration (which the Authority shall be entitled to accept as sufficient evidence of its contents and which the operator need only provide once during every obligation period) applicable to the relevant electricity that—

- (a) the operator has not made (or, where the declaration relates to electricity that the operator proposes to generate after the declaration is made, that the operator will not make) the electricity available to any person in circumstances such that the operator knows or has reason to believe that the consumption of the electricity has resulted (or, as the case may be, will result) in it not having been supplied by an electricity supplier to customers in Great Britain (or, in the case of a SROC certifying the matters within section 32B(2A) of the Act, by a Northern Ireland supplier to customers in Northern Ireland);
- (b) the operator has not consumed (or, where the declaration relates to electricity that the operator proposes to generate after the declaration is made, that the operator will not consume) the electricity itself in such circumstances that its consumption has resulted (or, as the case may be, will result) in the electricity not having been supplied by an electricity supplier to customers in Great Britain (or, in the case of a SROC certifying the matters within section 32B(2A) of the Act, by a Northern Ireland supplier to customers in Northern Ireland); and
- (c) the operator is not (and does not intend during the obligation period to become) a person mentioned in article 6(2)(b) or (4)(b).

(5) The fourth criterion is that, where the electricity has been generated on land in Northern Ireland and supplied to customers in Great Britain, the operator of the generating station has provided the Authority with evidence of the following matters–

- (a) the quantity, date and period of time (referred to in this sub paragraph as “the relevant period”) during the particular month when the electricity from eligible renewable sources was generated by the generating station;
- (b) that such electricity was delivered by means of a transmission and distribution network in Northern Ireland from the generating station to an interconnector between Great Britain and Northern Ireland during each relevant period;
- (c) that such electricity flowed across such interconnector to Great Britain during each relevant period;
- (d) that no electricity flowed, or was claimed by a user of the interconnector or the interconnector operator to have flowed, across such interconnector in the opposite direction during each relevant period; and
- (e) that such interconnector was capable of conveying such quantity of electricity (together with any other electricity which was contracted to be conveyed) during each relevant period;

and the Authority is satisfied with such evidence.

(6) The fifth criterion is that, where the electricity was not generated on land in Great Britain or in Northern Ireland and was supplied to customers in Great Britain, the operator of the generating station has provided the Authority with evidence of the following matters–

- (a) that at the time the electricity was generated the generating station was connected directly to a transmission and distribution network in Great Britain and electricity generated by that generating station could not have been conveyed to Great Britain via an interconnector; or
- (b) that at the time the electricity was generated the generating station was connected directly to a transmission and distribution network in Northern Ireland that it was not connected directly to any other transmission and distribution network and of those matters listed in paragraph (5)(a) to (e);

and the Authority is satisfied with such evidence.

(7) The sixth criterion is that, in the case of a SROC certifying the matters within section 32B(2A) of the Act and which relates to electricity which was generated by a generating station which, at the time the electricity was generated, was not directly and exclusively connected to a transmission or distribution network in Northern Ireland, the operator of the generating station has provided the Authority with evidence of the following matters–

- (a) the quantity, date and period of time (referred to in this sub paragraph as “the relevant period”) during the particular month when the electricity from eligible renewable sources was generated by the generating station;
- (b) that such electricity was delivered by means of a transmission and distribution network in Great Britain from the generating station to an interconnector between Great Britain and Northern Ireland during each relevant period;
- (c) that such electricity flowed across such interconnector to Northern Ireland during each relevant period;
- (d) that no electricity flowed, or was claimed by a user of the interconnector or the interconnector operator to have flowed, across such interconnector in the opposite direction during each relevant period;

- (e) that such interconnector was capable of conveying such quantity of electricity (together with any other electricity which was contracted to be conveyed) during each relevant period,

and the Authority is satisfied with such evidence.

(8) The seventh criterion is that, in the case of a SROC certifying the matters within section 32B(2A) of the Act which relates to electricity which was generated by a generating station which, at the time the electricity was generated, was directly and exclusively connected to a transmission or distribution network in Northern Ireland, the operator of the generating station has provided the Authority with evidence of the quantity, date and period of time during the particular month when the electricity from eligible renewable sources was generated by the generating station, and the Authority is satisfied with such evidence.

(9) The eighth criterion is that SROCs in respect of the relevant electricity generated by the generating station in the particular month have not already been issued.

(10) The ninth criterion is that the Authority is not prohibited from issuing a SROC on any of the grounds set out in article 17(2) and has not refused to issue a SROC on any of the grounds set out in article 17(3).

Criteria for issue of SROCs: supplemental

17.—(1) Where a SROC, if issued, will be issued to an electricity supplier pursuant to article 15(4) or (5), the references in article 16(4) to the operator of the generating station shall be treated as references to that electricity supplier but article 16(4)(c) shall not apply.

(2) The Authority shall not issue a SROC—

- (a) in respect of any electricity generated by a particular generating station in a particular month if it has previously issued a certificate under section 32B of the Act in respect of any such electricity other than under this Order, whether or not any such certificate previously issued has been revoked; or
- (b) certifying the matters within section 32B(2A) of the Act, where the Northern Ireland Authority has notified the Authority that it is not satisfied that the electricity in question has been supplied to customers in Northern Ireland.

(3) The Authority may refuse to issue a SROC in any case where the Authority—

- (a) except in the case of a SROC certifying matters within section 32B(2A) of the Act, considers that the declaration in article 16(4) is not accurate in relation to the electricity in respect of which the Authority is considering issuing the SROC; or
- (b) except in the case of a SROC certifying the matters within section 32B(2A) of the Act, has reason to believe that the electricity in respect of which the Authority is considering issuing the SROC was consumed in circumstances which resulted in the electricity not having been supplied by an electricity supplier to customers in Great Britain; or
- (c) is not satisfied that the operator of the generating station has, during the relevant month, complied with any condition to which accreditation of the relevant generating station is subject.

(4) For the purpose of article 16(3), where information regarding the fuel used by the generating station has originated at a separate location to that of the generating station, in determining whether the information is accurate and reliable the Authority may have regard to—

- (a) the distance over which the fuel was transported;
- (b) the conditions under which the fuel was prepared and transported;
- (c) the resources required for the Authority to verify the accuracy and reliability of the information; and

- (d) such other matters as it considers relevant.

Procedure and calculations for issue of SROCs

18.—(1) The Authority shall, when issuing SROCs (other than replacement SROCs which shall be issued in accordance with article 20(4)(b) and (5))—

- (a) allocate a number (“the SROC sequence number”) to each SROC issued;
- (b) allocate SROC sequence numbers sequentially in ascending numerical order to all the SROCs issued in respect of electricity generated from eligible renewable sources by a particular generating station in a particular month; and
- (c) in the case of a generating station which in a particular month generates electricity from eligible renewable sources under or in compliance with a qualifying arrangement, issue SROCs in respect of that month—
 - (i) firstly to the electricity suppliers to whom article 15(4) or (5) applies in that month on the basis of information provided to it by the nominated person; and
 - (ii) thereafter, in the event that the generating station generates any electricity from eligible renewable sources in that month other than under a qualifying arrangement or which in that month is not required in compliance with such an arrangement to be made available to the nominated person, to the operator of that generating station.

(2) Where it issues SROCs pursuant to this Part the Authority shall—

- (a) determine the amount of electricity which is to be regarded as having been generated from eligible renewable sources by a generating station in a particular month (“the relevant month”) pursuant to article 9;
- (b) deduct from the amount determined in accordance with sub paragraph (a) any electricity in respect of which in the relevant month any of the relevant criteria in article 13(1) were not satisfied;
- (c) determine the amount of electricity which results from the calculations in sub paragraphs (a) and (b) and round the amount so determined to the nearest megawatt hour (with any exact half megawatt hour being rounded upwards);
- (d) determine the number of SROCs which it is appropriate to issue for the amount of electricity determined pursuant to sub-paragraph (c) above on the basis that one SROC represents one megawatt hour of electricity; and
- (e) issue the appropriate number of SROCs determined pursuant to sub-paragraph (d) to the operator of the generating station or to the electricity supplier as specified in article 15.

(3) Subject to paragraphs (4), (5) and (6), for the purpose of making the determination in paragraph (2)(a) the Authority shall use in the case of the amounts for “gross output” and “input electricity” (as those two expressions are defined in article 9(7)) either—

- (a) the most accurate figures for those amounts which are provided to the Authority at the end of the second month following the end of the relevant month (“the relevant date”); or
- (b) where the operator of the generating station satisfies the Authority by the relevant date that it will never be possible for it to provide accurate figures, such figures as are estimated by the operator by the relevant date on a basis agreed in advance by the Authority.

(4) Where figures are neither provided under paragraph (3)(a) nor estimated under paragraph (3)(b) the Authority may, in circumstances which it considers exceptional, accept figures which the operator of the generating station provides after the relevant date.

(5) Where figures provided under paragraph (3)(a) or accepted under paragraph (4) and, before the Authority makes a determination under paragraph (2)(a), the Authority becomes aware of figures

which it considers to be more accurate, the Authority may, where it considers appropriate, accept the later figures and make determinations under paragraph (2)(a) to (d) on the basis of the later figures.

(6) Where the Authority makes a determination under paragraph (2)(a) on the basis of figures provided under paragraph (3)(a) or accepted under paragraph (4) or (5) and the Authority subsequently becomes aware of figures which it considers to be more accurate, the Authority—

- (a) may, where it considers appropriate, accept the later figures and make new determinations under paragraphs (2)(a) to (d); and
- (b) shall, where the new determination under paragraph (2)(d) differs from the original determination under that provision, either—
 - (i) if it has not already issued SROCs under paragraph (2)(e), issue SROCs under that paragraph in accordance with the new determination;
 - (ii) revoke SROCs in accordance with article 20 where it has issued too many; or
 - (iii) issue additional SROCs in accordance with paragraph (2)(e) where it has issued too few.

(7) SROCs in respect of the relevant month shall be issued no earlier than the relevant date.

SROC Register

19.—(1) The Authority shall establish and maintain a register of SROCs (“the Register”) which shall be conclusive as to whether or not a SROC subsists and as to the person who is for the time being its registered holder.

(2) Schedule 2 shall have effect with respect to the Register.

(3) A SROC comprises a Register entry of its particulars and shall be regarded as being issued at the point when those particulars are entered in the Register by the Authority.

(4) In accordance with the provisions of Schedule 2, the Authority shall ensure that the Register contains, by way of entries made in it—

- (a) an accurate record of the particulars of each SROC as issued by the Authority (amended to reflect any change of registered holder which may occur) and which remains eligible to be produced as evidence pursuant to article 3 or article 13; and
- (b) in addition to the record of the particulars of each SROC, a list of the names of all persons who are either the registered holder of a SROC or, although not at that time the registered holder of a SROC, have notified the Authority that they wish an entry to be made and maintained in respect of them as prospective registered holders of SROCs.

(5) Only the registered holder of a SROC may use it as the evidence or as part of the evidence required from the registered holder under article 3(1) and a SROC may not be used by its registered holder or by any other person as the evidence or as part of the evidence required under article 3(1) from any person other than the registered holder.

Revocation of SROCs

20.—(1) The Authority—

- (a) shall, where in respect of any electricity generated by a generating station in a particular month it is satisfied that the declaration provided to it pursuant to article 16(4) is false or that a SROC was issued on the basis of any fraudulent behaviour, statement or undertaking on the part of the operator of that generating station or any connected person, revoke all SROCs issued in respect of that generating station in that month;

- (b) shall revoke any SROC certifying matters within section 32B(2A) of the Act where the Northern Ireland Authority has notified the Authority that it is not satisfied that the electricity in question has been supplied to customers in Northern Ireland;
 - (c) shall, in accordance with the procedure laid down in paragraph (3), revoke any SROC where it is otherwise satisfied that the SROC is inaccurate;
 - (d) may, in accordance with the procedure laid down in paragraph (3) revoke any SROC where–
 - (i) the Authority is no longer satisfied that the SROC should have been issued;
 - (ii) the Authority has reasonable doubts as to the accuracy or reliability of the information upon which the Authority relied prior to the issue of the SROC; or
 - (iii) the Authority has been unable, due to a failure or refusal by any person (whether inside or outside Scotland) to provide the Authority with any information reasonably requested by it, to check the accuracy of either the SROC or any information which the Authority relied upon prior to the issue of the SROC; and
 - (e) subject to paragraph (2), shall, in reaching a decision as to the inaccuracy of a SROC for the purposes of sub-paragraph (c) and in exercising its powers to revoke a SROC pursuant to sub-paragraph (d), disregard any changes to the amounts for “gross output” and “input electricity” (as those two expressions are defined in article 9(7)) which were used by it (as provided in article 18(3)) to determine the amount of electricity to be regarded as having been generated from eligible renewable sources by a particular generating station in a particular month.
- (2) Paragraph (1)(e) does not apply where, in accordance with article 18(6), the Authority has accepted later figures and made new determinations under article 18(2)(a) to (d).
- (3) Where the Authority revokes SROCs in accordance with paragraph (1)(c) or (d), it shall–
- (a) revoke the appropriate number of SROCs from those issued in respect of the generating station in respect of a particular month in descending numerical order of SROC sequence number; and
 - (b) delete from the Register those SROCs previously allocated the highest SROC sequence numbers and remaining on the Register in advance of those with lower SROC sequence numbers,
- and in determining the number of SROCs which it is appropriate to revoke it shall proceed on the basis that one SROC represents one megawatt hour of electricity (with any exact half megawatt hour being rounded upwards).
- (4) Where the Authority has revoked a SROC–
- (a) it shall as soon as practicable give notice in writing of such revocation to the registered holder of the SROC at the time of revocation;
 - (b) other than when a SROC has been revoked in accordance with paragraph (1)(a), the Authority may, in circumstances where it considers it appropriate to do so, issue a replacement SROC in accordance with the procedures laid down in paragraph (5) provided that it is satisfied that each of the relevant criteria in article 16 is met (having regard as necessary to the requirements in article 17), and such SROC shall be treated as if issued under article 15.
- (5) Where pursuant to paragraph (4)(b) the Authority issues a replacement SROC it shall–
- (a) allocate to the replacement SROC the lowest SROC sequence number of any SROC previously issued in respect of the same generating station and same month that has been revoked which has not already been allocated to a replacement SROC (unless that replacement SROC has itself been revoked);

- (b) issue each replacement SROC to the person to whom the SROC issued in respect of that generating station and that month and bearing the same SROC sequence number was previously issued; and
- (c) proceed on the basis that one SROC represents one megawatt hour of electricity (with any exact half megawatt hour being rounded upwards).

Small generators

21.—(1) This article applies to generating stations with a declared net capacity of 50 kilowatts or less (“sub-50 kilowatt stations”).

(2) The operator of a sub-50 kilowatt station may—

- (a) not less than one month before the beginning of the first month (“the relevant month”) in respect of which the operator requests the issue of SROCs in respect of electricity generated by the relevant station; or
- (b) not less than one month before the beginning of any obligation period (“the relevant obligation period”),

give notice in writing to the Authority that its entitlement to SROCs in respect of electricity generated by that station (“the relevant station”) shall be determined on the basis set out in the remainder of this article.

(3) Paragraph (4) shall apply—

- (a) where an operator has given notice as specified in paragraph (2)(a), in the case of the relevant station for the remainder of the obligation period during which the relevant month falls and subsequent obligation periods; and
- (b) where an operator has given notice as specified in paragraph (2)(b), in the case of the relevant station for the relevant obligation period and subsequent obligation periods.

(4) Where this sub-paragraph applies, the reference to “month” in each place where it occurs in articles 5, 6, 7, 8, 9, 14 to 18 and 20 and Schedule 2 shall be taken to be a reference to “obligation period”, subject to the following exceptions—

- (a) in article 15(1) the words “of each month” shall be omitted;
- (b) in article 18(3) the reference to “the second month” shall remain unchanged;
- (c) in article 18(7) the reference to “the end of the second month” shall remain unchanged; and
- (d) in paragraph 2(b)(i) of Schedule 2 the words “the month and year” shall be replaced by “the obligation period”.

(5) An operator who has given notice under paragraph (2) may—

- (a) if that notice was given under sub-paragraph (a), not less than one month before the beginning of any obligation period following the obligation period during which the relevant month falls; or
- (b) if that notice was given under sub-paragraph (b), not less than one month before the beginning of any obligation period following the relevant obligation period,

by notice in writing to the Authority, withdraw the notice given under paragraph (2).

(6) Where an operator gives notice under paragraph (5), the Authority shall, from the beginning of the obligation period in respect of which the operator gave that notice, determine the operator’s entitlement to SROCs in respect of electricity generated by the relevant station on the basis set out in article 15(1).

PART 6

Payments out of the Buy-Out Fund

Allocation of payments made under article 11

22.—(1) The aggregate of the amounts received by the Authority under article 11 in respect of an obligation period (“the relevant obligation period”) (together with any interest thereon received by the Authority) is referred to as “the buy-out fund”.

(2) The Authority shall pay out the buy-out fund, by the 1st November immediately following the relevant obligation period in accordance with the system of allocation specified in paragraphs (3) to (7).

(3) The buy-out fund relating to a relevant obligation period shall be divided amongst the United Kingdom suppliers who meet one or more of the applicable conditions referred to in paragraphs (4), (5) and (6) so that each such United Kingdom supplier receives a proportion of the buy-out fund calculated in accordance with paragraph (7).

(4) The applicable condition for a designated electricity supplier is that, in respect of the relevant obligation period, it has complied (in whole or in part) with its renewables obligation by producing qualifying certificates to the Authority.

(5) The applicable condition for an electricity supplier supplying electricity in England and Wales is that, in respect of a period contemporaneous with the relevant obligation period, it has complied (in whole or in part) with any renewables obligation imposed on it in accordance with section 32(1) of the Act by producing qualifying certificates to the Authority.

(6) The applicable condition for a Northern Ireland supplier is that, in respect of a period contemporaneous with the relevant obligation period, it has complied (in whole or in part) with any renewables obligation imposed on it in accordance with article 52 of the Northern Ireland Energy Order by producing qualifying certificates to the Northern Ireland Authority.

(7) The proportion of the buy-out fund which each United Kingdom supplier is entitled to receive under paragraph (3) is equal to the proportion which the amount of the electricity covered by all of the qualifying certificates it has produced as mentioned in paragraph (4), (5) or (6) bears to the total amount of the electricity covered by all of the qualifying certificates produced to the Authority or to the Northern Ireland Authority in respect of the relevant obligation period or any period contemporaneous with the relevant obligation period, in discharge of any renewables obligation imposed in accordance with section 32(1) of the Act or article 52 of the Northern Ireland Energy Order.

PART 7

Additional Payments

Late payments

23.—(1) As soon as reasonably practicable after the specified day in relation to an obligation period (“the obligation period in question”), the Authority shall notify any designated electricity supplier that has not discharged its renewables obligation in full by the specified day (“defaulting supplier”) that it has not fully discharged its renewables obligation, and to what extent.

(2) If a defaulting supplier makes a late payment to the Authority before the end of the late payment period relating to the obligation period in question it shall be treated as having discharged its renewables obligation in full for that obligation period.

(3) If a defaulting supplier pays part of a late payment to the Authority before the end of the late payment period relating to the obligation period in question it shall be treated as having discharged the same proportion of the amount of its renewables obligation which was not discharged by the specified day as the proportion which the partial payment bears to the total late payment required in order for the supplier to be treated under paragraph (2) as having discharged its renewables obligation in full for the obligation period in question.

(4) The Authority shall pay out the late payment fund by the 1st January immediately following the late payment period, in accordance with the system of allocation specified in article 22(3) to (7), as if—

- (a) the references in paragraphs (3) and (7) of that article to “the buy-out fund” were references to that late payment fund; and
- (b) the references in paragraphs (3) to (7) of that article to a “relevant obligation period” were references to the obligation period in question.

(5) The Authority shall not, during the late payment period, impose a penalty under section 27A(1)(19) of the Act on any defaulting supplier in respect of that supplier’s failure to discharge its renewables obligation in full before the specified day.

(6) In this article—

- (a) “late payment” means the total of—
 - (i) the amount, or additional amount that the defaulting supplier would have paid under article 11 to discharge its renewables obligation in full immediately before the specified day, taking into account any payments already made by the defaulting supplier under that article and any qualifying certificates produced by the supplier to the Authority; and
 - (ii) interest on the amount specified in paragraph (i) charged at the specified rate and calculated on a daily basis, from the specified day to the date on which payment is received by the Authority;
- (b) “the late payment fund” means the aggregate of the amounts received by the Authority under paragraphs (2) and (3) in respect of the obligation period in question (together with any interest received thereon by the Authority); and
- (c) “specified rate” means 5 percentage points above the base rate of the Bank of England as at the first day of the late payment period in relation to the obligation period.

Mutualisation: payments in

24.—(1) As soon as reasonably practicable after the end of the late payment period in relation to an obligation period, the Authority shall—

- (a) determine whether a relevant shortfall has occurred in relation to the obligation period; and
- (b) where a relevant shortfall has occurred, notify each relevant supplier of—
 - (i) the amount of the shortfall;
 - (ii) the amount to be recovered from all relevant suppliers in accordance with paragraph (3); and
 - (iii) the amount of the payment that the relevant supplier is required to make under paragraph (4).

(2) Where the Authority notifies relevant suppliers under paragraph (1)(b) it shall publish a notice stating—

- (a) the amount of the shortfall; and
- (b) the amount to be recovered from all relevant suppliers in accordance with paragraph (3).

(3) Where a relevant shortfall has occurred, the specified amount shall be recovered from all relevant suppliers in accordance with paragraph (4).

(4) A relevant supplier shall make a payment to the Authority which is the same proportion of the sum to be recovered under paragraph (3) as the proportion which that supplier's renewables obligation for the shortfall period bears to the total of the renewables obligations of all the relevant suppliers for that shortfall period.

(5) When calculating the amount to be recovered from all relevant suppliers in accordance with paragraph (3), the Authority shall, where a non compliant United Kingdom supplier has complied in part with any renewables obligation imposed on that supplier in accordance with section 32(1) of the Act or article 52 of the Northern Ireland Energy Order by producing qualifying certificates to the Authority or to the Northern Ireland Authority in respect of a shortfall period or any period contemporaneous with the shortfall period, reduce the specified amount in accordance with paragraph (6).

(6) Where paragraph (5) applies, the specified amount shall be reduced by a proportion which is equal to the proportion which the amount of the electricity covered by all of the qualifying certificates produced by the non compliant United Kingdom supplier as mentioned in paragraph (5) bears to the total amount of the electricity covered by all of the qualifying certificates produced to the Authority or to the Northern Ireland Authority in respect of that shortfall period or any period contemporaneous with that shortfall period in discharge of any renewables obligation imposed in accordance with section 32(1) of the Act or article 52 of the Northern Ireland Energy Order.

(7) Subject to article 26(3) and (4), a payment required under paragraph (4) shall be paid in the following instalments—

- (a) 25 per cent of the total payment required shall be paid to the Authority before 1st September in the mutualisation period;
- (b) 25 per cent of the total payment required shall be paid to the Authority before 1st December in the mutualisation period;
- (c) 25 per cent of the total payment required shall be paid to the Authority before 1st March in the mutualisation period; and
- (d) 25 per cent of the total payment required shall be paid to the Authority before 1st June in the obligation period immediately following the mutualisation period.

(8) Where a person required to make a payment under paragraph (4)—

- (a) fails to make payment in full in accordance with that paragraph, and
- (b) at any time during or after the end of the shortfall period in question, ceases to hold a licence to supply electricity under section 6(1) of the Act,

sections 25 to 28 of the Act apply in respect of that person in respect of the obligations imposed by this article as if that person still held a licence to supply electricity.

Mutualisation: payments out

25.—(1) The Authority shall pay out the mutualisation fund in accordance with the system of allocation specified in paragraphs (2) to (6) by the following dates—

- (a) 1st November in the mutualisation period;
- (b) 1st February in the mutualisation period;
- (c) 1st May in the obligation period immediately following the mutualisation period; and
- (d) 1st August in the obligation period immediately following the mutualisation period.

(2) The mutualisation fund relating to a shortfall period shall be divided amongst the compliant United Kingdom suppliers who meet one or more of the applicable conditions specified in paragraphs (3) to (5) so that each such compliant United Kingdom supplier receives a proportion of the mutualisation fund calculated in accordance with paragraph (6).

(3) The applicable condition for a designated electricity supplier is that, in respect of that shortfall period, it has complied (in whole or in part) with its renewables obligation by producing qualifying certificates to the Authority.

(4) The applicable condition for an electricity supplier supplying electricity in England and Wales is that, in respect of a period contemporaneous with the shortfall period, it has complied (in whole or in part) with any renewables obligation imposed on it in accordance with section 32(1) of the Act by producing qualifying certificates to the Authority.

(5) The applicable condition for a Northern Ireland supplier is that, in respect of a period contemporaneous with the shortfall period, it has complied (in whole or in part) with any renewables obligation imposed on it in accordance with article 52 of the Northern Ireland Energy Order by producing qualifying certificates to the Northern Ireland Authority.

(6) The proportion of the mutualisation fund which each compliant United Kingdom supplier is entitled to receive under paragraph (2) is equal to the proportion which the amount of the electricity covered by all of the qualifying certificates it has produced as mentioned in paragraphs (3) to (5) bears to the total amount of the electricity covered by all of the qualifying certificates produced to the Authority or to the Northern Ireland Authority in respect of the shortfall period, or any period contemporaneous with the shortfall period, in discharge of any renewables obligation imposed in accordance with section 32(1) of the Act or article 52 of the Northern Ireland Energy Order, excluding any qualifying certificates produced by non compliant United Kingdom suppliers.

Mutualisation: recalculations

26.—(1) Where a relevant shortfall has occurred, if a designated electricity supplier makes a payment to other United Kingdom suppliers in relation to its failure to discharge its renewables obligation in full in relation to the shortfall period (excluding any payments made by the first supplier in respect of mutualisation payments made by the other designated electricity suppliers)—

- (a) the designated electricity supplier who made such payment shall notify the Authority, immediately after making the payment, of the United Kingdom suppliers to which the payments were made, how much each supplier received and to which obligation period the payment relates; and
- (b) any designated electricity supplier who received such payment shall notify the Authority immediately after receiving the payment, of the amount it received.

(2) If the Authority receives a notification from a United Kingdom supplier in relation to a payment made by a designated electricity supplier in respect of the designated electricity supplier's failure to discharge its renewables obligation in full for the shortfall period and, due to any recalculations required under paragraph (3), it is not reasonably practicable for it to pay out the mutualisation fund by the date required by article 25(1), the Authority shall pay out the mutualisation fund as soon as reasonably practicable after that date.

(3) Where, before the 1st August in the obligation period immediately following the mutualisation period, the Authority receives a notification from a United Kingdom supplier in relation to a payment made by a designated electricity supplier in respect of the designated electricity supplier's failure to discharge its renewables obligation in full for the shortfall period, the Authority shall, as soon as reasonably practicable—

- (a) recalculate the amount to be recovered under article 24(3) by reducing the specified amount by the total amount received by the United Kingdom suppliers;
- (b) issue a revised notification to each relevant supplier detailing—

- (i) the recalculated amount to be recovered from all relevant suppliers in accordance with article 24(3); and
- (ii) the recalculated amount of the total payment the relevant supplier is required to make under article 24(4) (“recalculated supplier payment”) and a breakdown of any instalment payments required after the date of the notification in respect of the recalculated supplier payment in accordance with paragraph (4) (“future instalment payments”).

(4) Where the instalment payments already made by a relevant supplier are less than the recalculated supplier payment required from a relevant supplier, that supplier shall make future instalment payments on the dates mentioned in article 24(7) which have not yet passed, each instalment payment being equal to the outstanding amount divided by the number of future instalment payments.

(5) Where, following a recalculation under paragraph (3), a relevant supplier has paid more than the recalculated supplier payment, the Authority shall, where it has received instalment payments under article 24(7) but has not yet paid out the mutualisation fund, repay to each relevant supplier from the mutualisation fund the difference (together with any interest received thereon by the Authority) between the amount that the supplier has paid and the recalculated supplier payment.

(6) Where the Authority is required to repay sums to each relevant supplier in accordance with paragraph (5) and the mutualisation fund is insufficient to enable the Authority to repay each relevant supplier in full, the Authority shall reduce the sum to be paid to each supplier by a proportion equal to the proportion which that deficit bears to the amount that would have sufficed for that purpose; and the supplier shall not be entitled to any further payments from the Authority in this regard.

(7) Where, following a recalculation under paragraph (3), a relevant supplier has paid more than the recalculated supplier payment but there is no mutualisation fund to pay out, the supplier shall not be entitled to any repayment from the Authority.

(8) 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 renewables obligation imposed on it in accordance with section 32(1) of the Act, the designated electricity supplier shall notify the Authority, immediately after receiving the payment, of the amount it received.

Mutualisation: definitions and interpretation

27.—(1) In this Part—

- (a) “compliant United Kingdom supplier” means a United Kingdom supplier which, at the end of the late payment period has discharged or is treated as if it had discharged in full every renewables obligation imposed on that supplier in accordance with section 32(1) of the Act or article 52 of the Northern Ireland Energy Order, in respect of the obligation period to which that late payment period relates, or any period contemporaneous with that obligation period;
- (b) “mutualisation fund” means the aggregate at any given time of the amounts (excluding any amounts repaid under article 26(5)) received by the Authority under articles 24 and 26 in respect of a shortfall period (together with any interest received thereon by the Authority);
- (c) “mutualisation payment” means a payment required under article 24(4);
- (d) “mutualisation period” means the second obligation period following a shortfall period;
- (e) “non compliant United Kingdom supplier” means a United Kingdom supplier which, at the end of the late payment period, has not discharged or is not treated as if it had discharged in full every renewables obligation imposed on that supplier in accordance with 32(1) of the Act or article 52 of the Northern Ireland Energy Order, in respect of the obligation

period to which that late payment period relates, or any period contemporaneous with that obligation period;

- (f) “outstanding amount” means the recalculated supplier payment less the total of any instalment payments already made by the relevant supplier in accordance with article 24(7);
- (g) “payment total” means the total of—
 - (i) the buy out fund in relation to the obligation period in question, immediately before it was paid out in accordance with article 22, and
 - (ii) the late payment fund in relation to the obligation period in question (less any sums paid to the Authority as referred to in article 23(6)(a)(ii)) immediately before it is paid out in accordance with article 23;
- (h) “recalculated supplier payment” has the meaning given by article 26(3)(b)(ii);
- (i) “relevant shortfall” means, in relation to any obligation period set out in the first column of Schedule 4, a shortfall which is equal to or greater than the corresponding amount set out in the second column of that Schedule;
- (j) “relevant supplier” means any designated electricity supplier with a renewables obligation for the shortfall period, which at the end of the late payment period in relation to the shortfall period, had discharged or is treated as if it had discharged the whole or part of, its renewables obligation;
- (k) “shortfall” means the difference between—
 - (i) the payment total, and
 - (ii) what the payment total would have been if all the designated electricity suppliers who, at the end of the late payment period in relation to an obligation period had not discharged or were not treated as if they had discharged their renewables obligation in full under article 23(2), had made a payment referred to in article 23(6)(a)(i);
- (l) “shortfall period” means an obligation period in respect of which a relevant shortfall occurs; and
- (m) “specified amount” means subject to paragraph (2) and articles 24(5) and (6) and 26(3) the whole of the relevant shortfall, except to the extent that it exceeds £20,000,000.

(2) If, in the case of the calendar year 2006 or any subsequent calendar year, the annual retail prices index for that year (“the later year”) is higher or lower than that for the previous year, the figure of £20,000,000 used in the definition of specified amount shall, in relation to the obligation period beginning on the 1st April immediately following the later year, be increased (if the index is higher) or decreased (if the index is lower) by the annual percentage inflation rate of the retail prices index for the later year.

(3) Where the figure of £20,000,000 is modified under paragraph (2) the resulting figure shall be rounded to the nearest pound (with any exact amount of 50p being rounded upwards).

PART 8

Provision of Information and Functions of the Authority

Provision of information to the Authority

28.—(1) The Authority may require a designated electricity supplier to provide it with such information in such form and within such time as it may reasonably require which is, in the

Authority's opinion, relevant to the question whether the supplier is discharging, or has discharged, its renewables obligation in relation to any obligation period.

(2) The Authority may request any person who generates, supplies, distributes or transmits electricity in relation to which a SROC has been or may be issued, or any person who buys or sells such electricity or SROCs (otherwise than as a consumer) to provide the Authority with such information in such form and within such time as it may reasonably request in order to carry out any of its functions under this Order.

Exchange of information with the Northern Ireland Authority

29.—(1) The Authority shall as soon as reasonably practicable after the specified day notify the Northern Ireland Authority of the NIROC identifier of each NIROC produced to it by a designated electricity supplier under article 12 and the name of the designated electricity supplier which produced that NIROC and of the total number of NIROCs produced to the Authority under article 12 in respect of the obligation period to which the specified day relates.

(2) The Authority shall as soon as reasonably practicable after receiving a notification from the Northern Ireland Authority as to the SROC identifiers of SROCs produced to it by the Northern Ireland suppliers under any NIRO Order inform the Northern Ireland Authority of—

- (a) the SROC identifier of any SROC so notified which it has revoked under article 20 and whether it has issued a replacement SROC under article 20(4)(b) in respect of any such SROC (unless that replacement SROC has itself been revoked); and
- (b) the SROC identifier of any SROC so notified that has also been produced by a designated electricity supplier under article 3(2) and the date on which it was also produced.

(3) The Authority shall as soon as reasonably practicable after the specified day notify the Northern Ireland Authority as to the number of certificates produced to the Authority under article 3 and the number of certificates certifying the matters in section 32B(2A) of the Act produced to the Authority under article 13 by each designated electricity supplier in respect of the obligation period to which the specified day relates.

Functions of the Authority

30. In addition to the functions assigned to it elsewhere in this Order, the Authority shall have the following specific functions—

- (a) keeping, maintaining and making available to the public a list of generating stations granted preliminary accreditation and accreditation in accordance with article 31 together with any applicable conditions attached to the preliminary accreditation or accreditation;
- (b) keeping and maintaining a list of SROCs which have been revoked and making such list available to the public;
- (c) calculating and publishing before the start of each obligation period (with the exception of the first obligation period to which this Order relates) the amount of the payment per megawatt hour of electricity referred to in article 11 resulting from the adjustments made to reflect changes in the retail prices index;
- (d) calculating and publishing before the start of each obligation period (with the exception of the first obligation period to which this Order relates) the figure referred to in article 27(2) resulting from the adjustments made to reflect changes in the retail prices index;
- (e) publishing from time to time the total SROC claim;
- (f) by 1st April each year (with the exception of 2006 and 2007) publishing an annual report in relation to the obligation period ending on the 31st March in the previous calendar year, such report to include details (or, in the case of sub paragraph (ix), a summary) of—

- (i) the compliance of each designated electricity supplier with its renewables obligation, including the extent to which that obligation has been met by the production of SROCs pursuant to article 3 or article 13, payments made under article 11, or the production of NIROCs pursuant to article 12 or treated as met by payments made under article 23;
 - (ii) the sums received by each United Kingdom supplier under articles 22 and 23;
 - (iii) the number of SROCs issued by the Authority in accordance with articles 15 and 20, the number of SROCs and other certificates accepted by it as evidence under article 3(1), the number of NIROCs accepted by it under article 12, the number of SROCs and other certificates accepted by it under article 13, and the number of SROCs issued but not yet deleted in respect of the obligation period;
 - (iv) the number of SROCs issued by the Authority in accordance with articles 15 and 20 broken down into different descriptions of generating stations (as referred to in paragraph 2 of Schedule 2);
 - (v) any notices published by the Authority under article 24(2);
 - (vi) any instalment payments made to the Authority in accordance with article 24(7), during the period to which the annual report relates;
 - (vii) the sums received by each compliant United Kingdom supplier under article 25(2), during the period to which the annual report relates;
 - (viii) any recalculations carried out by the Authority in accordance with article 26(3), during the period to which the annual report relates;
 - (ix) the outcome of any enquiries or investigations conducted by the Authority pursuant to sub paragraph (g); and
 - (x) any other matters which the Authority considers relevant to the implementation of this Order;
- (g) monitoring implementation of the renewables obligation and compliance with this Order by designated electricity suppliers and operators of generating stations with this Order (including compliance by operators of generating stations with any conditions attached to their accreditation) and such monitoring may include conducting enquiries or investigations into—
- (i) the quantities of electricity generated from eligible renewable sources by accredited generating stations;
 - (ii) the quantities of such electricity supplied to customers in Great Britain;
 - (iii) the transfer and holding of SROCs;
 - (iv) the effect of such matters on the making and allocation of payments under articles 11, 22, 23, 25 and 26; and
 - (v) the effect of the renewables obligation on designated electricity suppliers and the operators of generating stations;
- (h) publishing at its discretion reports of enquiries or investigations conducted by the Authority pursuant to paragraph (g); and
- (i) the provision of such information to the Northern Ireland Authority as the Authority considers may be relevant to the exercise of the Northern Ireland Authority's functions under any NIRO Order.

Preliminary accreditation and accreditation of generating stations

31.—(1) Paragraphs (2) to (9) shall apply to the granting and withdrawing of preliminary accreditation and accreditation of generating stations.

(2) Where a generating station in respect of which—

- (a) consent under section 36 of the Act has been obtained; or
- (b) planning permission under the Town and Country Planning (Scotland) Act 1997 has been granted

has not been commissioned, the Authority may, upon the application of the person who proposes to construct or operate the generating station, grant the station preliminary accreditation as being capable of generating electricity from eligible renewable sources.

(3) Where a generating station has been commissioned, the Authority may, upon the application of its operator, grant the station accreditation as being capable of generating electricity from eligible renewable sources for the purposes of article 16(2).

(4) Where a station has been granted preliminary accreditation (and such preliminary accreditation has not been withdrawn) and an application for its accreditation is validly made under paragraph (3), the Authority shall not grant that application if—

- (a) there has in the Authority's view been a material change in circumstances since the preliminary accreditation was granted; or
- (b) the Authority has reason to suppose that the information on which the decision to grant the preliminary accreditation was based was incorrect in a material particular; or
- (c) there has been a change in applicable legislation since the preliminary accreditation was granted such that, had the application for preliminary accreditation been made under the amended legislation, it would not in the Authority's view have been granted;

but otherwise shall grant the application.

(5) The Authority may, in granting preliminary accreditation or accreditation, attach such conditions as appear to it to be appropriate.

(6) Where any of the circumstances mentioned in paragraph (7) apply, the Authority may—

- (a) withdraw the preliminary accreditation or accreditation from any generating station; or
- (b) amend conditions attached to the preliminary accreditation or accreditation under paragraph (5); or
- (c) attach conditions to the preliminary accreditation or accreditation.

(7) The circumstances referred to in paragraph (6) are as follows—

- (a) in the Authority's view there has been a material change in circumstances since the preliminary accreditation or accreditation was granted;
- (b) any condition subject to which the preliminary accreditation or accreditation was granted has not been complied with;
- (c) the Authority has reason to believe that the information on which the decision to grant the preliminary accreditation or accreditation was based was incorrect in a material particular;
- (d) there has been a change in applicable legislation since the preliminary accreditation or accreditation was granted such that, had the application for preliminary accreditation or accreditation been made under the amended legislation, it would not in the Authority's view have been granted.

(8) The Authority shall notify the applicant in writing of—

- (a) its decision on an application for preliminary accreditation or accreditation of a generating station;

- (b) any conditions attached to the preliminary accreditation or accreditation; and
- (c) any withdrawal of preliminary accreditation or accreditation.

(9) In providing written notification under paragraph (8), the Authority shall specify the date on which the grant or withdrawal of preliminary accreditation or accreditation and any conditions attached to the preliminary accreditation or accreditation shall take effect.

(10) In paragraph (2), the reference to the person who proposes to construct the generating station shall include a person who arranges for the construction of the generating station.

PART 9

Revocation, Transitional and Savings

Revocation, transitional and savings

32.—(1) Subject to paragraphs (2) to (15), the 2005 Order is hereby revoked.

(2) The 2005 Order shall continue to apply in respect of the renewables obligation of each designated electricity supplier to produce to the Authority evidence in accordance with the terms of article 3 of the 2005 Order, before the specified day of 1st October 2006; and for the purposes of this article, the first line in the column headed “Obligation period”, and the first percentage specified in the column headed “Percentage of total supplies” in Schedule 1 to the 2005 Order shall continue to apply.

(3) The 2005 Order shall continue to apply in respect of the obligations of each designated electricity supplier in terms of article 6(5) of the 2005 Order to furnish information to the Department of Trade and Industry by no later than 20th June 2006.

(4) The 2005 Order shall continue to apply in respect of the obligations of each designated electricity supplier in terms of article 6(6) of the 2005 Order to inform the Authority before 7th August 2006 of the amount in megawatt hours of its renewables obligation in respect of the obligation period which ended before 7th August 2006 and the amount of all electricity supplied by that designated electricity supplier to customers in Scotland during that obligation period.

(5) The 2005 Order shall continue to apply in respect of the ability of a designated electricity supplier to discharge its renewables obligation in relation to the obligation period ending on 31st March 2006 by making a payment to the Authority before the specified day of 1st October 2006, in accordance with the terms of article 7 of the 2005 Order.

(6) The 2005 Order shall continue to apply in respect of the obligations of the Authority to pay out the buy-out fund, by 1st December 2006, in accordance with the terms of article 15 of the 2005 Order.

(7) The 2005 Order shall continue to apply in respect of the ability of a designated electricity supplier to discharge its renewables obligation in relation to the obligation period ending on 31st March 2006 by producing to the Authority eligible NIROCs before the specified day of 1st October 2006, in accordance with the terms of article 8 of the 2005 Order.

(8) The 2005 Order shall continue to apply in respect of the ability of a designated electricity supplier to discharge its renewables obligation in relation to the obligation period ending on 31st March 2006 by producing to the Authority certificates issued by the Authority certifying the matters in section 32B(2A) of the Act before the specified day of 1st October 2006, in accordance with the terms of article 9 of the 2005 Order.

(9) The 2005 Order shall continue to apply in respect of the ability of a designated electricity supplier to be treated as having discharged its renewables obligation in relation to the obligation period ending on 31st March 2006 by making a late payment to the Authority before the end of the late payment period in question, in accordance with the terms of article 17 of the 2005 Order.

(10) The 2005 Order shall continue to apply in respect of the obligations of the Authority to notify any designated electricity supplier that has not discharged its renewables obligation in full by the specified day of 1st October 2006 relating to the obligation period ending on 31st March 2006, and to what extent, in accordance with the terms of article 17 of the 2005 Order.

(11) The 2005 Order shall continue to apply in respect of the obligations of the Authority to pay out the late payment fund, by 1st February 2007 in accordance with the terms of article 17 of the 2005 Order.

(12) The 2005 Order shall continue to apply in respect of the obligations of the Authority to notify to the Northern Ireland Authority the information detailed in article 16 of the 2005 Order, in accordance with the terms of that article of the 2005 Order.

(13) The 2005 Order shall continue to apply in respect of all the obligations of the Authority and designated electricity suppliers referred to in article 18 of the 2005 Order in accordance with the terms of that article and insofar as those obligations relate to a relevant shortfall occurring in the obligation period ending on 31st March 2006.

(14) For the purposes of paragraph (13), the first line in the column headed "Obligation period" and the first amount specified in the column headed "Amount" in Schedule 4 to the 2005 Order shall continue to apply.

(15) The 2005 Order shall continue to apply in respect of all the functions of the Authority referred to in article 19 of the 2005 Order insofar as they relate to the obligation period ending on 31st March 2006.

St Andrew's House,
Edinburgh
20th March 2006

ALLAN WILSON
Authorised to sign by the Scottish Ministers