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DRAFT STATUTORY INSTRUMENTS

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**2006 No.**

The Renewables Obligation Order 2006

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 Scotland 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 paragraphs (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.