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DRAFT STATUTORY INSTRUMENTS

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**2006 No.**

The Renewables Obligation Order 2006

PART 7

Additional Payments

**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), (4) and (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 Scotland 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), (4) and (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.