

**EXPLANATORY MEMORANDUM TO**

**THE ORIGIN OF RENEWABLES ELECTRICITY (POWER OF GAS AND  
ELECTRICITY MARKETS AUTHORITY TO ACT FOR NORTHERN IRELAND  
AUTHORITY FOR UTILITY REGULATION) REGULATIONS 2008**

**2008 No. 1888**

1. This explanatory memorandum has been prepared by the Department for Business Enterprise and Regulatory Reform and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Description**

- 2.1 The regulations enable the Gas and Electricity Markets Authority ("GEMA") to act on behalf of the Northern Ireland Authority for Utility Regulation ("the Northern Ireland Authority") with respect to the administering of guarantees of origin of renewables electricity in Northern Ireland.

3. **Matters of special interest to the Joint Committee on Statutory Instruments or the Select Committee on Statutory Instruments**

- 3.1 None.

4. **Legislative Background**

- 4.1 The regulations amend the Energy Act 2004 by inserting a new section 121A into the Energy Act to enable GEMA to carry out the Northern Ireland Authority's functions regarding administering guarantees of origin of renewables electricity in Northern Ireland.

5. **Territorial Extent and Application**

- 5.1 This instrument applies to the United Kingdom.

6. **European Convention on Human Rights**

Mr Malcolm Wicks, the Minister of State for Energy has made the following statement regarding Human Rights:

In my view the provisions of the Origin of Renewables Electricity (Power of Gas and Electricity Markets Authority to act for Northern Ireland Authority for Utility Regulation) Regulations 2008 are compatible with Convention Rights.

## **7. Policy background**

- 7.1 The regulations enable GEMA to enter into arrangements to act on behalf of the Northern Ireland Authority regarding the administration of guarantees of origin of renewables electricity in Northern Ireland.
- 7.2 Under the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations (Northern Ireland) 2003 (SR 2003/No. 470) the Northern Ireland Authority exercises functions in Northern Ireland with regard to the administration of guarantees of origin for electricity produced from renewable energy sources.
- 7.3 These 2003 regulations implemented in Northern Ireland Article 5 of directive 2001/77/EC on the promotion of electricity produced from renewable energy sources in the internal electricity market. Under Article 5(2) of the directive Member States were to designate one or more competent bodies to supervise the issue of guarantees of origin. The Northern Ireland Authority was designated as the competent authority for Northern Ireland.
- 7.4 Guarantees of origin are to specify the energy source from which renewable electricity was generated (including the date and place of production) and they also serve to enable producers of renewables electricity to demonstrate that the electricity that they sell is produced from renewable energy sources as defined in the directive.
- 7.5 GEMA currently acts for the Northern Ireland Authority in a number of other similar ways. For example, GEMA currently administers the renewables obligation on behalf of the Northern Ireland Authority through a power provided in section 121 of the Energy Act 2004.

## **8. Impact**

- 8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.
- 8.2 The impact on the public sector will be to increase the administrative burden on GEMA who once the regulations come into force will be acting for the Northern Ireland Authority with regard to administering guarantees of origin of renewables electricity in Northern Ireland.

## **9. Contact**

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