EXPLANATORY NOTE

(This note is not part of the Regulations)

Article 14(11) of Directive 2012/27/EU on Energy Efficiency (the 'Energy Efficiency Directive') requires that Member States ensure support for cogeneration (also known as Combined Heat and Power) is subject to the electricity produced originating from high-efficiency cogeneration and the waste heat being efficiently used to achieve primary energy savings.

Annex II of the Energy Efficiency Directive contains a methodology for determining the efficiency of the cogeneration process and the calculation of primary energy savings. This determination is made, in part, by reference to 'efficiency reference values' for the separate production of heat and electricity.

The second sub-paragraph of Article 14(10) of the Energy Efficiency Directive empowers the European Commission to review, by means of delegated acts, the efficiency reference values laid down in Implementing Decision 2011/877/EU, which applied from 2011-2015. Commission Delegated Regulation (EU) 2015/2402 (the 'Delegated Regulation') was made using that power and provided new efficiency reference values applicable from 1st January 2016 onwards.

The Combined Heat and Power Quality Assurance ('CHPQA') scheme, through the CHPQA Standard (and Guidance Notes, as applicable) aims to help ensure the requirements in Article 14(11) of the Energy Efficiency Directive are met. Revised versions of the CHPQA Standard and Guidance Note 44 (Issue 6 of both documents) have been published by the Department for Business, Energy and Industrial Strategy to reflect the new efficiency reference values introduced by the Delegated Regulation.

These Regulations amend the following instruments, each of which refer to one or both of the CHPQA Standard or Guidance Note 44, to refer to Issue 6 of those documents: the Renewables Obligation Order 2015; the Renewables Obligation Closure Order 2014; the Renewables Obligation (Scotland) Order 2009; the Renewables Obligation Order (Northern Ireland) 2009; the Emissions Performance Standard Regulations 2015; the Contracts for Difference (Definition of Eligible Generator) Regulations 2014; the Renewable Heat Incentive Scheme Regulations 2011; and the Guarantees of Origin of Electricity Produced from High-efficiency Cogeneration Regulations 2007.

Issue 6 of the CHPQA Standard and of Guidance Note 44 are available online at www.gov.uk/guidance/combined-heat-power-quality-assurance-programme. Copies may also be obtained from the Department for Business, Energy and Industrial Strategy at 1 Victoria Street, London, SW1H 0FT

Regulation 4 also amends article 22C of the Renewables Obligation (Scotland) Order 2009 to ensure it continues to apply to biomass generating stations accredited under CHPQA Issue 3 or 5 as well as under CHPQA Issue 6.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sector is foreseen.