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# REGOs: Guidance for generators, agents and suppliers

The Renewable Energy Guarantees of Origin (REGO) scheme provides transparency to consumers about the proportion of electricity that suppliers source from renewable generation.

The Office of Gas and Electricity Markets ('Ofgem') administers the REGO scheme for electricity generated in Great Britain in accordance with the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003, as amended<sup>1</sup> (the GoO Regulations 2003). The GoO Regulations 2003 implemented Article 5 of the EU Directive 2001/77/EC<sup>2</sup> and were subsequently amended to reflect the changes introduced by EU Directive 2009/28/EC<sup>3</sup>. The GoO Regulations continue to apply following the UK's exit from the EU on 31 December 2020.

The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations (Northern Ireland) 2003, as amended, implements Article 5 of the 2001/77/EC in Northern Ireland. Ofgem has administered the REGO scheme in Northern Ireland from 1 February 2009 on the Northern Ireland Authority for Utility Regulation (NIAUR)'s behalf under an agency service agreement in accordance with s121A of the Energy Act 2004<sup>4</sup>.

REGO certificates (REGOs) are predominantly used by licensed electricity suppliers for Fuel Mix Disclosure. This requires them to prove to their customers, and potential customers, the fuel mix of the electricity supplied.

This document provides guidance on how we administer the REGO scheme and what is required of generators, traders, and suppliers who wish to participate.

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<sup>&</sup>lt;sup>1</sup> https://www.legislation.gov.uk/uksi/2003/2562/contents

https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32001L0077

https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32009L0028

<sup>4</sup> https://www.legislation.gov.uk/ukpga/2004/20/section/121A

## **Associated Documents**

Readers should be aware of the following documents that support this guidance.

These documents are available on our website at <a href="www.ofgem.gov.uk">www.ofgem.gov.uk</a>.

- Renewables Obligation: Fuel measurement and sampling guidance
- Fuel Measurement and Sampling Questionnaire
- The Renewables and CHP Register User Guide
- Guidance for organisations on presenting Guarantees of Origin (GoOs) for use in GB Fuel Mix Disclosure (FMD) and Feed-in Tariffs (FIT) annual levelisation
- Northern Ireland Renewable Energy Guarantees of Origin (NI REGOs)
- Fuel Mix Disclosure by Electricity Suppliers in Great Britain Guidelines
- Green Supply Guidelines

Readers should also be aware of the following external documents:

- Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, March 2019
- Fuel Mix Disclosure Data Table

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#### **Executive summary**

The main purpose of the Renewable Energy Guarantees of Origin (REGO) scheme is to provide transparency to consumers about the proportion of electricity that suppliers source from renewable generation.

Renewable generators of any size in Great Britain and Northern Ireland can apply for the scheme. Once we have confirmed their accreditation under the REGO scheme, we issue REGO certificates (REGOs) to the operator of eligible generating stations, or their appointed agent to represent the renewable source electricity generated. The purpose of the certificate is to prove to the final customer that a given share of energy was produced from renewable sources. As such, the primary use of REGOs in Great Britain and Northern Ireland is for Fuel Mix Disclosure (FMD). FMD requires licensed electricity suppliers to disclose to potential and existing customers the mix of fuels (coal, gas, nuclear, renewable, and other) used to generate the electricity supplied. Once issued, REGOs can be traded with or without the electricity to which it was issued.

This document provides guidance on how we administer the REGO scheme and what you need to do if you wish to participate. It is intended to be a working document and may be updated from time to time.

It is for guidance only and not intended to provide comprehensive legal advice on how the legislation should be interpreted. At all times, the onus is on the operator of a generating station to ensure that they, or their agent, are aware of the requirements of the legislation. This document does not anticipate every scenario which may arise. Where a scenario arises which is not addressed in this guidance document, we will adopt an approach that is consistent with the legislation. Any additional guidance about the scheme will be published on the Ofgem website<sup>5</sup>.

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<sup>&</sup>lt;sup>5</sup> <u>https://www.ofgem.gov.uk/environmental-and-social-schemes/renewable-energy-guarantees-origin-rego</u>

#### 1. Introduction

#### **Chapter Summary**

This chapter introduces the Renewable Energy Guarantees of Origin (REGO) scheme, the EU Directive and the Great Britain & Northern Ireland Regulations that establish the REGO scheme along with the legislative changes introduced in 2010.

1.1. The Gas and Electricity Markets Authority (also referred to in this document as either the "Authority" or GEMA) administers the REGO scheme on behalf of the government. The day-to-day administrative duties are carried out by the Office of Gas and Electricity Markets (Ofgem). REGOs are issued to operators of eligible generating stations and represent renewably sourced electricity generated in Great Britain (GB) and Northern Ireland (NI). Accreditation is used to determine a station's eligibility under the REGO scheme. Applications for accreditation under the REGO scheme can be made to us via the Renewables and CHP (R&CHP) Register<sup>6</sup> (please note we will refer to the R&CHP Register as "the Register" throughout the document). Prior to making an application, a generator account should be set up.

#### Definition of a REGO

- 1.2. A guarantee of origin is, "a certificate issued by the Authority, certifying that the electricity in respect of which the certificate is issued, was electricity produced from renewable energy sources<sup>7</sup>". One REGO is issued for every megawatt hour (MWh) of gross renewable electricity generated by an accredited generating station. Once issued, REGOs can be traded with or without the electricity to which they were issued. The main uses of REGOs in GB and NI are:
  - to verify the renewable attributes of the energy and
  - used for the purpose of <u>Fuel Mix Disclosure (FMD)</u>.
- 1.3. This guidance document sets out the administrative procedures for the implementation of the 2003 GoO Regulations as amended governing the REGO scheme in GB and NI.
- 1.4. This document is intended to be for guidance only and does not therefore anticipate every scenario which may arise. Where a scenario arises which these procedures do not specifically address, we will adopt an approach that is consistent with the legislation.

<sup>&</sup>lt;sup>6</sup> Renewables & CHP (ofgem.gov.uk)

<sup>&</sup>lt;sup>7</sup> https://www.legislation.gov.uk/uksi/2003/2562/regulation/2, regulation 2(1)

- 1.5. The duty to develop a certification scheme for REGOs was placed on all European Union (EU) Member States via Article 5 of <u>Directive 2001/77/EC (the 2001 Directive)</u> on the promotion of electricity produced from renewable energy sources in the internal electricity market. It should be noted that other issuers refer to REGOs as Guarantees of Origin (GoOs).
- 1.6. The purpose of the 2001 Directive was to promote an increase in the contribution of renewable energy sources to electricity production. The REGO enables producers of electricity from renewable energy sources to demonstrate that the electricity they sell is renewable. It provided a common platform to facilitate the trade of renewable electricity between Member States and increased transparency for the consumer, allowing them to choose between electricity produced from renewable and non-renewable energy sources. The 2001 Directive set a broad duty for each Member State to establish the scheme. As such the structure of each Member State's scheme may differ.
- 1.7. Article 5 of the 2001 Directive was implemented in Great Britain (GB) by The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003, as amended (the GoO Regulations 2003). In Northern Ireland it was implemented by The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations (Northern Ireland) 2003, as amended (the GoO Regulations (NI) 2003), (collectively referred to as "the Regulations" in this Guidance).

#### Our role and duties

- 1.8. Under the GoO Regulations 2003, as amended, the Authority is designated as the competent person to issue REGOs in GB and as such has been given certain duties. Ofgem operates under the direction and governance of the Authority. The use of 'Ofgem', 'us', 'our' and 'we' are used interchangeably when referring to the exercise of the Authority's powers and functions under the Regulations. Further information on Ofgem's overall powers and duties can be found on our website<sup>8</sup>
- 1.9. We also administer NI REGOs on behalf of the Northern Ireland Authority for Utility Regulation (NIAUR) by the powers given to us under an agency service agreement<sup>9</sup>. NIAUR will be referred to as the Utility Regulator in this document. The agreement took effect on 1 February 2009. Under this agreement, we are required to carry out the duties listed below in respect of NI REGOs for generation from 1 January 2009. The Utility

<sup>&</sup>lt;sup>8</sup> https://www.ofgem.gov.uk/publications/our-powers-and-duties

<sup>&</sup>lt;sup>9</sup> Section 121A of the Energy Act 2004 empowers us to do so

Regulator continues to retain responsibility under the Regulations for administering the REGO scheme in NI. Please refer to the 'Northern Ireland Renewable Energy Guarantees of Origin (NI REGOs)<sup>10</sup>′ for full information on the agreement.

- 1.10. We administer the NI REGO scheme in exactly the same way as we do for GB REGOs. This is made possible since the key duties under the Regulations mirror each other. Our duties include:
  - · establishing and maintaining a Register of REGOs in electronic format,
  - issuing REGOs,
  - · transferring REGOs,
  - retiring REGOs (NI only),
  - cancelling REGOs,
  - revoking REGOs,
  - · recognising REGOs issued by Ofgem,
  - recognising GoOs issued by EU Member States (in GB until the end of the 22/23 disclosure period<sup>11</sup>. From 23/24 onwards this duty will cease.),
  - auditing stations accredited under the scheme,
  - publishing certain information about the REGO (the information set out in Schedule 2 to the Regulations) and,
  - publishing an explanation of how codes used in the Register should be interpreted.
- 1.11. We carry out these duties, as efficiently and effectively as possible, according to the provisions of the Regulations. We cannot act beyond the scope of the powers laid down in the Regulations. Amendments to the Regulations in respect of GB REGOs are a matter for the Department of Energy Security and Net Zero (formerly the Department for Business, Energy and Industrial Strategy) and, in respect of NI REGOs, the Department for the Economy (DfE).

<sup>&</sup>lt;sup>10</sup> https://www.ofgem.gov.uk/publications/northern-ireland-renewable-energy-guarantees-origin

<sup>&</sup>lt;sup>11</sup> The Single Electricity Market Operator (SEMO) performs this duty for the NI FMD.

#### The Renewables and CHP Register

- 1.12. The Renewables and CHP Register is the main tool used to administer the REGO scheme. It fulfils our duty to establish, maintain and publish a Register in electronic form containing the information set out in Schedule 2 as required by regulation 7 of the Regulations. It is an electronic, web-based system used for the accreditation of renewable generating stations; requesting and issuing REGOs; holding details of and recording the transfer; cancellation; retirement and use of REGOs. The Register is conclusive proof as to whether a REGO exists, who the Registered Holder<sup>12</sup> is at a point in time (Regulation 7(2)) and the Registered Particulars of the REGOs (Regulation 7(3)).
- 1.13. In terms of seeking accreditation and being issued with REGOs, operators of renewable generating stations will need to undertake the following steps:
  - Create a generator account via the Register.
  - Fill out an application for accreditation to Ofgem via their account.
  - Make relevant declarations in advance of submitting an application.
  - Submit the application to us and respond to any queries we may have on the application.
  - Submit generation data either monthly, annually; or between any number of unsubmitted months between April and March. Data should be submitted in good time in order to be reviewed and any issues clarified prior to relevant disclosure deadlines. Stations that are accredited under RO will need to submit monthly.
  - Provide information in relation to their application for accreditation or monthly data submission as needs be.
  - Make new declarations at the start of each obligation year ie. every April.
- 1.14. All parties, generating stations, electricity suppliers, agents and participants use the Register to receive, trade and use REGOs. To obtain access to the Register you must

<sup>&</sup>lt;sup>12</sup> "Registered Holder", in relation to a GoO, means the person whose name is shown on the Register in accordance with paragraph 2(a) of Schedule 2 as the last person to whom that GoO has been transferred or, where there is no person so shown, the person whose name is shown on the Register under paragraph 1(a) of the Schedule as the person to whom the GoO has been issued.

- register for an account. Full information on how to use the Register is available on our website www.ofgem.gov.uk in the "Renewables and CHP Register User Guide" 13.
- 1.15. Non active users may access the public reports. Chapter 10 provides details of the information that is publicly available. It should be noted that the Register does not make available publicly historical information on Registered Holders. However, users have access to this information within their account to show their transactional history.

#### Queries

- 1.16. Any queries in relation to our duties under the Regulations should be emailed to our dedicated support team on <a href="mailto:renewable.enquiry@ofgem.gov.uk">renewable.enquiry@ofgem.gov.uk</a> with the nature of the query clearly marked. Written queries should be sent to the address on the front of this document, any query should include the name of your generating station along with the scheme(s) you are accredited under.
- 1.17. For telephone enquiries, the team can be contacted on **020 7901 7310** during office hours.

<sup>&</sup>lt;sup>13</sup> Renewables and CHP Register User Guide

#### 2. Acting as an Agent

#### **Chapter Summary**

This chapter explains that the operator of a generating station may appoint an agent for the administrative functions of the REGO scheme. It sets out how to appoint an agent and what their responsibilities are under the REGO scheme.

- 2.1. We allow the operator of a generating station to appoint an agent to assist with the administrative functions of the REGO scheme. Responsibility for the agent's actions remains with the operator of a generating station.
- 2.2. It is the responsibility of agents, and those appointing them, to ensure that the terms of the appointment are in accordance with the relevant primary and secondary legislation along with other requirements of the REGO scheme, including:
  - the extent of their authority; and
  - their actions.

#### What an agent may be appointed to do

- 2.3. An agent may be appointed to manage all or some of the administrative tasks required to enable the operator of a generating station to receive; transfer; retire and use REGOs. This includes submitting applications for accreditation, signing declarations, and submitting output data. REGOs may not be issued to an agent for their own use or benefit or for the use or benefit of another operator.
- 2.4. The agent will need to ensure that it has the necessary knowledge to be able to sign declarations (if authorised to do so) on behalf of the operator of the generating station. To do this, it will need to seek information and/or assurances from the operator. To ensure that a full audit trail exists, the agent will need to obtain this information in writing from the authorised signatory of the generating station.

#### Registration of an agent

2.5. The selection of an agent is the responsibility of the operator of a generating station. In order to act as the agent of a generating station, we require notification from the operator of the generating station that an agent has been appointed to act on its behalf. This is

done using an agent appointment form, a copy of which is available from our website<sup>14</sup>. The operator should send this completed form directly to us, along with a covering letter on headed paper, or by email. You can find our contact details in Appendix 4.

#### Giving an agent access to the Register

- 2.6. If the agent is given authority for all the administrative functions on behalf of the operator, they can be authorised as the Responsible Person of the operator's Register account. In these circumstances we require the operator of the generating station to submit a letter of authorisation on company headed paper confirming that they wish to allow the agent to act in their name.
- 2.7. If an agent is only given authority to administer some functions on behalf of the operator of a generating station, the operator must apply for an account on the Register as the Responsible Person. As with any account, only the appointed Responsible Person can sign declarations. However, all other administrative processes can be dealt with by the agent to the level of authority determined by the operator.

#### Contact with Ofgem

2.8. Once an agent has been given authority for all the administrative functions on behalf of the operator, we shall consider the agent to be the sole contact for the administrative processes specified by the operator of the generating station. We shall send all correspondence and information in respect of the specified tasks to the agent. It will be the agent's responsibility to inform the operator in full of their specified tasks. It is the responsibility of the operator of a generating station to ensure that the agent provides all the information required under the Regulations and the related administrative processes to Ofgem.

#### Agents acting for more than one generating station

2.9. There is no limit on the number of generating stations an agent may represent. However, in doing so, the agent acts individually for each generating station. As such, applications for accreditation and requests for REGO issue are made per generating station. An agent, acting on behalf of multiple generating stations, may apply for bulk accreditation of those stations (please note that each application is assessed individually against the relevant criteria), however requests for REGOs may not be amalgamated. Similarly, we will issue

https://www.ofgem.gov.uk/sites/default/files/docs/2015/07/ccl and rego agent appointment form july 2015 0.pdf

REGOs based on the output of individual generating stations. Output submissions may not be amalgamated for a portfolio of generating stations.

#### **Disputes**

2.10. Disputes between the operator of a generating station and their appointed agent(s) are not matters for Ofgem.

#### Terminating an agency agreement

2.11. The operator of a generating station should inform Ofgem in writing of termination of the agreement with their agent within 14 days of terminating the agreement. Until Ofgem receives written notification of the termination, we will continue work with the operator's appointed agent. The operator of the generating station may choose to appoint another agent or manage matters itself but must notify Ofgem as to their preferred course of action and details of any new agent.

#### 3. Eligibility under the scheme

#### **Chapter summary**

This chapter sets out the general Renewable Energy Guarantees of Origin (REGO) eligibility requirements and provides guidance on the types of stations that are eligible to claim REGOs.

- 3.1. We are required to issue REGOs on the proportion of electricity generated by individual generating stations located in Great Britain and Northern Ireland using eligible 'renewable energy sources' as defined by the Regulations. The legislation is explicit as to what renewable energy sources are eligible. The generating station must be eligible and accredited by us before we issue REGOs. Chapter 4 specifies how the operator of a generating station can apply for accreditation. Details of the eligibility criteria are set out below.
- 3.2. We can only issue REGOs for electricity produced from renewable energy sources by a generating station located in Great Britain (England, Wales, and Scotland) and Northern Ireland. For the purposes of the GB GoO Regulations 2003, as amended, Great Britain includes:
  - the territorial sea of the United Kingdom which is adjacent to Great Britain and
  - any area designated under section 1(7) of the Continental Shelf Act 1964<sup>15</sup>.
- 3.3. REGOs can therefore be requested for electricity produced from eligible renewable energy sources by offshore generating stations located in these waters.

Electricity produced from renewable energy sources (pure and hybrid stations)

3.4. REGOs will only be issued on the proportion of electricity generated by a generating station that produces electricity from eligible renewable energy sources<sup>16</sup>. If a station generates electricity purely from an eligible renewable energy source, we will issue REGOs on gross generation. If a station generates electricity partly from an eligible renewable energy source and partly from other energy sources, we will issue REGOs only on the proportion of electricity generated from eligible renewable sources (the exception is pumped/filled storage systems).

https://www.legislation.gov.uk/uksi/2003/2562/regulation/2/made

<sup>&</sup>lt;sup>15</sup> Regulation 2, The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003 (as amended).

<sup>&</sup>lt;sup>16</sup> Regulation 2, The Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003 (as amended).

#### Individual generating stations

3.5. We will only issue REGOs on eligible renewable generation by an individual generating station. The Regulations do not define a generating station (referred to as 'plant' in the Regulations). In the absence of this, we consider the term 'generating station' to have its natural or ordinary meaning, unless it is used in a technical context in which case it will have its technical meaning.

#### Specific eligibility

#### Renewable energy sources

- 3.6. Eligible renewable energy sources are defined in the Regulations as "renewable non-fossil energy sources". They are:
  - wind
  - solar
  - aerothermal
  - geothermal
  - hydrothermal and ocean energy
  - hydropower
  - biomass
  - landfill gas
  - sewage treatment plant gas and
  - biogases
- 3.7. We have no discretion over the interpretation of whether an energy source is renewable for the purposes of issuing REGOs.

#### Pumped/filled storage systems

3.8. In the case of pumped or filled storage systems, REGOs can only be claimed on electricity generated from water that has not previously been pumped uphill to fill the storage

system<sup>17</sup>, ie, natural run off. It is the responsibility of the operator of the generating station to ensure that records of the quantity of eligible and ineligible electricity generated from filling such storage systems are kept for audit purposes.

#### **Biomass and waste stations**

- 3.9. Biomass and waste are eligible renewable energy sources for the purposes of requesting REGOs. The Regulations define biomass as "the biodegradable fraction of products, waste and residues of biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste". The 2009 Directive amended the definition to include references to residues of biological origin from agriculture and related industries including fisheries and aquaculture.
- 3.10. Stations generating electricity from biomass or waste can therefore request REGOs on the renewable proportion (the biodegradable element of the biomass or waste) of electricity generated. To determine the renewable proportion the operator of the generating station must have appropriate fuel measurement and sampling (FMS) procedures in place. We typically ask that a 'Fuel Measurement and Sampling Questionnaire' is completed to allow us to assess the renewable percentage of the electricity being generated from the biomass or waste.
- 3.11. The completed FMS questionnaire should be submitted along with an application for accreditation. It should be resubmitted if new fuels are used at the station or the fuel measurement and sampling procedures at the station change. Please refer to the 'Renewables Obligation: Fuel measurement and sampling guidance' for advice on how to complete the questionnaire.

<sup>&</sup>lt;sup>17</sup> "Storage system" means a system for the storage of water or any other substance intended for use in the production of electricity produced from renewable energy sources; regulation 2 of the Regulations.

<sup>18</sup> https://www.ofgem.gov.uk/sites/default/files/docs/2020/04/20 04 ro fms guidance.pdf

#### 4. Accreditation for REGOs

#### **Chapter summary**

This chapter explains the process of seeking accreditation under the REGO scheme. It sets out how accreditation is granted; what the operator of a generating station must do to maintain accreditation and the process of withdrawing accreditations.

4.1. In order for us to issue a REGO, we must be satisfied that the electricity in question has been generated by a renewable source. Prior to issuing a REGO, we request that the operator of a generating station provides us with the information as set out in Schedule 1 of the Regulations before making a request for REGOs (regulation 4(4) of the Regulations). This must include any further information or evidence as reasonably required for the purpose of determining, the accuracy of the information provided; or to satisfy us of the renewable energy source used to generate electricity. This information is requested via an accreditation application form.

#### How to apply for accreditation

- 4.2. In order to apply for accreditation, the operator of a generating station must first register for an account on the Register. Guidance on how to do this and other functions of the Register is published in the Renewable and CHP Register User Guide available from the Ofgem website <a href="here">here</a>.
- 4.3. For a generating station to be approved for REGOs, the operator must complete the Register's online application for accreditation.
- 4.4. The application form determines the questions to be answered by each generating station based on the specifics of the station. The questions asked will provide us with the information required to make a request for the issue of REGOs see Appendix 2 for examples broken down by technology type. Typically generating stations using biomass or waste must also complete a 'Fuel Measurement and Sampling Questionnaire'<sup>19</sup> as part of the accreditation process. Refer to Chapter 3: Eligibility Criteria for REGOs and Chapter 5: REGO Certificates. Requests for the issue of REGOs may have an impact on the information that you need to submit for accreditation approval.
- 4.5. Generators will be required to submit a single line diagram as part of their application for REGO accreditation. This diagram should show any generators (including standby

<sup>&</sup>lt;sup>19</sup> https://www.ofgem.gov.uk/publications/fuel-measurement-and-sampling-questionnaire

- generators), meters, interconnectors and the grid connection point. We will compare this against the information in the application to ensure consistency.
- 4.6. Prior to submitting the application form to us an 'Information Declaration' must be signed online by the Responsible Person of the account. The Responsible Person will be prompted to make this declaration once an application has been completed. Upon submitting the application, an email will be sent to you confirming that we have received the application and the date of receipt.
- 4.7. We will conduct an initial review of your application and ask for further information if we need it. We cannot, however, guarantee a deadline for approving accreditation, assuming the generating station is deemed to be eligible to receive REGOs.

#### Confirmation of accreditation

- 4.8. Once we are satisfied that a generating station is eligible for REGOs, the operator will be informed that the accreditation has been approved. The letter will state the accreditation date (the date REGOs can first be requested) and the unique identification number (the accreditation ID) for the station. Accreditation does not, of itself, guarantee the issue of REGOs. That will depend on the satisfactory submission of output data and compliance with all aspects of the relevant Regulations.
- 4.9. In the public reports, published on the Register, we will display information on the details of generating stations accredited for REGOs.

#### Accreditation date

- 4.10. Accreditation will be granted as of the later of the following dates:
  - the date on which the generating station was commissioned or
  - the date the application for accreditation was submitted to us.
- 4.11. If it can be proven that electricity generated prior to the accreditation date was from an eligible renewable energy source, e.g. the station has previously been accredited for RO/FIT, it may be possible to issue REGOs prior to the accreditation date. In such instances, please contact our team at <a href="mailto:renewable.enquiry@ofgem.gov.uk">renewable.enquiry@ofgem.gov.uk</a>. This would be undertaken by amending the RO/FIT application allowing the evidence used by that process to guide REGO accreditation.

#### Accreditation Number

- 4.12. A unique REGO accreditation number is created by the Register upon submission of an application. For example, a landfill gas generating station in England could be allocated a number such as: G 00000 LG EN. The format of the accreditation number can be explained as follows:
  - **G** (to denote the certificate is a REGO)
  - **00000** Unique station number (to denote the station that generated the renewable electricity)
  - **LG** Technology code (to denote the renewable energy source used to generate electricity)
  - **EN** Country code (to denote the country of generation)
- 4.13. The accreditation number will be set out in all REGOs issued for renewable electricity generated by an individual generating station. <u>Appendix 1</u> explains the technology and country codes.

#### Refusal to accredit

4.14. We will refuse to accredit a generating station in circumstances where we are not satisfied that it can generate electricity from eligible renewable energy sources in GB or NI. We will also refuse to accredit a generating station if the application has been made fraudulently or by a party not entitled to apply for accreditation.

#### Maintaining accreditation

#### Changes to accreditation information/evidence provided

4.15. Generators are required to inform us if there are any changes to the information and evidence provided for the purposes of accreditation. To do this, the generator or their agent must amend the application for accreditation for their generating station on the Register as soon as the change takes place. If there are technical changes to the station, generators or their agents should ensure that they provide a revised schematic diagram showing the generation facilities and metering. Once amended, we will review the changes and advise whether the station is still eligible to receive REGOs. While we are considering whether the revised information affects eligibility for REGOs, REGO issue will be suspended.

#### **Annual declaration**

- 4.16. We require all generating stations claiming REGOs to sign an Information Declaration by 1 April each year to maintain their accreditation. This declaration is signed electronically on the Register by the Responsible Person for the account. Reminders will be placed on the Register to advise generators when to sign the declaration. Failure to sign the declaration annually will prevent REGO issue, operators are required to sign declarations in advance before the relevant generation starts. This declaration asks operators to declare that:
  - if the generating station or fuel used by the generating station is altered or updated in any way, they will notify the Authority within two weeks of the alteration occurring
  - any information and/or calculations submitted to the Authority, including any information which is provided to determine the amount of electricity generated from eligible renewable resources, will be complete and accurate and
  - they will not knowingly or recklessly submit information or make any statement which is false in a material particular and
  - they are aware that doing so could result in a criminal prosecution<sup>20</sup>

#### **Fuel Measurement and Sampling Questionnaire**

4.17. We require the operator of a generating station, using biomass or waste to generate renewable source electricity, to complete and resubmit the Fuel Measurement and Sampling Questionnaire<sup>21</sup> when new fuels are used; or when the fuel measurement and sampling procedures at the station change. This is so we have an accurate record of the fuels used; and procedures undertaken at the generating station to ensure that the station meets the legislative requirements.

#### Withdrawal of accreditation

4.18. We will withdraw accreditation in circumstances where we are no longer satisfied that the generating station can generate electricity from eligible renewable energy sources in GB or NI. For example, this may occur where the station has been decommissioned; or where we are no longer satisfied that the information previously provided in relation to the generating station is accurate. Before reaching a decision, we will take account of

<sup>&</sup>lt;sup>20</sup> Section 43 of the Gas Act 1986; and section 59 of the Electricity Act 1989

<sup>&</sup>lt;sup>21</sup> https://www.ofgem.gov.uk/publications/fuel-measurement-and-sampling-questionnaire

representations made by the operator of the generating station. We will subsequently confirm our decision in writing, including the date of withdrawal of accreditation, as appropriate. Depending on the reason for accreditation being withdrawn, we may revoke some or all REGOs issued. Chapter 6 details the process for revoking REGOs.

## 5. REGO Certificates: Submitting output data and supporting evidence

#### **Chapter summary**

This chapter explains who can claim REGOs, how to submit output data and what supporting evidence must be provided. It also explains how to amend a submission in case of an error.

5.1. A REGO can only be requested for the proportion of electricity generated by an individual generating station located in GB or NI using eligible renewable energy sources. A generating station must be accredited by us before we will consider a request for a REGO. The accreditation process provides us with most of the information to be presented in a request for REGOs. Chapter 4 explains how accreditation is sought. The rest of the information needed is requested and obtained during each request for REGOs.

#### Who can request REGOs

5.2. Only the operator, or their appointed agent, of an accredited generating station can request REGOs for the renewable electricity they generate<sup>22</sup>.

#### Deadline to request a REGO

- 5.3. There is no legislative deadline for requesting a REGO however operators should ensure that they regularly submit output data and hold supporting evidence. All GB REGOs issued have a shelf life of 16 months (19 months for NI REGOs) from the month of generation before they are cancelled. Furthermore, if a supplier wishes to use REGOs for Fuel Mix Disclosure (see Chapter 8) operators must ensure that REGOs are obtained and transferred to suppliers before midday 1 July for generation that occurred in the disclosure period.
- 5.4. If a REGO is requested for a period of generation 16 months or older it will be issued even though technically it has been cancelled. The REGO will be cancelled at midnight on the day of issue. These REGOs cannot be used. We will carry out regular checks to ensure that these REGOs are not being used.

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<sup>&</sup>lt;sup>22</sup> regulation 4(1) of the Regulations

#### How to request a REGO

- 5.5. All REGO submissions are made on the Register. Please refer to the Renewables and CHP Register User Guide<sup>23</sup> for further information on how to do this. If a generating station also claims Renewables Obligation Certificates (ROCs) only one request will need to be made for a period of generation.
- 5.6. If operators have more than one accredited generating station. We have developed spreadsheets to claim REGOs for multiple stations via a single upload.

#### Information to be provided

- 5.7. Before we will accept a request for REGOs all the information and evidence stated in Schedule 1 to the Regulations (see Appendix 2) must be submitted. Most of this information is provided at the accreditation stage and is maintained via the Register. It does not need to be provided upon each request for a REGO. The following information must be provided with each Output data submission:
  - the start and end dates of production of the electricity
  - the total quantity of Gross Electricity (in kWh) by the generating station
  - some fuelled stations submit fuel measurement information, and supporting evidence

#### Period of generation

5.8. A REGO cannot be claimed for a period of generation less than one month<sup>24</sup>. Data submissions for REGOs must therefore be made for a calendar month, over multiple months or an annual period (April – March) from the accreditation date<sup>25</sup>. There can be no deviation of the dates for an annual REGO request, the annual period is set as April – March to coincide with the annual generation period for small generators in GB (less than 50kW) requesting ROCs under the Renewables Obligation (RO) scheme<sup>26</sup>. Generating stations with a capacity of 50kW or greater may also make monthly claims for ROCs. As such, claims for REGOs can also be made for a calendar month. Appropriate electricity readings should be taken for the start and end of each REGO request period.

<sup>&</sup>lt;sup>23</sup> Renewables and CHP Register User Guide

<sup>&</sup>lt;sup>24</sup> Regulation 4(3) of the Regulations

<sup>&</sup>lt;sup>25</sup> The accreditation date will be stated on the accreditation letter. Please refer to Chapter 4 for further information.

<sup>&</sup>lt;sup>26</sup> This scheme is now closed to new generating capacity.

#### Generation figures

- 5.9. The request for REGOs must contain the total quantity of electricity produced by the generating station from renewable sources; REGOs are claimed based on the gross renewable electricity generated. If a generating station uses some or all the electricity generated on-site, they are still eligible to claim REGOs.
- 5.10. For stations that use biomass or waste, any fossil fuel use during a period to generate electricity should be declared upon making a request for REGOs. Where the fossil fuel use does not result in the generation of electricity, it does not need to be declared as it is not relevant to the request for REGOs. That means that fossil fuel used prior to electricity being generated (ie. for ancillary purposes) would not be relevant to the total quantity of electricity produced by the station.

#### Metering and estimated data

- 5.11. Acceptable sources of electricity production figures include meter readings, supplier statements or figures from a data collector. It is the responsibility of the producer to ensure that records of the quantity of electricity produced are kept for audit purposes.
- 5.12. There is no specific requirement in the Regulations to have a particular meter in place. Regulation 6(1) of the Regulations requires us to issue REGOs in respect of so much (but no more) of the electricity to which the request relates as we are satisfied was produced from renewable energy sources. As such it is essential that an accurate meter is in place to read the electricity generated for a REGO request. A generator should install an accurate meter. To assist, a list of approved meters is published on the website for the Office for Product Safety and Standards<sup>27</sup>. Where this is not possible, the operator of the generating station should provide information to prove that the meter will provide an accurate reading, ie., the Measuring Instruments Directive (MID) certificate for the installed meter. We will assess the accuracy of any meters as part of the accreditation process.
- 5.13. In the event of a meter fault, estimated figures may be accepted if prior approval has been obtained from us. Records should be kept regarding the nature of the fault and should cover when the fault was discovered, how long the problem was experienced and what plans were in place to remedy the fault. The method for estimating will need to be agreed in advance by contacting <a href="mailto:renewable.outputdata@ofgem.gov.uk">renewable.outputdata@ofgem.gov.uk</a>. This means that the onus is on the operator of the generating station to contact us as soon as the need for estimation arises. An explanation of how this estimation has been derived should also

<sup>&</sup>lt;sup>27</sup> https://www.gov.uk/government/publications/schedule-4-uk-nationally-approved-electricity-meters

be provided with the request for a REGO. If we are not satisfied of the basis of any estimate, then REGOs may not be issued.

#### Investment information

- 5.14. Requests for REGOs must also include information on:
  - whether and to what extent the generating station has benefited from investment support through any support scheme and if so, the name of the scheme and
  - whether and to what extent the electricity for which the REGO is requested has benefited from any UK support scheme and if so, the name of the scheme.
- 5.15. This information should be provided as part of the request for REGOs. We already hold details on the number of ROCs issued to generating stations and as such, there is no need for operators to enter this information when making their submissions.

#### Output declaration

- 5.16. Operators will be asked to select the investment support box as well as filling out the box on what type of support has been received. It will only need to be entered once ie., there is no need to re-enter investment information for each output submission or if generation data needs to be edited. However, if operators receive new investments in the future, they will need to add that investment by entering it when making their next request for REGOs.
- 5.17. Regulation 4(5) of the Regulations requires that a request for the issue of a REGO must be accompanied by a declaration signed by the person making the request (or, if the person making the request is a body corporate, by a representative of that body) that:
  - "the person making the request is entitled under these Regulations to the issue of guarantees of origin in respect of the electricity which is the subject of the request and
  - that the person making the request has not made, and does not intend to make, a request in Northern Ireland for the issue of guarantees of origin in respect of the same electricity.
- 5.18. This declaration is provided electronically on the Register within each request for a REGO. It must be signed by the person making the request for the REGO.

#### Amending a REGO request

5.19. If an error is made in the data submitted to request a REGO, e.g., output data or fuel data, the request for a REGO can be corrected, even if REGOs have been issued. This is done by editing the original submission and resubmitting the data. Once resubmitted we will review the changes and correct the number of REGOs issued. Please refer to the Register User Guide on how to amend output data submissions.

## 6. REGO Certificates: Issuing, Revoking, Transferring and Cancelling REGOs

#### **Chapter summary**

This chapter explains how REGOs are issued; under which circumstances we have the powers to revoke REGOs; the procedure for doing so and how a registered holder can transfer a REGO to another party via the Register. This chapter also covers the provision to cancel a REGO; how a REGO will be cancelled and explains the requirement to retire NI REGOs.

#### Issuing REGOs

- 6.1. Where we receive a properly made request for REGOs, in accordance with regulation 4(4) of the Regulations and there are no outstanding issues with the accreditation, we will issue REGOs on the renewable proportion of electricity generated<sup>28</sup>. Chapter 5 provides details on what information is to be provided in a request for REGOs and how that request should be made.
- 6.2. We are only required to issue REGOs on the generation of renewable electricity. We are not required to issue REGOs for heating or cooling.

How REGOs are issued

#### Who we issue REGOs to

6.3. REGOs are issued to the operator of a generating station. However, where we are directed to do so, we will issue REGOs to another person<sup>29</sup>. Once issued, the person to whom the REGO was issued is defined in the Regulations as the registered holder until it is transferred. REGOs for a period of generation may only be issued to one person, we cannot split the issue to multiple parties.

#### Calculating how many REGOs will be issued

6.4. All requests for REGOs made are calculated based on one REGO per megawatt hour (MWh) of renewable source electricity. All claims for REGOs will be rounded up or down to the nearest whole MWh, with any exact half MWh being rounded upwards<sup>30</sup>. If less than half a MWh is generated for a period, no REGOs will be issued. Small generating

<sup>&</sup>lt;sup>28</sup> Regulation 6(1) of the Regulations

<sup>&</sup>lt;sup>29</sup> Regulation 6(2) of the Regulations

<sup>&</sup>lt;sup>30</sup> Regulation 6(3) of the Regulations

stations should note that the period covered by a request can be for the annual period April – March.

#### **Correcting REGOs issued**

6.5. If from 5 December 2010 output data (or the data needed to calculate a REGO) is amended to which REGOs were originally calculated on the basis of one per kWh, any additions or revocations will also be made on the basis of one REGO per kWh. Similarly, if the REGO was originally calculated on the basis of one per MWh, any additions or revocations will also be made on the basis of one REGO per MWh. Where a REGO has been issued and has not been revoked, no further REGOs will be issued in respect of the electricity to which the REGO relates. If we revoke a REGO and decide it was revoked in error, we will reissue that REGO.

#### How will we issue REGOs?

- 6.6. All REGOs issued will have a unique guarantee sequence number<sup>31</sup> and a record of these will remain on the Register. This is to avoid double counting. We will issue REGOs sequentially, in ascending numerical order, with respect to renewable electricity produced by a particular generating station, during the period for which the REGO request relates<sup>32</sup>.
- 6.7. REGOs will be issued in a batch specifying the first and last sequence numbers only, instead of listing all the REGO sequence numbers issued. However, the individual REGOs will be stored in the Register and can be broken up into whole REGOs when transferred on the Register. The first REGO sequence number starts at 'zero'.

#### When will REGOs be issued?

6.8. Following a request for REGOs, we will check the data submitted and determine whether we are able to issue REGOs. REGOs will be issued automatically into an operator's account on the Register.

#### What does a REGO consist of?

6.9. A REGO contains the 'registered particulars' as set out in Schedule 2 of the Regulations in coded form<sup>33</sup>. The information to be contained on the Register as set out in Schedule 2 to the Regulations is provided in Appendix 3.

<sup>31</sup> Regulation 7(4)(a) of the Regulations

<sup>&</sup>lt;sup>32</sup> Regulation 7(4)(b) of the Regulations

<sup>33</sup> Regulation 7(3) of the Regulations

- 6.10. The REGO itself will contain details of the generating station accreditation number (including country of generation and renewable energy source used for generation) and the number of REGOs issued for the period of generation. The REGO itself will not denote whether it has been calculated based on a kWh or MWh of renewable generation. However, this information is available in the 'Certificates (REGO)' report on the Register.
- 6.11. The other information stipulated by Schedule 2 is held within the Register itself and published in the public 'Accredited Stations (REGO)' and 'Certificates (REGO)' reports. This includes such information as the date the REGO was issued and its status.
- 6.12. For example, if 105,329 REGOs were issued for October 2019, the REGOs issued would be: "G00067LGEN000000000011009311019GEN". to G00067LGEN0000105328011009311019GEN".

#### 6.13. This is read as follows:

- "G" denotes that the certificate is a REGO
- "00067LGEN" is the accreditation ID for the generating station (it also shows that the station uses landfill gas to generate electricity and it is in England)
- "011009311019" from the start and end REGO ranges denotes the period of generation as October 2009
- "0000105328" denotes the 105,329 REGOs issued in the range (with the start range as zero)

#### Revoking REGOs

- 6.14. Regulation 8(1) of the Regulations provides that we are required to revoke REGOs where:
  - we are satisfied that the information provided in accordance with regulation 4(4)
    of the Regulations (ie. the information and evidence specified in Schedule 1 to
    the Regulations provided as part of the request for the issue of the REGO) on the
    basis of which that REGO was issued is incorrect in a material particular; or
  - the REGO has been issued based on any fraudulent behaviour, statement or undertaking; or
  - we are satisfied that the REGO should not have been issued, was inaccurate or was issued to the wrong person.

#### How we shall revoke REGOs

6.15. The reason for revocation will determine how we will revoke REGOs.

#### **Ineligible generating stations**

6.16. If we discover, possibly as a result of an audit, that a generating station was never eligible for REGOs we shall revoke all the REGOs issued to that station. If a generating station is found to be ineligible due to a change in nature of the station following accreditation, we shall revoke all REGOs issued from the date that station became ineligible.

#### Incorrect data submissions

6.17. REGOs can be revoked if the information presented to request REGOs is inaccurate. In these instances, we will correct the number of REGOs issued for the generation period by revoking the REGOs, in descending numerical order, to correct the over-issue. For example, if 50 REGOs had been issued for March 2021 generation and only 20 should have been issued, we will revoke the last 30 REGOs in the sequence range.

#### **Notification**

6.18. All REGOs will be revoked via the Register. Where we are required to revoke REGOs, we will give notice to the person to whom the REGO was originally issued and the registered holder<sup>34</sup> as soon practicable. Notice will be provided by email to the Register account Responsible Person that REGOs have been revoked. When notice is given, the status of the REGO/s will change to 'pending revoke'. REGOs cannot be transferred at this stage. Once revoked, the status of the REGO will be changed to 'revoked'.

#### **Publishing revoked REGO's**

6.19. We will publish all revoked REGOs in the Certificates Report on the public domain of the Register. Revoked REGOs cannot be recognised or used for other purposes, ie FMD.

#### Transferring REGOs

6.20. Regulation 6(5) requires us to transfer REGOs from one registered holder to another if we are requested to do so by amending the Register. The Register is conclusive proof as to who holds a REGO (the registered holder at any point in time<sup>35</sup>).

<sup>&</sup>lt;sup>34</sup> Registered holder is defined by regulation 2 of the Regulations as being the last person to whom that REGO has been transferred or the person to whom the REGO was issued.

<sup>35</sup> Regulation 7(2)

#### **Separating REGOs from the electricity**

6.21. As stated in recital 52 in the preamble to Directive 2009/28/EC, REGOs can be transferred separately from the renewable electricity.

#### **How to transfer REGOs**

- 6.22. All REGOs are issued, held, and transferred electronically within the Register. It records the transfer of REGOs between registered holders and prospective registered holders. This helps maintain traceability of the REGOs and avoids double counting.
- 6.23. Where a REGO has been transferred, the Register will detail the name and address (if a body corporate, the registered or principal office) and, if a company, the registered number of the organisation to whom the REGO has been transferred, revoked, redeemed, or retired REGOs cannot be transferred.
- 6.24. Full guidance on how to transfer REGOs via the Register is available in the 'Renewables and CHP Register User Guide'.

#### Cancelling REGOs

- 6.25. The GoO Regulations 2003, as amended, place a duty on us to cancel REGOs not more than 16 months after the month of generation, or the first month of generation for an annual REGO for which they were issued.
- 6.26. For **NI REGOs only**, regulation 6(6) of the GoO (NI) Regulations 2003, as amended, requires us to retire REGOs if we are requested to do so by the registered holder. This provision was introduced to allow NI electricity suppliers to present REGOs for NI FMD (see Chapter 8). To ensure that retired REGOs are cancelled, Regulation 6(8) provides that 19 months after the end of the month during which the electricity to which it relates was generated, or the end of the first month where the REGO was issued in respect of electricity that was generated during a period of longer than one month, these REGOs are deemed cancelled. Retired REGOs will not be cancelled on the Register (they will remain with a status of 'retired').
- 6.27. Once a REGO has been cancelled or deemed cancelled (NI REGOs only); or revoked, it will no longer qualify as proof that the electricity to which it relates was produced from renewable energy sources. It cannot be transferred or used.

#### How will REGOs be cancelled

6.28. REGOs are issued for a calendar month, the annual period (April – March) or over multiple months from the accreditation date. REGOs will be cancelled 16 months from the month,

or first month in an annual period, of generation for which the REGO was issued. For example, a REGO issued on 6 December 2020, for generation in April 2020 will be cancelled, if not already revoked, retired, or redeemed, at midnight 1 August 2021. A REGO issued on 4 June 2021 for the generation period of April 2020 – March 2021 will be cancelled at midnight 1 August 2021. The 16-month shelf life is based on the first month of generation not the date the REGO was issued.

- 6.29. All REGOs will be cancelled via the Register and given the status of 'expired' unless they already have the status of 'revoked', 'retired' or 'redeemed'. Once cancelled, REGOs cannot be traded or used. We will prevent use of cancelled REGOs by removing them from the registered holder's account. The act of revoking, retiring, or redeeming REGOs has the same effect as cancelling them. The status of these REGOs will not change to 'expired' 16 months after the month of generation. The 'Certificates' reports will show all cancelled REGOs with a status of 'expired' as well as all retired, redeemed and revoked REGOs.
- 6.30. All valid requests for REGOs will be issued. However, if the REGO is issued more than 16 months after the month of generation it will be cancelled at midnight on the day of issue. These REGOs cannot be used. We will carry out regular checks to ensure that none of these REGOs are used. If used, we will inform the body to which the REGOs are used and ask them to withdraw their acceptance to use.

### 7. Recognising REGOs and EU Member States' GoOs

#### **Chapter summary**

This chapter explains our duty to recognise REGOs we have issued for electricity generated in GB and NI, and GoOs issued by EU Member States (until the end of the 2022/23 disclosure period), for electricity and heating/cooling. Our powers to refuse or withdraw recognition are explained. It sets out how a request for recognition should be made and what we will do once we receive that request.

- 7.1. As of 1 January 2021, Renewable Energy Guarantees of Origin issued in the UK are no longer recognised in the EU following the end of the Brexit Transition period.
- 7.2. As of 1 April 2023, electricity or heating/cooling GoOs issued by an EU Member State are no longer recognised in Great Britain<sup>36</sup>. They will be recognised for the 2022/23 disclosure period up to the submission deadline (midday 1 July 2023). From the 2023/24 period these will no longer be recognised.
- 7.3. For Northern Ireland electricity or heating/cooling GoOs issued by an EU Member State will continue to be recognised, without alteration to current procedure, as managed by the Single Electricity Market Operator (SEMO).
- 7.4. The following process to have EU Member State GoOs recognised for GB will apply only up to the 2022/23 disclosure period.
- 7.5. We will refuse to give recognition, or will withdraw recognition already given, if:
  - we have been requested not to recognise the GoO by the issuing body designated by the EU Member State or
  - we are satisfied that there is good reason to doubt the accuracy, reliability, or veracity of the GoO.
- 7.6. If we refuse to recognise a GoO issued by an EU Member State, or subsequently withdraw recognition, we are required to notify the Commission of the European Community. Should the Commission decide that we recognise it, we will do so<sup>37</sup>.

<sup>&</sup>lt;sup>36</sup> Guarantees of Origin of Electricity Produced from Renewable Energy Sources and High-efficiency Cogeneration (Amendment) (EU Exit) Regulations 2022

<sup>&</sup>lt;sup>37</sup> Regulation 9(2) and 9(7) of the Regulations

#### Non-EU Member States

7.7. The legislation does not permit us to recognise GoOs issued for renewable generation in non-EU Member States even if that country is a European Economic Area<sup>38</sup>. This applies to all periods for GB.

#### What we will recognise

- 7.8. For GoOs issued in accordance with Directive 2009/28/EC, the requirements<sup>39</sup> are extended to the following:
  - the energy source from which the electricity or heating/cooling was generated
  - the dates of generation
  - whether the GoO relates to electricity or heating/cooling
  - the identity, location, type, and capacity of the station where the energy was generated
  - whether and to what extent the generating station has benefited from investment support
  - whether and to what extent the unit of energy has benefited in any other way from a national support scheme
  - the commissioning date of the generating station
  - the date and country of issue and a unique identification number of the GoO.
- 7.9. The Regulations impose no obligation on us to satisfy ourselves that a GoO has been properly issued. However, in instances where we have doubts regarding the veracity or accuracy of the information provided to us, we will contact the issuing body to confirm the information is correct before recognition is granted.

<sup>&</sup>lt;sup>38</sup> A full list of EU Member States can be obtained at <a href="https://www.gov.uk/eu-eea">https://www.gov.uk/eu-eea</a>

<sup>&</sup>lt;sup>39</sup> Regulation 2(1) of the Regulations defines the term 'recognise' as meaning to recognise in accordance with Article 15(9) of Directive 2009/28/EC as proof of the matters referred to in paragraph 1 and paragraph 6(a) to (f) of that Directive.

#### How to request recognition

- 7.10. Organisations seeking the recognition of EU GoOs in GB for the 2022/23 period, are required to complete a submission template.<sup>40</sup>
- 7.11. Alongside the submission template and presented GoOs, suppliers are required to submit additional information, (ie an independent audit report) by email to <a href="mailto:recompliance@ofgem.gov.uk">recompliance@ofgem.gov.uk</a>. Guidance on GoOs for use in Fuel Mix Disclosure (FMD) and Feed-in Tariffs (FIT) annual levelisation can be found on our website. 41

#### Confirmation/refusal to recognise

7.12. If we agree to recognise GoOs presented to us we shall confirm our agreement in writing to the person making the request. We are unable to confirm that GoOs recognised by us have not also been recognised by a competent authority in an EU Member State.

#### Recognised GoOs

7.13. We are unable to show recognised GoOs via the Register. However, we will publish a list of all EU GoOs that we recognise on the Ofgem website<sup>42</sup>. This will include the details about the GoO as provided by the registered holder and the date we recognised it.

#### GB or NI REGOs recognised by an EU Member State

7.14. As of 1 January 2021, following the UK's exit from the EU, REGOs issued by us will no longer be recognised by EU Member States.

<sup>40</sup> https://www.ofgem.gov.uk/publications-and-updates/eu-quarantees-origin-goos-template-spreadsheet

<sup>&</sup>lt;sup>41</sup> Guidance for organisations on presenting Guarantees of Origin (GoOs) for use in GB Fuel Mix Disclosure (FMD) and Feed-in Tariffs (FIT) annual levelisation | Ofgem

<sup>42</sup> https://www.ofgem.gov.uk/environmental-programmes/rego/energy-suppliers/guarantees-origin-goos

## 8. Uses of REGOs

## **Chapter summary**

This chapter describes the main uses for REGOs in GB and NI. It gives summary guidance on the different purposes REGOs could be used for and what to do with them. Full details on the options should be read before taking action.

#### The different uses of REGOs

8.1. The intended use for REGOs in GB and NI is Fuel Mix Disclosure. This is already the major use in GB and NI. However, in GB, REGOs are also used as validation for Green Supply Guidelines and Greenhouse Gas Emission Reporting.

## **GB Fuel Mix Disclosure (FMD)**

- 8.2. The Electricity (Fuel Mix Disclosure) Regulations 2005 (the FMD Regulations) introduced the requirement on all electricity suppliers in GB to disclose to their customers and potential customers, the mix of fuels (coal, gas, nuclear, renewable and other) used to generate the electricity supplied annually, provided electricity was supplied for a full disclosure period. A disclosure period is 1 April to 31 March. Suppliers must hold evidence to support the mix by midday 1 July following the disclosure period. Suppliers must disclose this information to customers by 1 October annually.
- 8.3. The FMD Regulations modified the standard conditions of electricity supply licences by the insertion of a standard licence condition (SLC); originally SLC 30A. This condition has been replaced by SLC 21<sup>43</sup> without change to its context.
- 8.4. To prove the share of renewable source electricity purchased for supply to customers in GB, evidence must be held by electricity suppliers by midday 1 July following the disclosure period. These are:
  - GB or NI REGOs issued for renewable electricity generated during the disclosure period are in a supplier's Register account by midday 1 July (for use in GB FMD only). We will automatically 'redeem<sup>44</sup>' all valid REGOs<sup>45</sup> held in supplier's accounts at that time. A report is compiled as evidence of the number of REGOs

<sup>45</sup> Valid REGOs are those with a status of 'Issued' or 'Pending Transfer' at midday 1 July.

<sup>4</sup> 

https://www.ofgem.gov.uk/sites/default/files/docs/2020/07/electricity\_supply\_standard\_license\_conditions.pdf

<sup>&</sup>lt;sup>44</sup> Note, once a REGO is 'redeemed' it will no longer be shown within your Renewables and CHP Register account but will be present in the 'Certificates Reports' section of your account for information.

held by each supplier. This report will be published on the Ofgem website<sup>46</sup>, after confirming its accuracy with individual suppliers. This evidence is provided to the Department for Energy Security and Net Zero (formerly Department of Business, Energy and Industrial Strategy) or comparison against figures they receive from suppliers for compiling the FMD Data Table.

- EU electricity GoOs issued by an EU Member State must be recognised by Ofgem before being used. The last disclosure period these will be recognised is 2022/23. After this, EU electricity GoOs will no longer be recognised and cannot be presented for GB FMD. Chapter 7 on 'Recognising EU Member States GoOs' provides more information about the GoO recognition process. Please note that evidence to show the supply of electricity in GB is required for the GoO to be used for FMD along with evidence that the GoOs have not been used for FMD in an EU Member State.
- Non-EU imports/electricity exchange purchases suppliers must hold figures that identify the amount of electricity produced from each particular energy source.
- 8.5. Where suppliers do not hold the required evidence, they must apportion energy sources to the percentages provided for under the FMD Data Table. This table is published by the Department for Energy Security and Net Zero on its website by 1 August following the disclosure period.
- 8.6. This information is only a summary. Full information of the evidence requirements is given in SLC 21.

#### **NI Fuel Mix Disclosure (FMD)**

- 8.7. Since 2008 the Utility Regulator and the Commission for Regulation of Utilities, formerly known as the Commission for Energy Regulation (CER), have implemented arrangements that will ensure that all NI licensed electricity suppliers provide FMD information on all bills and promotional materials sent to their customers to comply with the duty introduced by Article 3(6) of Directive 2003/54/EC. The methodology for calculating the fuel mix was agreed on an all-Island basis. This is because on the island of Ireland the source of all electricity supplied is the Single Electricity Market (SEM) pool.
- 8.8. Since a different disclosure period is used for the NI FMD to that used in GB, we are unable to 'redeem' REGOs on behalf of electricity suppliers as evidence to prove the supply of electricity to customers in NI. As such, by 31 March following the disclosure

<sup>&</sup>lt;sup>46</sup> <a href="https://www.ofgem.gov.uk/environmental-and-social-schemes/renewables-energy-guarantees-origin-rego/contacts-publications-and-data">https://www.ofgem.gov.uk/environmental-and-social-schemes/renewables-energy-guarantees-origin-rego/contacts-publications-and-data</a>

period, all electricity suppliers that are subject to NI FMD must 'retire<sup>47</sup>' REGOs for generation in the disclosure period themselves before they are cancelled. REGOs are retired using the 'retire REGOs' functionality in the suppliers Renewables and CHP Register account.

8.9. EU GoOs must be recognised by the Single Electricity Market Operator (SEMO) in Ireland to be used for NI FMD, not by Ofgem.

#### Tariffs with environmental claims

8.10. Suppliers can offer tariffs making a claim about the share of renewable electricity supplier as part of the tariff. These are colloquially known as "green tariffs". If a green tariff makes a claim with respect of the environmental impact as a result of the supply of renewable electricity, it is regulated under Electricity Supply Licence Condition 21D<sup>48</sup>, which places requirements on suppliers making a claim that there is an environmental benefit to a tariff as a result of supplying renewable electricity. When making such a claim, SLC21D imposes requirements in relation to evidence of supply, additionality and transparency. Suppliers must hold REGOs (or EU GoOs until 1 April 2023 in GB) for all renewable electricity supplied under a green tariff. Our rules for Fuel Mix Disclosure do not require suppliers to report their renewable electricity supply at a tariff level.

#### **Greenhouse Gas Emissions Reporting**

8.11. REGOs are used in the Defra/ Department for Energy Security and Net Zero 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance' published in March 2019<sup>49</sup>. The Guidance aims to support UK organisations in reducing their contribution to climate change. It explains how to measure and report greenhouse gas (GHG) emissions and set targets to reduce them. It is intended for all sizes of business, for public and voluntary sector organisations. The guidance sets out the principles for how an organisation should account for electricity generated from 'owned or controlled' renewable sources which are backed by REGOs within the UK.

 $\frac{\text{https://www.ofgem.gov.uk/sites/default/files/docs/2020/07/electricity supply standard license conditions.pdf}{\text{ns.pdf}}$ 

 $<sup>^{\</sup>rm 47}$  Regulation 6(6) of the GoO (NI) Regulations 2003, as amended  $^{\rm 48}$ 

## 9. Audits

### **Chapter summary**

This chapter explains our powers to audit generating stations applying for REGO accreditation or accredited under the REGO scheme and how we carry out a technical audit and the expectations on operators. Reference is made to audits for stations using biomass, waste, and pumped storage systems.

9.1. Under regulation 5 of the Regulations we can request access to a plant pursuant to the exercise of our functions under the Regulations. Where any person unreasonably fails or refuses to provide such access, or to provide us with all relevant information and assistance that we may reasonably require for the purposes for which access has been requested, we may refuse to issue REGOs in respect of any electricity produced by the plant for which we have not already issued REGOs.

## Technical audits

- 9.2. We carry out an audit programme of accredited generating stations on an ongoing basis. The purpose is primarily to guard against fraud and to prevent the submission of inaccurate information. In addition, it ensures that a generating station remains an eligible renewable generating station for the purposes of requesting REGOs. Audits secure assurances that information provided for the issue of REGOs is correct; and complies with agreed procedures on fuel measurement and sampling (where appropriate).
- 9.3. We expect that all reasonable assistance is provided to our auditors. This includes granting them access to the generating station; allowing them to take samples and photographs; to inspect or test anything on the premises; and remove any items for analysis or inspection, as well as inspecting or copying records. The auditors will review metering arrangements. Part of the audit includes the checking of data submissions and supporting evidence. Generating stations should keep appropriate records demonstrating a full audit trail of the total quantity of electricity produced. This includes the quantity of renewable electricity produced which was the basis for the REGO data claims.
- 9.4. Following an audit, we will write to the operator concerned, outlining any issues identified by the auditors. We expect the operator of the generating station to address these issues and respond to us. In certain circumstances we can suspend REGO issue until the issues have been satisfactorily resolved. If, following an audit, we have concerns with station eligibility or the information provided to obtain accreditation, we might remove that station from the REGO scheme, and revoke the REGOs issued. Chapter 6 provides details on revoking REGOs.

## Pumped storage system audits

9.5. Information should be held on the total quantity of electricity produced as a result of filling the storage system for generators using pumped storage systems. They should have evidence that this quantity of electricity did not form part of the electricity for which a REGO was requested.

## 10. Published information

## **Chapter summary**

This chapter summarises the different types of information we publish on REGOs. This includes information on the R&CHP Register, publications on the Ofgem website as well as an explanation on coded information.

## Renewables and CHP Register information

- 10.1. We are required to publish the information set out in Schedule 2 of the Regulations which is contained on the Register (Regulation 7(1)). Appendix 3 to this document sets out the relevant information published under Schedule 2. We fulfil this duty by publishing the following reports on the public domain section of the Register:
  - Accredited Stations report this report includes details of those stations that we
    have accredited for REGOs. It is a live report and therefore should always be up
    to date.
  - Certificates report this report shows the details of all REGOs that we have issued, the status of the REGO and the registered holder at any particular point in time. It is updated daily. The report shows whether a REGO has been issued; cancelled; retired, redeemed and revoked; and whether it is pending revocation or transfer. It shows the unit of energy calculated for the REGO, ie., MWh.
  - REGO Certificate Investment report this report shows the details of any investment received by a REGO accredited station to build or operate the generating station against the accreditation details for a generating station and the REGOs issued to that station. The report will only show REGOs issued from 5 December 2010 (MWh REGOs) since no investment details were required for REGO requests before this date. This report is updated daily. It can be downloaded in PDF format only.
  - The investment information is provided directly by the operator and there its accuracy, completeness and reliability is dependent on the information they provide.

## Ofgem website information

- 10.2. We publish the following information on the Ofgem website, <a href="www.ofgem.gov.uk">www.ofgem.gov.uk</a>:
  - EU GoOs (up to and including the 2022/23 disclosure period) and NI REGOs recognised by Ofgem

 REGOs issued by Ofgem that are held by licensed electricity suppliers for GB and NI FMD rounds.

## Coded information

10.3. We are required to publish an explanation of how coded information used in a REGO is to be interpreted<sup>50</sup>. The REGO itself includes two pieces of coded information; the country and the technology. Appendix 1 explains the codes used to denote this information. Please also refer to Chapter 4 on how to read an accreditation ID and Chapter 6 on how to read a REGO certificate.

<sup>&</sup>lt;sup>50</sup> regulation 7(5) of the Regulations

# **Appendix 1: Accreditation Codes**

A1.1 As outlined in Chapter 4 (page 21) of this guidance document, the accreditation ID uses two pieces of coded information: the country and technology. The tables below explain the codes used.

## Technology

Renewable Energy Source	Code	
Onshore wind	NW	
Offshore wind	FW	
Solar	PV	
Aerothermal	АТ	
Geothermal	GT	
Hydrothermal	НТ	
Ocean energy*	OE	
Hydro	НҮ	
Filled storage hydro	НР	
Filled storage system	FS	
Biomass	BW	
Biodegradable (industrial and municipal waste)	MW	

Landfill gas	LG
Sewage gas	SG
Biogas	BG

<sup>\*</sup>Ocean Energy (OE) replaced tidal power (TP) and wave power (WP) on 5 December 2010.

## Country

Country	Code
England	EN
Wales	WA
Scotland	SC
Northern Ireland	NI

# Appendix 2: Information to be included in a request for a REGO

- A2.1 A request for a REGO must include the information detailed in Schedule 1<sup>51</sup> of the Regulations. Schedule 1 is reproduced below:
  - The name and address of the person requesting the issue of the guarantee of origin (if a body corporate, the registered or principal office) and, if a company, its registered number.
  - Where the person signing the statement required under regulation 4(5) is not the person making the request, the name and address of the person signing the statement.
  - Whether the person requesting the issue of the guarantee of origin is the producer of the electricity in respect of which the guarantee of origin is requested and, if not, the name and address of the producer (if a body corporate, the registered or principal office) and, if a company, its registered number.
  - The energy source from which the electricity (for which the guarantee of origin is requested) was produced.
  - The start and end dates of production of the electricity (for which the guarantee of origin is requested).
  - The name (if any), location, type, and capacity of the installation where the electricity (for which the guarantee of origin is requested) was produced.
  - Whether and to what extent the installation specified in paragraph 6 has benefited from investment support through any support scheme and, if so, the name of the scheme.
  - Whether and to what extent the electricity for which the guarantee of origin is requested has benefited from any United Kingdom support scheme (other than that specified in paragraph 7) and, if so, the name of the scheme.
  - The date on which the installation specified in paragraph 6 became operational.

<sup>51</sup> https://www.legislation.gov.uk/uksi/2003/2562/regulation/2

- The quantity of electricity in respect of which the guarantee of origin is requested, together with the total quantity of electricity produced by the installation during the period referred to in paragraph 5.
- Such further information or evidence as the Authority may, in the particular circumstances of the case, reasonably require for the purpose of ascertaining the accuracy of the information required to be provided under paragraphs 1 to 10 above or to enable it to be satisfied that any energy source specified in paragraph 4 is a renewable energy source.

## Appendix 3: Information to be contained on the Register

A3.1 Schedule 2 provides the information to be contained on the Register as required by regulation 7(1) of the Regulations:

## Registered particulars

- In relation to each guarantee of origin issued in accordance with regulation 6-
  - the name and address of the person to whom the guarantee of origin has been, or was originally, issued (if a body corporate, the registered or principal office) and, if a company, its registered number;
  - o the date that the guarantee of origin was issued;
  - the fact that the guarantee of origin was issued in the United Kingdom;
  - o an identifier, which shall include the guarantee sequence number;
  - the energy source from which the electricity (for which the guarantee of origin is issued) was produced;
  - the start and end dates of production of the electricity (for which the guarantee of origin is issued);
  - o the fact that the guarantee relates to electricity (not heating or cooling);
  - the name (if any), location, type, and capacity of the installation where the electricity (for which the guarantee of origin is issued) was produced;
  - whether and to what extent the installation specified in sub-paragraph (h) has benefited from investment support through any support scheme and, if so, the type of the scheme;
  - whether and to what extent the unit of energy has benefited from any United Kingdom support scheme other than that specified in sub-paragraph (i) and, if so, the type of scheme;
  - the date on which the installation became operational;
  - whether the guarantee of origin has been transferred in accordance with regulation 6(5), the name and address (if a body corporate, the registered or principal office) and, if a company, the registered number, of the last person to whom it has been transferred.

## Other information

## A3.2 For GB only:

- A list of guarantees of origin that have been
  - o cancelled under regulation 7A, including the dates of cancellation;
  - o revoked under regulation 8, including the dates of revocation.

## A3.3 For NI only:

A list of guarantees of origin that have been-

- retired under regulation 6(6) (but not revoked under regulation 8), including the dates of retirement;
- cancelled under regulation 7A, including the dates of cancellation;
- revoked under regulation 8, including the dates of revocation.

## **Appendix 4: Contact Details**

Ofgem is responsible for administering the REGO scheme for GB and NI, however the Utility Regulator retains responsibility for the legislation. Policy decisions are made by the relevant government departments: the Department of Energy Security and Net Zero and DfE. Contact details are given below for all four organisations.

## Ofgem

Renewable Enquiry Team

Tel: 020 7901 7310

Email: renewable.enquiry@ofgem.gov.uk

Postal address: 10 South Colonnade, Canary Wharf London, E14 4PU.

Website: www.ofgem.gov.uk

## **Department of Energy Security and Net Zero (formally BEIS)**

Small Scale Renewable Team

Email: regos@beis.gov.uk

Postal address: 3rd Floor Spur, 1 Victoria Street, London, SW1H 0ET

Website: <a href="https://www.gov.uk/government/organisations/department-for-energy-security-and-department-for-energy-security-security-security-security-s

net-zero

#### **Utility Regulator**

Frankie Dodds, Consumer Protection & Environmental

Tel: 028 9031 6631

Email: <u>Frankie.Dodds@ureqni.gov.uk</u>

Postal address: Queens House, 14 Queen Street, Belfast BT1 6ED

Website: www.uregni.gov.uk

#### **DfE**

Renewable Electricity Branch

Tel: 028 9052 9638

Email: RenewableElectricity@economy-ni.gov.uk

Postal address: Netherleigh, Massey Avenue, Belfast BT4 2JP

Website: www.economy-ni.gov.uk

# **Appendix 5: Glossary**

A	
АМО	Additional metered output
<b>B</b> BEIS	Department for Business, Energy, and Industrial Strategy. Policy responsibility for the REGOs now rests with the Department for Energy Security and Net Zero.
С	
CER	Commission for Energy Regulation
CRU	Commission for Regulation of Utilities
D	
DfE	Department for the Economy (NI)
DNC	Declared Net Capacity
E	
EU	European Union
F	
FIT	Feed-in Tariffs
FMS	Fuel Measurement and Sampling
G	
GB	Great Britain
GoO	Guarantee of Origin

к	
kW	Kilowatt
kWh	Kilowatt hour
М	
MW	Megawatt
MWh	Megawatt hour
N	
NFFO	Non-Fossil Fuel Obligation
NFPA	Non-Fossil Fuel Purchasing Agency
NI	Northern Ireland
NIAUR	Northern Ireland Authority for Utility Regulation
NIE	Northern Ireland Electricity
NI-NFFO	Northern Ireland Non-Fossil Fuel Obligation
NIRO	Northern Ireland Renewables Obligation
О	
Ofgem	Office of Gas and Electricity Markets
R	
REGO	Renewable Energy Guarantee of Origin
RO	Renewables Obligation
s	
SEM	Single Electricity Market

SEMO	Single Electricity Market Operator
SLC	Standard Licence Condition
SRO	Scottish Renewables Obligation
U	
UK	United Kingdom