

Renewables Obligation: The 'enabling financial decisions' grace period

Guidance

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Team: Renewable Electricity

Tel: 020 7901 7310

Email: Renewable@ofgem.gov.uk

Overview:

This guidance document is for operators of generating stations in England, Wales and Scotland using offshore wind, advanced conversion technologies (ACT) (standard and advanced gasification and pyrolysis) and dedicated biomass with CHP. It is for those that may apply for the 'enabling financial decisions' grace period introduced by the RO Closure Order 2014. This document explains the application process and evidential requirements.

Context

The Renewables Obligation (RO) and the Renewables Obligation (Scotland) (ROS) are designed to incentivise large-scale renewable electricity generation in the UK and help the UK meet its obligations of 15 per cent of energy to be sourced from renewable sources by 2020. The Gas and Electricity Markets Authority (the Authority) administers these schemes, whose day-to-day functions are performed by Ofgem.

The RO and ROS schemes are provided for under the Renewables Obligation Order 2009 (as amended) (RO Order) the Renewables Obligation (Scotland) Order 2009 (as amended) (ROS Order). The Orders place an obligation on licensed electricity suppliers in England, Wales and Scotland to source an increasing proportion of electricity from renewable sources. In this guidance, the RO Order and ROS Order are collectively referred to as the Orders but individually referenced where necessary. All references to the RO cover the RO and ROS schemes unless otherwise specified.

The RO and the ROS are scheduled to close to application for new capacity on 31 March 2017. In anticipation of this, the Department of Energy and Climate Change (DECC) and the Scottish Government are introducing grace periods for generating stations located in England, Wales and Scotland. If granted, these will give operators of generating stations the opportunity to apply for and gain accreditation under the RO after the closure date.

This guidance document relates to the 'enabling financial decisions' grace period only as it is the only grace period that must be applied for before 31 March 2017. The Renewables Obligation Closure Order 2014 (RO Closure Order) that introduced these grace periods came into force on 9 September 2014. The remaining grace periods are covered in the RO: transition period guidance document. A draft of this document is available on the Ofgem website and the final version will be published in October 2014.

The Authority also administers the Northern Ireland Renewables Obligation (NIRO) in accordance with the Renewables Obligation (Northern Ireland) Order 2009 (as amended) on behalf of the Utility Regulator Northern Ireland (UREGNI). The Department of Enterprise, Trade and Investment (DETI) is expected to consult in due course on the arrangements for the closure of the NIRO. Once the policy has been finalised further draft and final guidance will be provided.

This document should be read in conjunction with Chapter 3 of the Renewables Obligation: Guidance for Generators¹, which provides full details on the process of seeking accreditation under the RO.

¹ <https://www.ofgem.gov.uk/publications-and-updates/renewables-obligation-guidance-generators-1>

Associated documents

Readers should be aware of the following documents which support this publication:

Policy and Legislation

- Government Response to the consultation on Renewables Obligation Grace Periods (<https://www.gov.uk/government/consultations/renewables-obligation-ro-grace-periods>)
- The Renewables Obligation Closure Order 2014 can be found at: www.legislation.gov.uk
- Renewables Obligation Order 2009, Renewables Obligation (Scotland) Order 2009 and Renewables Obligation Order (Northern Ireland) 2009, as well as their amendment orders for 2011, 2013 and 2014 can be found at: www.legislation.gov.uk

Guidance

- Renewables Obligation: Guidance for Generators (www.ofgem.gov.uk)

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Executive Summary

A key aspect of Electricity Market Reform (EMR) is the transition from the Renewables Obligation (RO) Scheme, the current main support mechanism for large-scale renewable electricity generation, to Contracts for Difference (CfD), the new support mechanism for low-carbon electricity generation.

The RO and the ROS are scheduled to close to new capacity on 31 March 2017. In anticipation of this, the Department of Energy and Climate Change (DECC) is introducing grace periods for generating stations located in England, Wales and Scotland. If granted, these will give operators of generating stations the opportunity to apply for and gain accreditation under the RO after the closure date. The purpose of these grace periods is to avoid an investment hiatus during the transition period.

This guidance document sets out our approach for administering the 'enabling financial decisions' grace period for generating stations in England, Wales and Scotland using: offshore wind, advanced conversion technologies (ACT) (standard and advanced gasification and pyrolysis) and dedicated biomass with CHP.

The 'enabling financial decisions' grace period was introduced into the RO scheme when the RO Closure Order came into force on 9 September 2014. This document sets out the information that needs to be submitted to Ofgem in order to make an application for an enabling financial decisions grace period.

Other grace periods being introduced by the RO Closure Order will require administration from 1 April 2017 and applicants for these do not need to apply earlier. The approach to administering these grace periods and guidance on the transition period will be published as a final version in October 2014.

This document has been specifically created for the Renewables Obligation scheme. It is for guidance only and is not intended to be a legal guide. We will assess applications for the enabling financial decisions grace periods once they are submitted to us. Generators might find it helpful to seek their own legal and technical advice before applying.

The document does not anticipate every scenario which may arise. Where a scenario arises which is not addressed in these procedures, we will adopt an approach consistent with the relevant legislation. Any further guidance to this document will be published on our website.

1. Introduction

1.1. The RO and ROS Orders detail the Authority's functions in respect of the RO schemes in England and Wales and in Scotland. A number of these functions are carried out via our IT system - the Renewables and CHP Register (the Register) and include:

- accrediting generating stations as being capable of generating electricity from eligible renewable energy sources
- issuing Renewable Obligation Certificates (ROCs) and Scottish Renewable Obligation Certificates (SROCs)
- establishing and maintaining a register of ROCs and SROCs
- revoking ROCs and SROCs where necessary
- monitoring compliance with the requirements of the Orders
- calculating annually the buy-out price resulting from the adjustments made to reflect changes in the RPI
- receiving buy-out payments and redistributing the buy-out fund
- receiving late payments and redistributing the late payment fund
- recovering the administration costs of the RO from the buy-out fund
- publishing an annual report on the operation of and compliance with the requirements of the Orders

1.2. We carry out the functions outlined in section 1.1 as efficiently and effectively as possible, according to the provisions of the Orders. We cannot act beyond the scope of the powers laid down in the Orders. For example, we have no remit over the operation or regulation of the ROC market itself. Amendments to the relevant legislation in respect of the RO are a matter for the Secretary of State, Scottish Ministers and the Secretary of State for Northern Ireland.

1.3. We administer the Northern Ireland Renewables Obligation (NIRO) in accordance with the NIRO Order on behalf of the Utility Regulator Northern Ireland (UREGNI) under an Agency Services Agreement. Under this agreement, the Authority is required to carry out the functions listed above in respect of the NIRO. However, UREGNI continues to retain responsibility under the legislation for administering the NIRO.

The RO Closure Order

The RO and the ROS are scheduled to close to new capacity on 31 March 2017. In anticipation of this closure, DECC is introducing a number of grace periods. Operators that are successful in their grace period application will have the opportunity to apply for and gain accreditation under the RO after this closure date. The grace periods are:

- 'Enabling financial decisions' grace period: a 12 or 18-month (dependent on technology) grace period for projects that can demonstrate evidence of substantial financial decisions and investments made before the Relevant Date², where the project is scheduled to commission on or prior to 31 March 2017.
- 'Radar or grid connection delay' grace period: a 12-month grace period to address radar and grid connection delays, where the project was scheduled to commission on or prior to 31 March 2017.
- 'Signed investment contracts' grace period: a 12-month grace period for projects which have signed investment contracts, should these contracts fall away or be terminated under certain specific circumstances.
- 'Dedicated biomass cap' grace period: 18-month grace period for projects allocated a place within the 400MW dedicated biomass cap.
- 18-month grace period for certain Scottish offshore wind generating stations using test and demonstration wind turbines or floating wind turbines: 18 month grace period

The Renewables Obligation Closure Order 2014 that introduces these grace periods came into force on 9 September 2014.

This Document

1.4. Unless apparent from the context, where "RO" is used, it denotes the Renewables Obligation (RO) scheme and the Renewables Obligation (Scotland) (ROS) scheme. In this guidance, the RO Order and ROS Order are collectively referred to as 'the Orders' but individually referenced where necessary. The Renewables Obligation Closure Order 2014 is referred to as the 'RO Closure Order' throughout this guidance.

1.5. 'Ofgem', 'us', 'our' and 'we' are used interchangeably when referring to the exercise of the Authority's powers and functions under the Orders.

1.6. The terms "generators" and "operators" are used interchangeably throughout the document.

Queries

1.7. Please email any queries about our functions under the Orders or a station that is accredited or pending accreditation under the scheme to our dedicated support team on renewable@ofgem.gov.uk. Please state what your query is about in the subject line of the email.

² The Relevant Date is: the later of 31 October and two months after the RO Closure Order is made. See Article 2, the Renewables Obligation Closure Order 2014 and Appendix 2.

1.8. For telephone enquiries, the administration team can be contacted on 020 7901 7310 during office hours.

1.9. Please note that we can only provide guidance on the legislation currently in place. Any queries regarding future changes to the Orders or wider energy policy should be directed to the Department of Energy and Climate Change (DECC), the Scottish Government or DETI as appropriate. Contact details can be found at www.decc.gov.uk, www.scotland.gov.uk and www.detini.gov.uk respectively.

2. 'Enabling Financial Decisions' grace period

Chapter Summary

Sets out the technology types that may be eligible to apply for the 'enabling financial decisions' grace period and the eligibility requirements.

2.1. The RO Closure Order allows the operators of certain generating stations to apply for accreditation under the scheme after it has closed to new applications on 31 March 2017³. The 'enabling financial decisions' grace period is limited to generating stations using certain technologies, with differing lengths of grace period available for each technology. Table 1 outlines the eligible technologies and the length of grace period available:

Table 1 - Eligible technologies and length of grace period

Eligible technology	Length of grace period	Grace period application timeframe	Accreditation application timeframe
Offshore Wind	12 months	9 September 2014 – 9 November 2014	Apply on or before 31 March 2018
Advanced Conversion Technology (ACT) (standard and advanced gasification and pyrolysis)	12 months	9 September 2014 – 9 November 2014	Apply on or before 31 March 2018
Dedicated Biomass with CHP	18 months	9 September 2014 – 9 November 2014	Apply on or before 30 September 2018

2.2. The definitions of these technologies are provided in Appendix 1. Operators must apply to Ofgem for this grace period by submitting a notice of intent, along with the required evidence. The window for applications opened when the RO Closure Order came into force on 9 September 2014 and closes on the 'Relevant Date' which will be 9 November 2014.

2.3. The person submitting the notice of intent must do so on or before 9 November 2014 along with all of the necessary evidence. If, in the view of the Authority, the notice of intent is incomplete or does not include all the necessary evidence, it will not be processed. There is no provision in the RO Closure Order for Ofgem to accept a notice of intent or additional evidence after the 9 November 2014 ie the Relevant Date.

³ Article 11 and 12 of the Renewables Closure Order 2014.

2.4. Where we have received a notice of intent, with all of the relevant evidence, on or before 9 November 2014, it is still possible that we may request further clarification or additional information.

2.5. If we confirm that we are satisfied with the notice of intent, the operator of the generating station will have the opportunity to apply for and gain accreditation under the RO for a period of time after its closure date. This additional time does not guarantee that a station will be successful in its application to accredit under the RO. In order to apply for and gain accreditation under the RO, operators of offshore wind stations, or stations using ACT that satisfy the grace period criteria must have applied for accreditation on or before 31 March 2018. Operators of dedicated biomass with CHP generating stations must have applied for accreditation on or before 30 September 2018. The stations in question must be commissioned by these dates and have met all relevant eligibility requirements if accreditation is to be granted under the scheme.

Notice of intent

2.6. The notice of intent must be in writing and contain the following information:

1. The name and address of the person submitting the notice⁴
2. Confirmation that the notice is being submitted in respect of Article 11 or 12 of the RO Closure Order 2014
3. Which of the three eligible technologies the notice is being submitted for, ie offshore wind, ACT or dedicated biomass with CHP
4. The location, or proposed location of the generating station
5. Confirmation that the person submitting the notice is also the person proposing to construct or operate the station, or arranging for the construction of it
6. Confirmation that the generating station is not yet commissioned (where "commissioned" is in the context of the relevant definition in the RO legislation).

2.7. The notice of intent can be submitted by email or in writing (see contact details in chapter 3). However, given the limited application window it is preferable that submissions are made by email. It must be accompanied by the specific pieces of evidence appropriate to the technology type it relates to, as listed in the next section.

2.8. An application checklist is provided in Appendix 2 to assist those submitting a notice of intent. We strongly encourage that this is used by all applicants as, if the

⁴ In cases where the person submitting the notice of intent is a body corporate, a limited liability partnership, a partnership or an unincorporated association please use the organisation name and address, rather than the name of the individual making the application on behalf of the organisation.

notice of intent or evidence submitted are incomplete, the application will simply be rejected.

2.9. The evidence includes declarations that applicants will have to make and pieces of specific documentation. We have provided an example notice of intent and example declarations in Appendix 4 and 5.

The evidence applicants must provide

2.10. The following sections provide guidance on the evidence required for each of the eligible technologies. Applicants should also ensure that they have a full understanding of the RO Closure Order that sets out the legislative requirements for the specific pieces of evidence that must accompany the notice of intent.

2.11. Any declarations provided must be signed by an '*appropriate individual*'. This term is defined in the RO Closure Order and is also set out in Appendix 1 of this document.

Offshore Wind

2.12. The following evidence must accompany the notice of intent for an offshore wind generating station:

1. A grid works offer and document from the network operator

The person submitting the notice of intent must provide a copy of an offer from the relevant distribution or transmission network operator for the carrying out of grid works for the proposed generating station. We would expect this offer to cover the non-contestable aspect of any grid works required at a minimum. The offer should also make clear the location of the grid works and the connection capacity.

The person submitting the notice of intent must also provide a separate document written by, or on behalf of, the relevant network operator⁵ which estimates or sets a date for completing the grid works which is not later than 31 March 2017.

The RO Closure Order does not specify that the offer to carry out grid works must have been made to the person submitting the notice of intent; given this, the party to which the offer was made will not form part of our assessment for the purposes of this grace period.

We anticipate that an offshore wind generating station will usually require grid works. However, if no grid works are required, a declaration stating this should be provided in place of the grid works offer and letter.

⁵ Article 13 The Renewables Obligation Closure Order 2014.

2. Planning permission

The person submitting the notice of intent must provide a copy of the planning permission for the offshore generating station. Please note that only evidence of the final planning decision should be submitted in the first instance. The legislation defines 'planning permission' for an offshore generating station (see Appendix 1), therefore one of the following documents should be submitted:

- consent under section 36 of the Electricity Act 1989(b), or
- consent under Article 39 of the Electricity (Northern Ireland) Order 1992(c), or
- development consent under the Planning Act 2008(d).

The RO Closure Order does not specify that the planning permission must have been issued to the person submitting the notice of intent; given this, the party to which the planning permission was issued will not form part of our assessment for the purposes of this grace period.

We anticipate that an offshore generating station will usually require an express grant of planning permission. However, if this is not the case, a declaration stating this should be provided.

We acknowledge that other planning permissions will be required in respect of offshore wind generating stations, such as permissions for onshore grid connection works. However, such permissions are not required under the RO for the purposes of this grace period.

3. Agreement for Lease of Seabed

The person submitting the notice of intent must demonstrate that they (or a person connected⁶ to the person submitting the notice of intent) have entered into an agreement with the Crown Estate Commissioners for lease of the seabed where the station is, or is to be, situated.

If the agreement for the lease of the seabed is not between the Crown Estate Commissioner and the person submitting the notice of intent, evidence should also be submitted to demonstrate that a party to the agreement is a connected person within the meaning of section 1122 of the Corporation Tax Act 2010(a).

4. Declaration confirming future resources and expected commissioning

The person submitting the notice of intent must provide a declaration which states that, following confirmation by Ofgem that the notice of intent is acceptable, they will have access to sufficient resources to commission the station and that the station is expected to commission on or before 31 March 2017.

The declaration should be signed by an appropriate individual and made to best of that individual's knowledge and belief.

⁶ Within the meaning of section 1122 of the Corporation Tax Act 2010(a)

Advanced Conversion Technology

2.13. The following evidence must accompany the notice of intent for an ACT generating station:

1. A grid works offer and document from the network operator

The person submitting the notice of intent must provide a copy of an offer from the relevant distribution or transmission network operator for the carrying out of grid works for the proposed generating station. We would expect this offer to cover the non-contestable aspect of any grid works required at a minimum. The offer should make clear the location of the grid works and the connection capacity.

The person submitting the notice of intent must also provide a separate document written by, or on behalf of, the relevant network operator⁷ which estimates or sets a date for completing the grid works which is not later than 31 March 2017.

The RO Closure Order does not specify that the offer to carry out grid works must have been made to the person submitting the notice of intent; given this, the party to which the offer was made will not form part of our assessment for the purposes of this grace period.

We anticipate that an ACT generating station will usually require grid works. However, if no grid works are required, a declaration stating this should be provided in place of the grid works offer and letter.

2. Planning permission

The person submitting the notice of intent must provide a current copy of the planning permission for the generating station. Please note that only evidence of the final planning decision should be submitted in the first instance. The legislation defines 'planning permission' (see Appendix 1), therefore one of the following documents should be submitted:

- consent under section 36 of the Electricity Act 1989, or
- development consent under the Planning Act 2008, or
- planning permission under the Town and Country Planning Act 1990(e), or
- planning permission under the Town and Country Planning (Scotland) Act 1997(a)

We recognise that additional consents, easements and wayleaves will be required for grid connections. It is our standard practice to regard the bounds of a generating station as stretching to the point of the connection with the distribution or transmission network. However, for the purposes of this grace period, we acknowledge that, at the connection offer-only stage, such permissions will not be in place. Additionally, projects may require off-site supporting infrastructure, which may require planning permission.

⁷ Article 13 The Renewables Obligation Closure Order 2014.

Given these points, we will only be seeking planning permission in respect of the site on which the electricity generating infrastructure is to be located. The RO Closure Order does not specify that the planning permission must have been issued to the person submitting the notice of intent; given this, the party to which the planning permission was issued will not form part of our assessment for the purposes of this grace period.

We anticipate that an ACT generating station will usually require an express grant of planning permission. However, if this is not the case, a declaration stating this should be provided.

3. Declaration of land use rights

The person submitting the notice of intent must provide a declaration which states that the person submitting the notice⁸ either owns, or has entered into an agreement to lease, or has an option to purchase or to lease the land on which the station is, or is to be, situated.

The declaration should be signed by an appropriate individual and made to best of that individual's knowledge and belief.

4. Declaration confirming future resources and expected commissioning

The person submitting the notice of intent must provide a declaration which states that, following confirmation by Ofgem that the notice of intent is acceptable, they will have access to sufficient resources to commission the station and that the station is expected to commission on or before 31 March 2017.

The declaration should be signed by an appropriate individual and made to best of that individual's knowledge and belief.

Dedicated Biomass with CHP

2.14. The following evidence must accompany the notice of intent for a dedicated biomass with CHP station:

1. A Grid Works Offer and document from the network operator

The person submitting the notice of intent must provide a copy of an offer from the relevant distribution or transmission network operator for the carrying out of grid works for the proposed generating station. We would expect this offer to cover the non-contestable aspect of any grid works required at a minimum. The offer should make clear the location of the grid works and the connection capacity.

The person submitting the notice of intent must also provide a separate document written by, or on behalf of, the relevant network operator⁹ which estimates or sets a date for completing the grid works which is not later than 31 March 2017.

⁸ or a person connected to that person within the meaning of section 1122 of the Corporation Tax Act 2010(a)

⁹ Article 13 The Renewables Obligation Closure Order 2014.

The RO Closure Order does not specify that the offer to carry out grid works must have been made to the person submitting the notice of intent; given this, the party to which the offer was made will not form part of our assessment for the purposes of this grace period.

We anticipate that a dedicated biomass generating station will usually require grid works. However, if no grid works are required, a declaration stating this should be provided in place of the grid works offer and letter.

2. Planning Permission

The person submitting the notice of intent must provide a copy of the planning permission for the generating station. Please note that only evidence of the final planning decision should be submitted in the first instance. The legislation defines 'planning permission' (see Appendix 1), therefore one of the following documents should be submitted:

- consent under section 36 of the Electricity Act 1989, or
- development consent under the Planning Act 2008, or
- planning permission under the Town and Country Planning Act 1990(e), or
- planning permission under the Town and Country Planning (Scotland) Act 1997(a)

We recognise that additional consents, easements and wayleaves will be required for grid connections. It is our standard practice to regard the bounds of a generating station as stretching to the point of the connection with the distribution or transmission network. However, for the purposes of this grace period, we acknowledge that, at the connection offer-only stage, such permissions will not be in place. Additionally, projects may require off-site supporting infrastructure, which may require planning permission.

Given these points, we will only be seeking planning permission in respect of the site on which the electricity generating infrastructure is to be located. The RO Closure Order does not specify that the planning permission must have been issued to the person submitting the notice of intent; given this, the party to which the planning permission was issued will not form part of our assessment for the purposes of this grace period.

We anticipate that a dedicated biomass generating station will usually require an express grant of planning permission. However, if this is not the case, a declaration stating this should be provided.

3. Declaration of land use rights

The person submitting the notice of intent must provide a declaration which states that the person submitting the notice¹⁰ either owns, or has entered into an agreement to lease, or has an option to purchase or to lease the land on which the station is, or is to be, situated.

The declaration should be signed by an appropriate individual and made to best of that individual's knowledge and belief.

¹⁰ or a person connected to that person within the meaning of section 1122 of the Corporation Tax Act 2010(a)

4. Declaration confirming future resources and expected commissioning

The person submitting the notice of intent must provide a declaration which states that, following confirmation by Ofgem that the notice of intent is acceptable, they will have access to sufficient resources to commission the station and that the station is expected to commission on or before 31 March 2017.

The declaration should be signed by an appropriate individual and made to best of that individual's knowledge and belief.

5. CHPQA Certification

For a dedicated biomass generating station to qualify for the 'enabling financial decisions' grace period, it must be certified under the CHPQA 3 or CHPQA 5 at any time on or before the Relevant Date. Therefore, a CHPQA certificate for the generating station issued on or before the 9 November 2014 should also be provided.

Accreditation under the RO

2.15. The future operator of any generating stations for which we receive a complete notice of intent on or before the Relevant Date may apply for accreditation in respect of the station until 31 March 2018 (for offshore wind stations and those using ACT), and until 30 September 2018 (for dedicated biomass with CHP stations).

2.16. In order to be issued with ROCs, a generating station must be accredited under the RO as being capable of generating electricity from eligible renewable sources. Additionally, the generating station must meet all other RO eligibility criteria. The Orders¹¹ set out how we should grant and withdraw accreditation. It also details when we may attach and amend conditions to any preliminary accreditation or accreditation. For more information on the scheme's eligibility requirements please refer to Ofgem's Renewables Obligation: Guidance for Generators.

¹¹ Article 58 of the Orders.

3. Submitting a notice of intent

Chapter Summary

Explains how to apply for the 'enabling financial decisions' grace period, how we propose to process the applications we receive and how we will provide confirmation.

3.1. For Ofgem to consider a notice of intent, it must be submitted between 9 September 2014 and 9 November 2014. The notice of intent and evidence should be submitted to Ofgem at renewable@ofgem.gov.uk. It should be clearly titled as a 'Notice of Intent' in the subject line of the email or letter and should be accompanied by the evidence required under the RO Closure Order as detailed in chapter 2.

3.2. When emailing a notice of intent, please include a list of the attached documents within the body of the email so it is clear what evidence you are submitting. The Ofgem system will automatically reject emails larger than 20MB. If the person submitting the notice of intent has any concerns about the size of the files that they are attempting to submit, or receives a notification that they have been rejected, please contact us. We have a secure file sharing service which can be used if the evidence being submitted is too large to be emailed.

3.3. Upon receipt of a notice of intent and the supporting evidence, we will send an email to confirm that it has been received on or before the Relevant Date. If the Authority is satisfied that the notice and evidence meet the statutory requirements, we will, in accordance with the statutory requirement, provide confirmation of this too, including the date on which the notice was received.

Processing the notice of intent

3.4. The notice of intent and the supporting evidence will be reviewed against the relevant statutory criteria. This review will normally be undertaken within 10 working days of receipt.

3.5. Where we receive an accurate and complete notice of intent, accompanied by all of the required evidence and have no further queries, we expect to process it and provide confirmation that we are satisfied the criteria have been met within 10 working days. In order to assist this process, it is our expectation that applicants will have reviewed and understood the relevant requirements of the RO Closure Order and our guidance. In addition, it is our expectation that the grace period application would have been thoroughly checked prior to its submission to ensure it is accurate and complete. An application checklist is provided in Appendix 2 to assist those submitting a notice of intent.

3.6. If we have any queries on the notice or the evidence submitted, we will look to contact the applicant by email during the review period. Where queries are raised, the onus is on the applicant to respond promptly and in a complete manner, if they wish the grace period application to be determined in a timely manner. A grace

period will only be awarded where we are satisfied that all statutory requirements have been met.

Generating Stations that have been Awarded a Grace Period

3.7. If we have confirmed that we are satisfied with a notice of intent, the operators of offshore wind generating stations and stations using ACT have until 31 March 2018 to apply for accreditation under the RO. The operators of dedicated biomass with CHP stations will have until 30 September 2018 to apply for accreditation. Please refer to the Renewables Obligation: Guidance for Generators for further information on the eligibility requirements and process of applying for accreditation under the RO. Although we cannot revoke confirmation of a notice of intent, you should retain a copy of this confirmation from Ofgem for your own records, and in the event that you apply for accreditation after 31 March 2017.

3.8. We regularly audit accredited generating stations to guard against fraud and error. If a generating station applied under the 'enabling financial decisions' grace period and is subsequently accredited, the evidence and declarations submitted with the notice of intent will also form part of a future audit. We have the power to withdraw accreditation, revoke or permanently withhold ROCs in certain circumstances, including where evidence is later found to be false. More information is provided in Chapter 3 of the Renewables Obligation: Guidance for Generators.

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Appendix 1 - Glossary

Term	Definition
A	
Advanced Gasification	Electricity generated from a gaseous fuel which is produced from waste or biomass by means of gasification, and has a gross calorific value when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the generating station of at least 4 megajoules per metre cubed.
Advanced Pyrolysis	Electricity generated from a liquid or gaseous fuel which is produced from waste or biomass by means of pyrolysis, and (a) in the case of a gaseous fuel, has a gross calorific value when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the generating station of at least 4 megajoules per metre cubed, and (b) in the case of a liquid fuel, has a gross calorific value when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the generating station of at least 10 megajoules per kilogram.
Appropriate Individual	<p>"appropriate individual", in relation to a notice, means—</p> <p>(a) where the person submitting the notice is a body corporate (other than a limited liability partnership), an individual who is a director, the treasurer, secretary or chief executive of that body,</p> <p>(b) where the person submitting the notice is a limited liability partnership, an individual who is a designated member of that partnership, within the meaning given in section 8 of the Limited Liability Partnerships Act 2000(),</p> <p>(c) where the person submitting the notice is a partnership (other than a limited liability partnership), an individual who is a partner in that partnership,</p> <p>(d) where the person submitting the notice is an unincorporated association (other than a partnership), an individual who is a member of the governing body of that association,</p> <p>(e) where the person submitting the notice is an individual, that individual;</p>
C	
CHPQA 3	"CHPQA 3" means the Combined Heat and Power Quality Assurance Standard, Issue 3, published by the Department for Environment, Food and Rural Affairs in January 2009;
CHPQA 5	"CHPQA 5" means the Combined Heat and Power Quality Assurance Standard, Issue 5, published by the

Department of Energy and Climate Change in
November 2013(c);

G

Grid Works

“grid works”, in relation to a generating station, means—
(a) the construction of a connection between the station and a transmission or distribution system for the purpose of enabling electricity to be conveyed from the station to that system, or
(b) the carrying out of modifications to a connection between the station and a transmission or distribution system for the purpose of enabling an increase in the amount of electricity that can be conveyed over that connection from the station to that system;

N

Network Operator

“network operator” means a distribution exemption holder, distribution licence holder or a transmission licence holder;

O

Offshore generating station

“offshore generating station” means a generating station which generates electricity from wind and which—
(a) has its wind turbines situated wholly in offshore waters, and
(b) is not connected to dry land by means of a permanent structure which provides access to land above the mean low water mark;

Offshore Wind

Electricity generated from wind by a generating station that is offshore; Offshore in relation to a generating station which generates electricity from wind, means a generating station which has its wind turbines situated wholly in offshore waters, and is not connected to dry land by means of a permanent structure which provides access to land above the mean low water mark.

P

Planning Permission

“planning permission” means—
(a) in the case of an offshore generating station—
(i) consent under section 36 of the Electricity Act 1989(b),
(ii) consent under Article 39 of the Electricity (Northern Ireland) Order 1992(c), or
(iii) development consent under the Planning Act 2008(d),
(b) in all other cases—
(i) consent under section 36 of the Electricity Act 1989,
(ii) development consent under the Planning Act 2008,
(iii) planning permission under the Town and Country Planning Act 1990(e), or
(iv) planning permission under the Town and Country Planning (Scotland) Act 1997(a).

R

Relevant Date

"relevant date" means the later of—
(a) 31st October 2014, and
(b) the date falling two months after the day on which this Order comes into force;

S

Standard Gasification

Electricity generated from a gaseous fuel which is produced from waste or biomass by means of gasification, and has a gross calorific value when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the generating station which is at least 2 megajoules per metre cubed but is less than 4 megajoules per metre cubed.

Standard Pyrolysis

Electricity generated from a gaseous fuel which is produced from waste or biomass by means of pyrolysis, and has a gross calorific value when measured at 25 degrees Celsius and 0.1 megapascals at the inlet to the generating station which is at least 2 megajoules per metre cubed but is less than 4 megajoules per metre cubed.

Appendix 2 – Application Checklist

This appendix provides a checklist of the information that should be submitted for each type of generating station.

Table 2 - Application Checklist

	To be submitted to Ofgem	Type of Generating Station		
		Offshore Wind	ACT	Dedicated Biomass with CHP
Notice of Intent	The name and address of the person submitting the notice ¹²	✓	✓	✓
	Confirmation that notice is submitted in respect of Article 11 or 12 of the RO Closure Order 2014	✓	✓	✓
	Technology of proposed generating station	✓	✓	✓
	The location, or proposed location of the generating station	✓	✓	✓
	Confirmation that the person submitting the notice is also the person proposing to construct or operate the station, or arranging for the construction of it	✓	✓	✓
	Confirmation that the generating station is not yet commissioned	✓	✓	✓
Evidence	Grid Connection Offer	✓	✓	✓
	Letter from the relevant network operator	✓	✓	✓
	Planning Permission	✓	✓	✓
	Agreement for lease of the seabed	✓	✗	✗
	Declaration of land use rights	✗	✓	✓
	CHPQA Certification	✗	✗	✓
	Declaration confirming future resource and expected commissioning date of the generating station	✓	✓	✓

¹² In cases where the person submitting the notice of intent is a body corporate, a limited liability partnership, a partnership or an unincorporated association please use the organisation name and address, rather than the name of the individual making the application on behalf of the organisation.



Appendix 3 – Example Notice of Intent

Renewables Obligation: Enabling Financial Decision Grace Period Notice of Intent

A notice of intent, as set out under Article 13 of the Renewables Obligation Closure Order 2014 (ROCO), must be submitted to Ofgem in order to access the 'enabling financial decision' grace period. Set out below is an example notice of intent that can be printed, completed, signed by an 'appropriate individual' and sent to Ofgem.

Notice of Intent (example)

1. The Proposed Generating Station
 - a) Name of proposed generating station.....
 - b) The location of the proposed generating station.....
.....
 - c) The technology at the proposed generating station is (please delete as appropriate): Offshore wind/Advanced conversion technology/ Dedicated biomass with CHP
 - d) I confirm that the generating station is not commissioned.

2. The person submitting the Notice of Intent¹³
 - a) Name of person submitting the notice.....
 - b) Address of person submitting the notice
.....
.....
.....
 - c) I confirm the person submitting the notice of intent is (please delete as appropriate):

¹³ In cases where the person submitting the notice of intent is a body corporate, a limited liability partnership, a partnership or an unincorporated association please use the organisation name and address, rather than the name of the individual making the application on behalf of the organisation.



RO 'Enabling financial decisions' grace period guidance document

- a body corporate (other than a limited liability partnership)
- a limited liability partnership
- a partnership
- an unincorporated association
- an individual

d) I confirm that the person submitting the notice of intent is (please delete as appropriate):

- The person who proposes to construct or operate the generating station;
- The person that is arranging for the construction of the generating station.

I confirm that I am an 'appropriate individual', in relation to the notice of intent, for the generating station stated in this declaration and I am submitting it for the purposes of Article 11 or 12 of ROCO.

Signed

Full Name

Job Title

Date

Please note that the terms 'notice of intent' and 'appropriate individual' have the same meaning as in Article 13 of the ROCO. This declaration is to be submitted alongside the documents set out in Article 13 of the ROCO. You should therefore read the relevant articles of ROCO and take your own independent legal advice, to ensure that the proposed generating station which is subject to this declaration qualifies under the ROCO, before making this declaration.



Appendix 4 - Example Declarations

Renewables Obligation: 'Enabling Financial Decision' grace period

A declaration confirming land use rights, as set out under Article 13 of the Renewables Obligation Closure Order 2014 (ROCO), must be submitted with a Notice of Intent. Set out below is an example declaration form that can be printed, signed by an 'appropriate individual' and sent to Ofgem.

Declaration of land use rights (example)

Proposed Generating Station Name

.....
I confirm that, to the best of my knowledge and belief, the person submitting the notice of intent or a person connected to the person submitting the notice of intent within the meaning of section 1122 of the Corporation Tax Act 2010(a) (please delete as appropriate):

- Owns the land on which the generating station is, or is to be, situated; or
- Has entered into an agreement to lease the land on which the generating station is or is to be, situated; or
- Has an option to purchase or to lease the land on which the generating station is, or is to be, situated.

I confirm that I am an 'appropriate individual', in relation to the notice of intent, for the generating station stated in this declaration.

Signed

Full Name

Job Title

Date

Please note that the terms 'Notice of Intent' and 'appropriate individual' have the same meaning as in Article 13 of the ROCO.

This declaration is to be submitted alongside the Notice of Intent and the documents set out in Article 13 of the ROCO. You should therefore read the relevant articles of ROCO and take your own independent legal advice, to ensure that the proposed generating station which is subject to this declaration qualifies under the ROCO, before making this declaration.

Renewables Obligation: Enabling Financial Decision Grace period declaration

A declaration confirming future resources and expected commissioning date, as set out under Article 13 of the Renewables Obligation Closure Order 2014 (ROCO), must be submitted with a Notice of Intent. Set out below is an example declaration form that can be printed, signed by an 'appropriate individual' and sent to Ofgem.

Declaration of future resource and expected commissioning (example)

Proposed Generating Station Name

.....

I confirm that, to the best of my knowledge and belief, following receipt of confirmation that the Authority is satisfied with the attached Notice of Intent for the purposes of the ROCO:

- The person submitting the notice will have access to sufficient resources to commission the station; and
- The station is expected to commission on or before 31 March 2017.

I confirm that I am an 'appropriate individual', in relation to the notice of intent, for the generating station stated in this declaration.

Signed

Full Name

Job Title

Date

Please note that the terms 'Notice of Intent' and 'appropriate individual' have the same meaning as in Article 13 of the ROCO.

This declaration is to be submitted alongside the Notice of Intent and the documents set out in Article 13 of the ROCO. You should therefore read the relevant articles of ROCO and take your own independent legal advice, to ensure that the proposed

generating station which is subject to this declaration qualifies under the ROCO, before making this declaration.