



Licensed Electricity Suppliers and
any other interested parties

*Promoting choice and
value for all customers*

Our Ref: RO Compliance
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Date: 25 November 2008

Dear Colleague,

THE RENEWABLES OBLIGATION LATE PAYMENT FUND (2007-2008)

This letter provides an update¹ on the total amounts redistributed to electricity suppliers from the Renewables Obligation buy-out funds for 2007-08. These figures take into account the redistribution of the amounts in the England & Wales, Scotland and Northern Ireland late payment funds.

The three main buy-out funds (for England and Wales, Scotland and Northern Ireland) were redistributed on 3 October 2008 and the three late payment funds were redistributed on 20 November 2008. The late payment period runs from 1 September to 31 October. The amounts (including interest) due to be redistributed from the late payment funds totalled £977,663. These were redistributed to all suppliers that had fully complied with their renewables obligations, in the proportions previously published¹.

A total of 16,466,751 ROCs were correctly submitted by suppliers to Ofgem for the RO. The total amount (including interest) due to be redistributed for 2007-08, the sixth year of the obligation, was £307,180,739, which equates to £18.65 for each ROC presented.

The total amounts due to be redistributed in 2007-08 are shown in the following table:

Fund	Amount redistributed
England & Wales buy-out	£280,171,493
Scotland buy-out	£20,072,617
Northern Ireland buy-out	£5,958,966
England & Wales late payment	£54,491
Scotland late payment	£47,737
Northern Ireland late payment	£875,435
Total	£307,180,739

BizzEnergy Limited failed to comply with its Renewables Obligation. From the information we hold, the shortfall in the buy-out funds arising from this is £5,665,228.10 for the Renewables Obligation and £271,793.20 for the Renewables Obligation Scotland. Based on this, mutualisation will not be triggered for the 2007-08 compliance period. We are in

¹ Refer to our press release (ref no: R/33), "The Renewables Obligation buy-out fund (2007-2008)"

contact with BizzEnergy's administrators regarding their outstanding amounts and will update suppliers if and when they make any payments against their 2007-08 obligations.

R S Energy Limited failed to present sales figures relating to electricity supplied to customers in England and Wales and Scotland during the 2007-08 obligation period. This information was due on 1 July 2008. Therefore, we are unable to confirm the final level of the Renewables Obligation for electricity supplied to customers in England & Wales and Scotland.

All other electricity suppliers in England & Wales, Scotland and Northern Ireland have complied with their 2007-08 renewables obligations.

If you have any further queries in relation to the Renewable Obligation buy-out funds or late payment funds for 2007-08, please contact Peter Collins at peter.collins@ofgem.gov.uk or on 020 7901 7275.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M Harnack', with a long horizontal stroke extending to the right.

Matthew Harnack
Head of Renewables & CHP