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Renewables Obligation (RO)

www.ofgem.gov.uk/ro

Renewable Electricity Development Team
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Date: 21 September 2015

Dear Stakeholder,

CONSULTATION ON OFGEM E-SERVE'S DRAFT GUIDANCE - RENEWABLES OBLIGATION: GUIDANCE FOR GENERATORS

We are writing to inform you that our draft guidance: 'RO: Guidance for Generators' has been published today for a six week consultation period. The draft guidance is provided in annex 1.

We are inviting stakeholders to provide feedback on the draft guidance. The closing date for responding to the consultation is 3 November 2015.

Why have we updated the Guidance for Generators?

We have updated this document based on feedback from stakeholders to make the guidance more accessible and user-friendly, both for potential applicants to the scheme and operators that are currently accredited to the scheme. The key changes are:

- Making the language used more straightforward.
- Improved references to the other RO guidance documents that exist
- Explaining more clearly what is required of the applicant and what we do when an application is submitted to us.
- Restructuring chapters and changing headings to make the information more accessible.
- Reducing the number of appendices and incorporating the relevant information into the main body of the document.
- Chapter 2: listing and explaining the key eligibility requirements for the scheme, including technology-specific eligibility criteria.
- Chapter 3: more detailed information on the different types of application, ie full accreditation, preliminary accreditation, amended applications, and a step by step guide to applying for the scheme.
- Chapter 4: this now applies to non-fuelled stations only. Fuelled stations should refer to the data chapter of the 'RO: Fuel Measurement and Sampling' guidance.

The document has also been updated to align with DECC's consolidation of the Renewables Obligation Orders (ROO), which brings together the ROO 2009 with each of its subsequent amendment Orders to create one Order; the ROO 2015, which is expected to come into force on 1 December 2015. It also introduces changes to biomass sustainability and reporting criteria and outstanding arrangements relating to the transition of the RO to CFD. The

sustainability and transition changes will be updated in the relevant guidance documents in due course.

The changes that have been made to this document as a result of the ROO 2015 are:

- Updated article references.
- Updated banding definitions for fuelled technologies.
- Minor updates to the definitions of 'connected person' and 'declared net capacity'.

The Scottish Government and the Department for Enterprise, Trade & Investment Northern Ireland (DETI) did not consolidate their Orders, but will be producing amendment Orders which are also expected to come into force on 1 December 2015. This guidance document will be updated to align with these amendment Orders when we publish the final version, expected to be in December 2015.

There are a number of other RO guidance documents which require more minor updates in light of the ROO 2015. These will be published as final versions in December 2015 alongside the final Guidance for Generators.

The guidance document has been drafted as if the RO Order 2015 is already in force. If any changes are made to the legislation before it comes into force, we will amend the guidance document as appropriate.

This document does not include any information on the closure of the RO to onshore wind from 1 April 2016, or the proposed closure of the RO to small scale solar PV from 1 April 2016. Separate guidance documents will be published in due course.

How to respond

The purpose of this consultation is to gain your feedback on the new version of the Guidance for Generators. In responding to this consultation please answer the following questions:

- Question 1: Are there any aspects of this guidance that could be made clearer or improved? If so, please provide specific comments including section references.
- Question 2: Are there any omissions in this guidance? If so, please provide comments.

Responses should be sent to either:

REDevelopment@ofgem.gov.uk , or

RE Development Team
Ofgem
9 Millbank,
London SW1P 3GE

Please be aware that this is not a consultation on the policy underpinning the RO, but on the clarity of the guidance document. Queries relating to the policy should be directed to DECC. Contact details can be found at: www.decc.gsi.gov.uk.

If you want your response to be kept confidential, please clearly mark the document/s to that effect and include your reasons for requesting confidentiality. (However, this may be subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004).

Next steps

Once we have considered the responses to this consultation, we will publish the final guidance document shortly after the ROO 2015 has come into force.

Until the ROO 2015 comes into force, stakeholders should refer to the current legislation and guidance.

If you have any comments or concerns relating to how this consultation has been conducted please refer to annex 2 for details.

Yours sincerely,

Renewable Electricity Development Team
ofgem e-serve

Annex 1

Draft guidance

Renewables Obligation: Guidance for Generators

Guidance for Generators

DRAFT September 2015

Overview

This document is for generators that receive or would like to receive support under the Renewables Obligation (RO) scheme in England, Wales, Scotland and Northern Ireland. It gives an overview of the support levels available, the types of generating technologies that might be eligible for the scheme and how eligible generators become accredited. It also sets out the information we require from generators to issue Renewables Obligation Certificates (ROCs) and explains how and when we issue ROCs. It is not intended to be a definitive legal guide to the RO and, as a working document, it may be updated from time to time. Generator guidance for the Feed-In Tariff scheme, including the ROO-FIT accreditation process, is provided in a separate document, available at www.ofgem.gov.uk.

Associated documents

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

Legislation

The Renewables Obligation Order 2015, the Renewables Obligation (Scotland) Order 2009 and the Renewables Obligation Order (Northern Ireland) 2009, as well as their amendment Orders for 2011, 2013, 2014 and 2015, and the RO Closure Order can be found at: www.legislation.gov.uk.

Guidance

All documents are available at www.ofgem.gov.uk/ro:

- Renewables and CHP Register User Guide ('the User Guide')
- Renewables Obligation: Essential guide to commissioning
- Renewables Obligation: Guidance on the transition period and the closure of the RO
- Renewables Obligation: Closure of the scheme to large-scale solar PV
- Renewables Obligation: Fuel Measurement and Sampling (FMS)
- Renewables Obligation: Sustainability Criteria
- Renewables Obligation: Sustainability Annual Reporting – Guidance for Operators and Auditors
- Renewables Obligation: Biodiesel and Fossil Derived Bioliquids Guidance

Contents

1. Introduction

What is the RO?

1.1. The Renewables Obligation (RO), the Renewables Obligation (Scotland) (ROS) and the Northern Ireland Renewables Obligation (NIRO) are designed to incentivise large-scale renewable electricity generation in the UK. The Renewables Obligation Orders (ie, the RO Order, the ROS Order and the NIRO Order – the legislation underpinning the RO, ROS and NIRO) place an obligation on licensed electricity suppliers in England, Wales, Scotland and Northern Ireland to source an increasing proportion of electricity from renewable sources.

1.2. The Department of Energy and Climate Change (DECC), the Scottish Government and the Department for Enterprise, Trade & Investment Northern Ireland (DETI) are responsible for developing the policy underpinning the RO scheme, including setting support levels, establishing the legislative framework and making amendments to the legislation.

What is Ofgem's role?

1.3. Ofgem administers the respective schemes and its day-to-day functions on behalf of the Gas and Electricity Markets Authority (the Authority). We do this according to the legislation, ie the RO Orders in England and Wales and the ROS Orders in Scotland. The Orders explain what our functions are; they include:

- accrediting generating stations that are capable of generating electricity from eligible renewable energy sources
- issuing Renewables Obligation Certificates (ROCs) and Scottish Renewables 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
- annually calculating the buy-out price resulting from the adjustments made to reflect changes in the retail price index
- receiving buy-out payments and redistributing the buy-out fund[1]
- 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] Where suppliers do not have enough ROCs to meet their entire obligation, they must pay an equivalent amount into a buy-out fund to cover the shortfall. The proceeds of the buy-out fund are paid back pro-rata to those suppliers who presented ROCs.

1.4. 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.

1.5. We carry out our functions 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.

How does the scheme work?

1.6. Generators submit an application for accreditation for a renewable generating station. Once the generating station has been accredited generators (or their agents) are issued ROCs based on the net renewable electricity that is generated each month by the station. ROCs can then be sold directly or indirectly to suppliers who will redeem them against their Renewables Obligation.

1.7. The number of ROCs issued per megawatt hour (MWh) is determined by the technology/fuel used by the station, its size, its location and when it was accredited under the RO. To be accredited under the Orders, generating stations must meet the statutory criteria, eg they must be commissioned and have submitted an application. Once accredited, further criteria must be met every month if ROCs are to be issued.

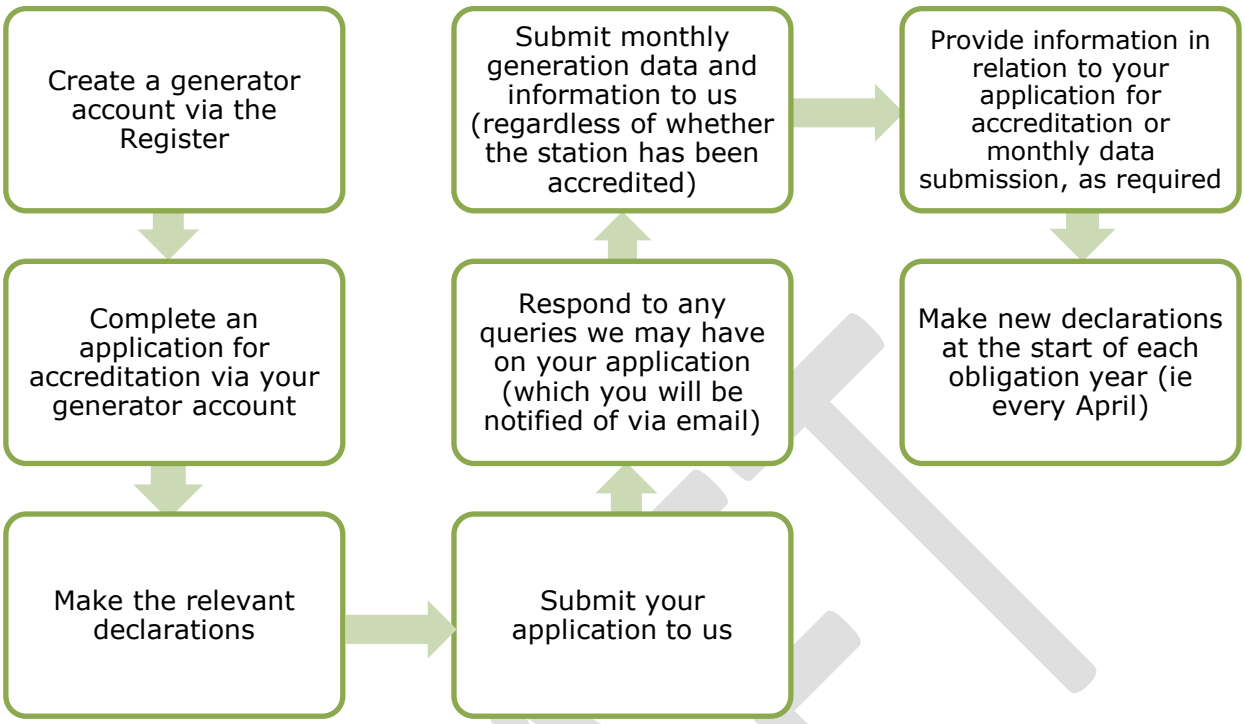
1.8. If accreditation has been granted and ROCs have subsequently been issued, the onus is on the generator to transfer the certificates to a suitable party. We have no responsibility over the transfer of ROCs once they have been issued. We can however revoke or withhold ROCs if we think they should not have been issued.

1.9. Once a ROC has been issued and transferred to a supplier, that supplier can redeem that ROC against their obligation. The ROC can only be redeemed by a supplier against the obligation period in which it was issued or against the following obligation period. For example, a ROC issued for generation in June 2015 can be redeemed by a supplier for the 2015/16 or 2016/17 obligation periods only. After that, the ROC would effectively expire and cannot be presented to us against a supplier's obligation.

How to apply

1.10. Operators of renewable generating stations will need to follow the steps in Figure 1 to apply for accreditation under the RO and be issued with ROCs. The onus is on the generator to ensure that they are familiar with our IT system - the Renewables and CHP Register (the Register) and guidance documents before setting up a generator account

Figure 1: How to apply for the scheme and be issued with ROCs



The closure of the RO

1.11. The RO is scheduled to close to new capacity on 31 March 2017, as set out in the RO Closure Order 2014. Support for capacity accredited under the RO at that date will be retained at existing support levels (ie, support is grandfathered) and will receive its full lifetime of support, with grace periods offered to those who miss the closure date in certain circumstances.

1.12. From 1 April 2017, the obligation will be set annually until 31 March 2027. Then a fixed price certificate scheme will be introduced with the price of certificates fixed at the 2027 buy-out price, plus 10%. The government will be preparing and consulting on the detailed design of the fixed price certificate scheme in due course.

1.13. The government introduced the Contracts for Difference (CFD) scheme in 2014 which will replace the RO when it closes. In this transition period, when both schemes are open, generators will be able to choose between the schemes. Ofgem will continue to administer the RO and National Grid (and the Low Carbon Contracts Company) will administer the CFD scheme. The choice of scheme applies to stations in England, Wales and Scotland only. This will also apply to stations in Northern Ireland once the CFD scheme is introduced there.

1.14. For further information on the transition period and the grace periods that are available when the RO closes please refer to our 'RO: Guidance on the transition period and closure of the RO'.

How to use this document

1.15. This document has been specifically created for the RO scheme. It is for guidance only and is not intended to be a legal guide. We will assess applications for accreditation once they

are submitted to us. Generators should seek their own legal and technical advice before applying.

1.16. This document does not anticipate every scenario which may arise. If a scenario arises which is not addressed in this guidance, we will adopt an approach consistent with the relevant legislation. Any guidance in addition to this document will be published on our website: www.ofgem.gov.uk/ro.

1.17. If parties other than registered account holders are involved in the RO, for example data collectors providing monthly information, the operator of the generating station is responsible for ensuring this guidance is distributed accordingly.

Terms used in this document

1.18. Unless apparent from the context, where "RO" is used, it denotes the Renewables Obligation (RO) Order, the Renewables Obligation (Scotland) (ROS) Order and the Northern Ireland Renewables Obligation (NIRO) Order. The separate Orders are individually referenced where necessary. Where "ROC" is used it denotes certificates issued under all three Orders ie ROCs, SROCs and NIROCs.

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

1.20. "The Act" refers to the Electricity Act 1989 (as amended). This is the primary legislation that the RO and ROS Orders came from. Changes made to the Act via the Energy Act 2008 have given the government powers to change the ROC support structure.

1.21. The terms “generators”, “operators”, “you” and “your” are used interchangeably throughout the document

Where to direct queries

1.22. Please email any queries about our functions, or a station that is accredited, or pending accreditation under the scheme to: renewable@ofgem.gov.uk. Please state what your query is about and the station name in the subject line of the email.

1.23. Written queries should be sent to: Renewable Electricity Administration, Ofgem, 9 Millbank, London, SW1P 3GE. For telephone enquiries, the team can be contacted on 020 7901 7310 (select option 2) during office hours.

1.24. 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 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. Eligibility

Chapter summary

Sets out the general Renewables Obligation (RO) eligibility requirements and specific eligibility criteria for certain technology types.

2.1. To receive support under the RO a generator must submit an application for accreditation to Ofgem. Before starting an application it is important for generators to be familiar with the eligibility criteria for the scheme as set out in the Orders[2], and summarised in this chapter. Generating stations that do not meet the eligibility criteria cannot be supported under the RO.

What are the eligibility requirements?

2.2. Table 1 lists the eligibility requirements that we assess for full and preliminary accreditation once an application is submitted to us. The rest of this chapter explains each of these eligibility requirements in more detail.

Table 1: Eligibility requirements for full and preliminary accreditation

No.	Eligibility requirement	Required for full?	Required for preliminary?
1.	Has the generating station commissioned?	Yes	No
2.	What is the capacity and how has it been calculated?	Yes	Yes
3.	Is the generating station in the UK?	Yes	Yes
4.	Do the components and equipment used constitute a generating station?	Yes	Yes
5.	Is the electricity being supplied to customers in GB and/or NI and is it being used in a permitted way?	Yes	No

[2] Article 88 and 89 of the ROO, article 58 of the ROS and article 50 of the NIRO.

6.	Is the technology type eligible?	Yes	Yes
7.	Is there proof of how the electricity is generated and metered?	Yes	No
8.	Has the station applied for another scheme which makes it ineligible to receive ROCs?	Yes	Yes
9.	Has planning consent been granted?	No	Yes

2.3. We assess applications case-by-case. We will only grant accreditation if we are satisfied that the generating station meets the eligibility criteria.

2.4. Please be aware that we cannot provide any legal or technical advice or a view on whether a station will be eligible for accreditation before an application for full accreditation or preliminary accreditation is submitted to us.

Has the generating station commissioned?

Meeting the definition of "commissioned".

2.5. Generating stations must be commissioned in order to be eligible for accreditation. The Orders define "commissioned" as:

> "commissioned", 'in relation to a generating station, means the completion of such procedures and tests in relation to that station as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of generating station in order to demonstrate that that generating station is capable of commercial operation.'

Demonstrating that a generating station has been commissioned

2.6. Applicants must provide us with evidence that shows the generating station has been commissioned. The usual industry standard practices for commissioning will vary depending on the type of renewable technology used. The 'RO: Essential guide to commissioning' provides more information on what is required to demonstrate a generating station has been commissioned.

Commissioning date

2.7. We would expect the commissioning date to be the date the standard tests have been completed satisfactorily and the station is capable of commercial operation. Once the commissioning date has been determined, and if it meets the requirements of the scheme, a generating station will be eligible to receive support from the later of:

- the date the application was received by us, or
- the date on which it was commissioned.

What is the capacity and how has it been calculated?

Total installed capacity (TIC) and declared net capacity (DNC)

2.8. To be eligible for support you must declare the total installed capacity (TIC) and declared net capacity (DNC) of the generating station as part of your application for accreditation.

2.9. TIC and DNC of a generating station are defined in the Orders as:

> "total installed capacity", 'in relation to a generating station means, the maximum capacity at which the station could be operated for a sustained period without causing damage to it (assuming the source of power used by it to generate electricity was available to it without interruption).'
>
> "declared net capacity", 'in relation to a generating station, means the maximum capacity at which the station could be operated for a sustained period without causing damage to it (assuming the source of power used by it to generate electricity was available to it without interruption) less the amount of electricity that is consumed by the plant'.

2.10. We consider the capacity rating of the generating equipment to indicate the TIC of the generating station. The capacity of any parasitic loads should be factored into the DNC.

2.11. We may request third-party verification during the accreditation process of the TIC and DNC, such as a declaration made by the installer or manufacturer of the generating equipment.

Is the generating station in the UK?

2.12. The generating station you wish to gain accreditation for will need to be in the UK. As proof of this you will need to:

- Declare the postcode of the generating station.
- Declare the grid reference of the generating station.

2.13. Generating stations outside the UK are unable to benefit from ROCs. For the purpose of the Orders, the expression "the United Kingdom" includes the territorial sea of the United Kingdom and waters in any area designated under Section 1(7) of the Continental Shelf Act 1964. This also includes Renewable Energy Zones as defined in the Energy Act. Refer to table 3 for additional criteria for offshore wind stations concerning their location.

Do the components and equipment used constitute a generating station?

2.14. The purpose of this part of the assessment is to ensure that the boundaries of the station are clear to enable us to issue ROCs, and so we can assess whether the station is a single generating station or not. Table 2 lists the factors we take into account in determining this.

Definition of a generating station (other than hydro)

2.15. There is no definition of 'generating station' in the legislation. It is defined in the Shorter Oxford English Dictionary as a "building and site for generating electrical current" and in the Oxford English Dictionary as a "power station for the generation of electricity".

Definition of a hydro generating station

2.16. The Orders define a hydro generating station as:

> "a generating station driven by water (other than a generating station driven by tidal flows, waves, ocean currents or geothermal sources) and includes all turbines supplied with water by or from the same civil works, except any turbine driven by a compensation flow supplied by or from those civil works in a natural water course where there is a statutory obligation to maintain that compensation flow in that water course (in which case that turbine and associated infrastructure is to be regarded as a separate hydro generating station)".

2.17. We interpret the term 'turbines' to also include Archimedes' Screws.

2.18. If a hydro generating station consists of more than one turbine supplied by the same civil works, we will need to be satisfied that a particular turbine is driven by a statutory compensation flow. This is so we can determine that the turbine is a separate hydro generating station for the purposes of the RO.

Components of a generating station

2.19. We generally consider any equipment which contributes to generating electricity as part of the generating station, even if that equipment has another purpose (eg incinerators, combustors, flare stacks etc.).

2.20. We will presume that sets of equipment for generating electricity are ordinarily one generating station if they are on the same premises and where they are owned and or operated by the same or connected or associated or related people, which are defined as:

- "connected" – 50% or more of the ordinary share capital of one generating station is owned directly or indirectly by the other or 50% or more of the ordinary share capital of each is owned directly or indirectly by a third body corporate
- "associated" – one is a subsidiary of the other or both are subsidiaries of the same holding company
- "related" – one is a 75% subsidiary of the other or both are 75% subsidiaries of a third body corporate, and
- "holding company" and "subsidiary" as defined in Section 1159 of the Companies Act 2006 and Section 1122 of the Corporation Tax Act 2010 as appropriate.

2.21. If several sets of equipment for generating electricity are grouped together to form multiple generating stations in a way which would ordinarily be seen as one generating station, then the generator will need to explain how these sets of equipment for generating electricity can be seen as more than one generating station.

2.22. If sets of equipment for generating electricity are operated by contractors, we will view the generators of two (or more) such sets on the same premises as sufficiently closely linked

for the premises to be considered as one generating station if one is acting as the other's contractor or if both are acting as the contractor for the same third party.

Single line diagram

2.23. You will be required to submit a single line diagram as part of your application for RO accreditation. This diagram should show any generators (including standby generators), meters, interconnectors and the grid connection point. We will compare this against the information in your application to ensure consistency.

Is the electricity being supplied to customers in GB and/or NI and is it being used in a permitted way?

2.24. The Orders state that ROCs can only be issued on electricity supplied to customers in GB and NI, or electricity used in a permitted way. This can include electricity exported to the 'grid' and supplied by a licensed supplier to customers in GB and NI, electricity used on site by the operator of the generating station and electricity supplied to a third party via a private wire.

2.25. Each year, the generator is required to sign declarations about the supply of electricity on which ROCs are to be issued. The supply should be 'export only' or via 'permitted ways'. Before signing any declarations it is the generator's responsibility to ensure that what they are signing is correct for their generating station.

2.26. Generators may also be required to provide evidence of relevant contractual arrangements or other information to demonstrate that the electricity is supplied to customers in the UK.

Permitted ways

Own use of electricity (eligible on-site use)

2.27. Electricity (other than input electricity) that is generated and used on-site by the operator of the generating station may be eligible for ROCs. Input electricity under the RO is electricity used for a purpose directly related to the operation of the generating station.

2.28. To claim ROCs on on-site use, the operator of the generating station needs to sign a 'permitted ways' declaration and submit this to us each year. This is done through the Register.

Export to a third party

2.29. Generators may also be able to claim ROCs if renewable electricity is supplied to a third party through a licence exempt distribution network or a 'private wire' arrangement. To do so, the operator of the generating station needs to sign a 'permitted ways' declaration and submit this to us each year.

2.30. However, as described in article 17 of the Orders[3], where a generating station has a DNC of more than 10MW and the electricity has been supplied via part of the national transmission or distribution network, the electricity will not be eligible for ROCs under 'permitted ways'.

[3] Article 16 of the ROS and the NIRO.

Table 2: Factors to determine what constitutes a generating station

Factors to determine a generating station	Further information
What constitutes the premises?	This might be a house or building with its grounds, or it might be an area of Crown Estate land if the generating station is an offshore wind farm.
Is there a shared electrical or mechanical connection?	Is this between any or all of the sets of equipment for generating electricity or any other equipment, apparatus or plant?
Is there common steam linkage?	N/A
Is the same fuel used by different equipment?	Is the same fuel (or fuels in the case of co-firing) used by any or all of the sets of equipment for generating electricity and are they related functionally?
Are there multiple renewable sources on site?	For non-fuelled stations, is the electricity generated from the same renewable source or is there more than one way of generating electricity at the site in question? For example, a mix of solar PV and onshore wind.
Is the same driver used?	Is the same driver used by any or all of the sets of equipment for generating electricity and are they related functionally?
NFFO, SRO or NI NFFO contract?	Is a single NFFO (Non Fossil Fuel Obligation), SRO (Scottish Renewable Obligation) or NI NFFO (Northern Ireland Non Fossil Fuel Obligation) contract governing the sets of equipment for generating electricity?
How is planning permission governing the equipment?	Is the same planning permission and / or Section 36 consent governing the sets of equipment for generating electricity?
Is there one connection to the transmission or distribution network?	N/A
Is there the same or linked metering for the sets of equipment for generating electricity?	We will require there to be separate metering for separate generating stations. Although separate metering is a prerequisite for separate generating stations, it is not sufficient in itself for the sets of equipment for generating electricity to be treated as separate generating stations.

How the metering is registered under the Balancing and Settlement code?	N/A
Has the station previously been accredited?	In a scenario where a previously accredited generating station is or was located on the same site which is the subject of an application for accreditation, we would consider whether the subject of the new application is the same generating station to which it is or was previously accredited.
Is the generated electricity within the CHPQA scheme boundary?	The CHP uplift can only be issued on electricity generated by equipment that is within the CHPQA scheme boundary. As such, Ofgem must have regard to the generating equipment within, and outside of, the CHPQA scheme boundary when reviewing a station's RO accreditation application. The operator will need to provide: • A copy of the latest CHPQA certificate as referenced in the application for accreditation • A description of the generating equipment that is part of the CHPQA scheme as certified • The TIC of the generating equipment that is part of the CHPQA scheme as certified • A description of any generating equipment that is part of the generating station as described in the RO accreditation application that is not part of the certified CHPQA scheme • The total installed capacity of the generating equipment that is part of the generating station as described in the accreditation application but that is not part of the certified CHPQA scheme. In most cases it is expected that the generating equipment included within the CHPQA scheme boundary will constitute all of the generating equipment described in the station's application for accreditation. Where it is the case that some generating equipment that is included in the station's application for accreditation is not within the CHPQA scheme boundary, the CHP uplift cannot be claimed on any electricity generated by such equipment. In these circumstances it may be necessary for stations to submit two separate accreditation applications in order to ensure that the CHP uplift can be awarded correctly: • one accreditation application for the generating equipment inside the CHPQA scheme boundary, and one accreditation application for the generating equipment outside the CHPQA scheme boundary.
Is there more than one contractor operating different sets of equipment on the same premises?	If so, and: • one is acting as the others contractor, or • both are acting as the contractor for the same third party, this will be considered to be one generating station.

What equipment (when handling and preparing fuel) is considered part of the generating station?	A generating station can include several sets of equipment for handling and preparing fuel, for example: • Sewage gas stations: any pumps or fans used to transport sewage gas to the sets of equipment for generating electricity. • Biomass stations: the use of conveyor belts to deliver a biomass fuel to the sets of equipment for generating electricity.
What equipment (when handling and preparing fuel) is NOT considered part of the generating station?	Any sets of equipment used for handling or preparing a material or substance before it is converted into the final fuel used in the station would NOT be considered part of the generating station. For example: • AD generating stations: any digesters used to treat the feedstocks and produce the biogas that fuels the station. • Gasification plant: equipment used for handling or preparing feedstocks before these are converted into syngas.

2.31. If the DNC of the station is less than or equal to 10MW and before the electricity is supplied to the third party it is transmitted or distributed via part of the licensed network, we will need contractual evidence that shows that this supply was via a licensed supplier before we could issue ROCs.

2.32. If it is not clear who is consuming the electricity, we will consider who is bearing its cost. This is to determine whether the electricity is to be regarded as own use electricity or export to a third party through a licence-exempt distribution network.

Is the technology type eligible?

2.33. To be eligible for the RO the station must fall under one of the technology types shown in the tables in appendix 3. Table 3 sets out some additional eligibility criteria for specific technology types. For more information on the definitions and criteria which affect ROC issue to fuelled generating stations, please refer to our 'RO: Fuel Measurement and Sampling guidance'.

Is there proof of how the electricity is generated and metered?

2.34. To assess this we will review the single line diagram which, as explained previously, you will be required to submit. In addition, you will need to provide evidence to demonstrate that the station has begun generating, eg half-hourly data.

Has the station applied for another scheme which makes it ineligible to receive ROCs?

Support under Contracts For Difference (CFD)

2.35. Until the RO closes to new capacity on 31 March 2017, eligible generating stations have a one-off choice as to whether they apply for the RO or the CFD scheme which opened in October 2014. This 'transition period' currently only applies to stations in England, Wales and Scotland. Stations in Northern Ireland will not have this choice until the CFD scheme is introduced in Northern Ireland.

2.36. A station that applies for CFD has exercised its 'choice of scheme' and will not be eligible to apply for accreditation under the RO. We work closely with National Grid to check that the same applicants are not applying for both schemes. If however, an applicant is rejected from the CFD scheme it will regain its choice of scheme and can apply to the RO. Similarly, stations that have entered into an investment contract[4] will not be eligible for the RO, unless the investment contract has been terminated. An application for preliminary accreditation under the RO is not considered a 'choice of scheme', so; generating stations that have applied for or been granted preliminary accreditation under the RO will be able to apply for a CFD.

[4] Investment contracts are an early form of CFD launched under the government's Final Investment Decision (FID) enabling programme to enable developers to take final investment decisions ahead of the CFD scheme being in place. See www.decc.gov.uk for further details.

Table 3: Eligibility criteria for specific technology types

Technology type	Eligibility criteria	Evidence required
PV stations with a TIC >5MW	The RO closed to new solar PV generating capacity >5MW in England, Wales and Scotland on 1 April 2015. This closure also applies to additional capacity added to existing RO stations that takes the TIC to >5MW. Operators of large-scale PV stations that meet certain criteria may be eligible for one of the three grace periods that are available, meaning that they can apply for accreditation for 12 months after the closure date, ie from 1 April 2015 until 31 March 2016.	Support for solar PV stations >5MW is no longer available under the RO unless the grace period eligibility criteria are met. Please see the 'RO: Guidance on the closure of the scheme to large-scale solar PV' for further details.
Solar PV with a DNC <50kW in Northern Ireland	The plant or apparatus used at the generating station must meet the requirements of the Microgeneration Certification Scheme (MCS) or equivalent.	MCS certificate from the generator.
Onshore wind with a DNC <50kW in Northern Ireland	The plant or apparatus used at the generating station must meet the requirements of the MCS or equivalent.	MCS certificate from the generator.
Offshore wind - demonstration turbine in Scotland	Electricity must be generated by an offshore wind station that uses only eligible wind turbines as defined in article 30C of the ROS Order.	The generator of the station is also required to submit a written declaration confirming that the station uses only 'eligible turbines' based on the definition of 'demonstration turbine'. This includes evidence that the generating station is covered by a demonstration lease.

Offshore wind - floating turbine in Scotland	Electricity must be generated by an offshore wind station that uses only floating wind turbines as defined in article 30D of the ROS Order.	The generator of the station is required to submit a written declaration confirming that the station uses only 'eligible turbines' based on the definition of 'floating turbine'. The minimum evidence required to prove you meet this definition is: • A marine licence by Marine Scotland. • A full description of the generating equipment to be installed from the turbine manufacturer. The station must have preliminary accreditation that takes effect on or before 31 March 2017 and the station must have been commissioned before 1 October 2018.
Offshore wind generating stations	Offshore generating stations may be excluded based on their location and the nature of their connections to the transmission or distribution networks.	Under the RO and ROS Orders only, the following generating stations are able to claim ROCs and apply for accreditation under the scheme: • offshore generating stations located within the territorial waters of the United Kingdom or waters in any area designated under Section 1(7) of the Continental Shelf Act 1964, and • offshore generating stations, located outside of the United Kingdom, but that are directly and exclusively connected to a transmission or distribution network located in Northern Ireland. Offshore generating stations must: • Be directly connected to a transmission or distribution network in Great Britain and need to provide evidence of this when applying for the RO. Or, • Be directly and exclusively connected to a transmission or distribution network in Northern Ireland and need to provide evidence of this when applying for the RO.

Landfill gas	Some landfill gas stations may still be eligible for support under two new bands - 'closed landfill' gas and 'landfill gas heat recovery'.	The definitions that a generator would need to meet to be eligible for support under these bands and the appropriate level of support are set out in appendix 3.
Biomass generating stations in Scotland with a (TIC) >15MW	Biomass generating stations (TIC>15MW) that are first commissioned from 1 April 2014, and generate electricity from relevant biomass; either alone or alongside other biomass fuels, may not be eligible to receive SROCs. Relevant biomass is defined as biomass "which is composed wholly or partly from wood which is not an energy crop". A generating station would not be eligible for SROCs in any month in which these circumstances apply: • unless the station was accredited under CHPQA when first commissioned and is accredited under CHPQA during the relevant month, and • if the generating station has not been a qualifying CHP generating station during the whole or part of five or more obligation periods. The cap does not apply to co-fired generating stations.	Upon application for accreditation we may request evidence of the TIC, see "What is the capacity and how has it been calculated??" section above for information on what evidence we would require. The CHPQA ROCs Eligibility Certificate should also be provided as evidence of being a qualifying combined heat and power[5] generating station.

[5] Combined Heat and Power (CHP) is a process that captures and utilises the heat that is a by-product of the electricity generation process.

Combined Heat and Power (CHP) generating stations and CHP uplift	To claim the CHP uplift, you will need a ROCs Eligibility Certificate under the CHP Quality Assurance (CHPQA) programme[6]. In the first year the station will be issued the CHP uplift based on the latter of the following dates: • The date that the CHPQA ROCs Eligibility Certificate was issued • The date the CHP scheme commissioned • The date RO accreditation is effective from This certificate must be renewed annually. We will then apply the details from the renewed certificate to the new obligation year (1 April to 31 March). Where there is no renewed CHPQA ROCs Eligibility Certificate we will seek to ensure that ROCs issued in the January to March period do not benefit from the CHP uplift as the generating station would not meet the definition of a Qualifying CHP generating station. Please note that RHI[7] eligibility criteria will also need to be met; please refer to section 2.41 for more information.	A CHPQA certificate should be provided upon application to become a qualifying CHP station. Annual renewal information is provided to us by CHPQA.

[6] CHPQA programme is managed by Ricardo-AEA technology on behalf of DECC. For more information please refer to guidance note 44 available from the CHPQA website: https://www.gov.uk/combined-heat-power-quality-assurance-programme

[7] The RHI is a government financial incentive to promote the use of renewable heat, administered by Ofgem.

2.37. In certain circumstances a station could receive support under both schemes as a dual scheme facility ie, a station with some capacity under the RO and some under the CFD. Also, stations that meet specific criteria may be eligible for a grace period meaning they could apply for RO accreditation for a fixed period of time after the closure date of 31 March 2017. For more information on the transition period and the dual scheme facility arrangements, please refer to the 'RO: Guidance on the transition period and closure of the RO'.

Support under Feed-in Tariffs (FIT)

2.38. Wind, PV, AD and hydro generating stations >50kW DNC and ≤5MW TIC located in England, Wales and Scotland have a one-off choice to receive support under either the RO or FIT schemes. This choice must be declared as part of your application for accreditation (through the ROO-FIT accreditation process). Once your generating station has been accredited under the chosen scheme, it is not possible to switch to the other scheme.

2.39. Wind, PV, AD and hydro generating stations ≤50kW are only eligible for the FIT scheme and not the RO.

Extending capacity >5MW

2.40. If an accredited FIT installation is extended above 5MW, the station would no longer be eligible for FIT and an application could be made to the RO. Please refer to our 'Feed-in Tariffs: Guidance for renewable installations' for further information regarding FITs.

Support under Renewable Heat Incentive (RHI) for CHP stations

2.41. Operators of CHP generating stations may only claim support for their heat use under the RO in certain circumstances, see Table 4:

Table 4: RO CHP uplift and RHI

Capacity type	Interaction with RHI
Pre-2013 capacity	Operators of a generating station with a CHPQA certificate do not need to make a declaration under the RO and can opt to claim the CHP uplift subject to meeting the eligibility criteria. For stations in Northern Ireland this applies to accreditations or additional capacity added before 1 May 2013.
2013-15 capacity	Operators of a generating station with a CHPQA certificate must make a declaration under the RO if they wish to claim the CHP uplift. This declares they have not/will not seek support for their heat under RHI. For stations in Northern Ireland this applies to accreditations or additional capacity added between or 1 May 2013 and 31 March 2015.
2015-16 capacity	Operators of a generating station with a CHPQA certificate can only claim the CHP uplift if their technology/fuel is not eligible under RHI scheme. To do this they must make a declaration under the RO specifying that they cannot get support under RHI. For stations in Northern Ireland this applies from 1 October 2015 – 31 March 2016 only. For the period 1 April 2015 – 30 September

	2016 the operator still has a choice and if they wish to claim the uplift would do so with a declaration such as that set out for 2013-15 capacity.
Post-2016 capacity	Operators of a generating station with a CHPQA certificate can only claim the CHP uplift if their technology/fuel is not eligible under RHI scheme. To do this they must make a declaration under the RO specifying that they cannot get support under RHI.

2.42. A template for each declaration can be requested from Ofgem by emailing FuellingandSustainability@Ofgem.gov.uk. Once a generating station has opted for the RO CHP support and made the relevant declaration for a particular capacity this choice cannot be withdrawn. For further information on the eligibility requirements for the RHI, please refer to our website: www.ofgem.gov.uk/rhi.

The Non Fossil Fuel Obligation (NFFO) arrangement

2.43. Article 53 of the ROO[8] sets out specific conditions for generating stations at locations where a NFFO, SRO or NI NFFO contract[9] (known as a "NFFO arrangement" in the legislation) exists[10].

Connected or linked person

2.44. To establish whether a generating station that will be on a site where there is a NFFO arrangement can claim ROCs and become accredited, we have to determine whether the station is owned or operated by someone who is party to the applicable NFFO arrangement.

2.45. The Orders define a "connected person" and a "linked person" as:

- A "connected person": "in relation to the owner or operator of a generating station, or any party to a NFFO arrangement, means any person connected to that owner, operator or party within the meaning of section 1122 of the Corporation Tax Act 2010."[11]
- A "linked person": "in relation to a person who is a party to a NFFO arrangement ("the first person"), means another person who has given or who has arranged to give to the first person or has ensured or has arranged to ensure that the first person is given a financial or other inducement relating to any right or interest in, or in respect of, the construction or operation of a generating station at the location".

Has planning consent been granted?

2.46. Applicants for preliminary accreditation must provide evidence that planning consent for the station has been granted and that it is current. Refer to section 3.18 for further details.

[8] Article 21 of the ROS and article 20 of the NIRO.
[9] Article 52 of the ROO, article 20 of the ROS and article 19 of the NIRO.
[10] Where the contract provides or provided for the building of a generating station.
[11] Section 839 of the Income and Corporation Taxes Act 1988 was repealed by the Corporation Taxes Act 2010 and replaced under section 1176 the Corporation Taxes Act 2010 with definitions of "Connected person" and "Control" in sections 1122 and 1124.

3. Accreditation under the RO

Chapter summary

Here we explain the process of seeking accreditation under the RO. There is also an explanation of how accreditation is granted, the conditions of accreditation we may attach, and how withdrawal of accreditation is dealt with.

3.1. This chapter covers:

- What are the different types of application?
- How to apply for accreditation
- Full accreditation
- Preliminary accreditation
- Amended applications
- Withdrawal of accreditation
- Audits

What are the different types of application?

3.2. There are three types of application that can be submitted through the RO accreditation process:

1) **Full accreditation**

   For generating stations which have either been commissioned or are due to be commissioned within the next two months.

2) **Preliminary accreditation**

   For proposed generating stations more than two months away from commissioning. Preliminary accreditation is not a pre-requisite for applying for full accreditation.

3) **Amended applications**

   For generating stations that are already accredited and where the generating station or fuel used by the generating station has been altered or updated in any way. For example, if new meters have been installed or additional capacity has been added. The operator needs to notify Ofgem within two weeks of an alteration or update occurring.

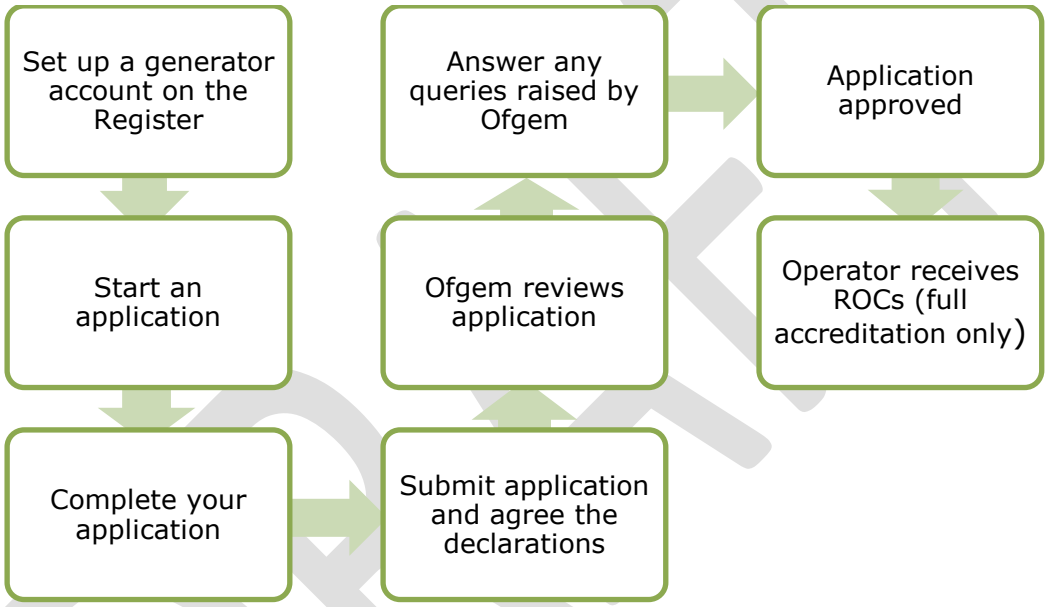
3.3. Further information on each of these is provided later in this chapter.

How to apply for accreditation

3.4. Operators that want to gain accreditation under the RO for their generating station and receive Renewable Obligation Certificates (ROCs) need to apply for the scheme and be accredited by us as a generating station capable of generating electricity from eligible renewable sources. You can make applications for full accreditation or preliminary accreditation via the Renewables and CHP Register ('the Register'). Please refer to the 'Ofgem Renewables and CHP Register – User Guide' ('the User Guide') for information on using the Register.

3.5. Figure 2 outlines the steps involved in applying for the scheme. This is followed by further detail on each of these steps.

Figure 2: Steps to take to apply for the scheme.



Set up a generator account on the Register

- To set up an account you must be the operator of the generating station or a suitable representative from within the company who owns or will own the generating station. This person will become the account super user. Operators of generating stations with a declared net capacity of 50kW or less may appoint an agent to act on their behalf. See our 'RO: Guidance for agents' for further information.

- Your account provides access to the Register only and is not an application for accreditation.

- The operator (or organisation) needs to provide us with an authorisation letter signed by a suitable representative of their organisation. (For individuals, ie not organisations, this is not required).

- An account super user can nominate somebody to act on their behalf in the Register by adding 'normal users' to their account. This can be done in the My Account section by clicking 'Add New Contact'. You will then be able to select the required permissions for any additional users. This can, for example, allow the super user to nominate a suitable

person to submit output data, but prevent them from carrying out ROC transfers. Users should not share their passwords with anyone and the Register should only be accessed through your own account.

- For more information on setting up an account, refer to the User Guide.

Start an application

- Make sure you are familiar with the guidance and legislation before you start your application.
- To start a new application click 'Accreditation' and then 'Apply for a New Accreditation'.

Complete your application

- The Register will ask you a series of questions which you will need to answer. It will also ask you to attach various pieces of data and evidence, depending on the type of application you are submitting.
- The answers you give should be as accurate as possible at the time of application. When we review the application there will be opportunities to amend answers that are not correct.
- Please complete all relevant sections and attach all the evidence required before moving to the next step. Any additional documentation can be emailed to renewable@ofgem.gov.uk clearly stating the station name in the email title.

Follow these checks to make sure your application is complete

- Are all the questions complete with no gaps?
- Are all the answers correct and consistent, with no spelling mistakes?
- For full accreditation only: Have you entered the right meter details? Do they match the single-line diagram?
- For full accreditation only: Gather the commissioned, TIC and first generation evidence (discussed in chapter 2).
- Is there anything you are unsure of? The Renewable Electricity team are here to help and can be contacted on 0207 901 7310 or renewable@ofgem.gov.uk.

Submit application and agree the declarations

- Click 'Submit' to submit your application. If there is any supporting evidence you were unable to upload to the application send it by email to renewable@ofgem.gov.uk with the generating station name in the title.
- You will also need to confirm that the super user agrees with the relevant declarations after you have clicked 'Submit' or we will not receive it and your application will remain as 'unsubmitted' in your account. To do this: make sure that the super user of the

account agrees with all the declarations. They can do this by navigating to the Declaration tab of their account, to view and agree any outstanding declarations.

- There are two declarations:
    - One to confirm the manner in which the electricity generated will be used or supplied (export only or permitted ways) and,
    - An information declaration which covers the information that has been and will be provided to us under the RO by the operator or anyone acting on their behalf. It includes a statement that: if, at any time, the generating station or fuel used by the generating station is altered or updated, that the generator notify Ofgem within two weeks of the change occurring.
- The date we receive your application (once all declarations have been agreed) can have an impact on the effective date (the date from which you can claim ROCs) so it is important there is no delay in submitting the declarations.

Ofgem reviews application

- The application will go through two or three stages of review depending on its complexity. If your application is right first time we expect to be able to process it before the first ROC issue is due. If the application is not right first time and we have to ask you questions about it, it will take longer.
- For applications for full accreditation where the station has commissioned: while your application is being reviewed by Ofgem you are still required to submit monthly output data. See chapter 4 for more information.

Answer any queries raised by Ofgem

- While we are reviewing your application we may raise queries which will require you to change your answers to some questions.
- The onus is on you as the applicant to answer these queries and make any necessary amendments to the application in a timely manner.
- You should regularly check your account on the Register for outstanding queries.
- You can sign-up for email alerts within your account which will notify you when queries are raised.

Application approved

- If your application is approved, we will send you a confirmation letter. This letter will confirm your accreditation code, eligibility date and the conditions of the accreditation.

Operator receives ROCs (full accreditation only)

- Once we have granted accreditation and output data has been submitted, you will be able to receive ROCs on eligible output, provided that the monthly requirements are met. (See chapter 4 for information on submitting data).

Full accreditation

3.6. If you have not applied for or been granted preliminary accreditation, the operator (or agent) of the generating station must submit an application for full accreditation to us. The application must relate to the entire generating station that is to be accredited and, where necessary, be accompanied by the relevant supporting evidence (see table 3, chapter 2)[12]. For details of how to convert a preliminary accreditation to a full accreditation see section 3.15.

When is accreditation effective from?

3.7. When accreditation is granted, it will be effective from the later of the following dates:

- the date the application was received by us, ie the date the super user has agreed the appropriate declarations and the application is submitted to us via the Register
- the date on which the generating station is commissioned.

3.8. For applications that have been converted from preliminary accreditation to full, this will always be the commissioning date.

3.9. If your accreditation application is approved, this does not guarantee that ROCs will be issued as the station must satisfy all other statutory requirements. For example, we cannot issue ROCs if inaccurate information is submitted. Also, we can only issue ROCs once accreditation is granted. ROCs cannot be issued on any generation before the accreditation date.

3.10. ROCs can only be issued to each generating station/additional capacity for a period of 20 years and cannot be issued beyond 31 March 2037. For certain generating stations, ROCs can only be issued on generation that occurred up to the original end date of the RO (ie 31 March 2027). See chapter 5 for further information on how long ROCs can be issued for.

Metering set up

3.11. When applying for accreditation, generators must provide the make, model and serial number of any meters used at their station. These details must also be clearly identified on the single line diagram submitted with the application. This is so that we can determine whether or not any meter used to measure eligible renewable output is approved. It also enables us to determine whether the metering set up enables the generator to accurately measure the output of the generating stations well as all input electricity.

Offshore wind generating stations

3.12. Operators of offshore wind generating stations must register turbines with us in order to claim ROCs in addition to applying for accreditation. If you are intending to submit an application for accreditation for an offshore wind station then please contact the Renewables team on 0207 901 7310 or renewable@ofgem.gov.uk.

[12] See chapter 2: Eligibility, for information on what we consider to be a generating station for the purposes of the RO.

What are the conditions of accreditation?

3.13. When a generating station is accredited it is subject to the following conditions:

(a) granting access to the premises from where the electricity is generated to any person authorised by us.

(b) providing reasonable assistance to that authorised person.

(c) allowing that authorised person to take samples and photographs.

(d) allowing that authorised person to inspect or test anything on the premises (including the inspection of meters) and remove any items for analysis and/or inspection.

(e) allowing that authorised person to inspect and/or copy records connected with the generation or supply of the electricity and the provision of meter volumes.

(f) agreeing to on-site visits and/or random checks to verify the accuracy of information provided (for example to verify the accuracy of information provided at the time of accreditation or to verify the accuracy of meter readings or volumes provided or the monthly sample analysis).

(g) where off-site measurement takes place, allowing access to off-site measurement facilities by doing all that it can to ensure that any party with which it contracts complies with conditions (a) to (f) above.

(h) agreeing to provide an annual declaration if requested that the operator of the generating station will comply with the relevant Order/Regulation.

(i) agreeing to provide an independent auditor's report if requested, and

(j) meeting any other evidential requirements and conditions that may be applicable in individual circumstances (this might be dependent on the type of generating station).

3.14. We may also attach bespoke conditions that we think are appropriate when granting accreditation. We will confirm all conditions of accreditation when we grant accreditation. We can also attach conditions at a later date if we decide it is appropriate

Preliminary accreditation

3.15. A generator proposing to construct or operate a generating station is also able to apply for preliminary accreditation before full accreditation, via their generator account.

3.16. Preliminary accreditation is not a pre-requisite for accreditation under the RO. Preliminary accreditation may give applicants more certainty about future accreditation at the planning stage and may also help in seeking investment for the project. It does not guarantee the issue of ROCs or the level at which ROCs might be issued once the station is commissioned.

3.17. Preliminary accreditation is effective from the date we receive the application. Once it has been granted, it is only in certain situations[13] that full accreditation would not be granted automatically when applied for later.

3.18. One of the following planning consents to build the generating station must be obtained as a requirement of preliminary accreditation:

- consent under Section 36 of the Electricity Act 1989 or article 39 of the Electricity (Northern Ireland) Order 1992, or
- planning permission under the Town and Country Planning Act 1990, the Town and Country Planning (Scotland) Act 1997, or the Planning (Northern Ireland) Order 1991 (as appropriate), or
- development consent under the Planning Act 2008 (which only applies to stations in England, Wales and Scotland).

3.19. We will only grant preliminary accreditation if the consent or permission is current.

What are the conditions of preliminary accreditation?

3.20. Preliminary accreditation is granted to a generating station on the condition that the applicant tells us about major and material changes to the station after preliminary accreditation has been granted.

- 'Major changes' are changes that might affect the eligibility of the generating station under the RO.
- 'Material changes' include major changes, and any changes that mean the generating station as planned or built is no longer eligible under the RO.

3.21. It is the applicant's responsibility to keep us informed of major or material changes to the generating station in the period up to when accreditation is sought. When we are informed of such changes, we will decide whether the preliminary accreditation is still valid. If we no longer consider it to be valid we will withdraw preliminary accreditation[14].

3.22. The Orders also permit us to attach any other conditions that we think are appropriate when granting preliminary accreditation. These will depend on the nature of the proposed generating station.

How do you obtain full accreditation where preliminary accreditation has been granted?

3.23. To convert a preliminary accreditation into full accreditation, you should use the 'convert' function within your generator account on the Register. We will require additional information when this happens, including commissioning evidence and metering information.

3.24. The operator of the generating station will need to satisfy us that any conditions of preliminary accreditation have been met before full accreditation can be granted. We will

[13] See article 88 of the ROO, article 58 of the ROS and article 50 of the NIRO.
[14] See article 90 of the ROO, article 58 of the ROS and article 50 of the NIRO.

assess this in the same way as other applications and confirm accreditation when we are satisfied that the generating station is eligible.

What are the reasons why full accreditation would not be granted automatically?[15]

3.25. The following reasons would apply:

- If there has been a material change in circumstances since the preliminary accreditation was granted. We will determine case by case whether the changes are material.
- If the generator's information that formed the basis of our decision to grant preliminary accreditation decision was materially incorrect. Again, we will determine this case by case.
- If there has been a change in the legislation since the preliminary accreditation was granted, that means that under the amended legislation the preliminary accreditation would not have been granted.
- For stations applying under the ROO and ROS we will not grant preliminary accreditation if a CFD has been entered into, or if an investment contract has been entered into[16], unless the investment contract has been terminated[17]. This will also apply to the NIRO once the CFD scheme is introduced.

Amended applications

3.26. As explained at the start of this chapter once an application for accreditation has been submitted the superuser is required to agree to an information declaration. This requires the operator to notify Ofgem of any alterations to either the generating station or the fuel used within two weeks of the alteration occurring. You should do this by amending your original application by logging into your account, selecting "Accreditation" and then choosing "View/Edit Existing Accreditation Details For A Generating Station".

3.27. As an example, if you change a meter then you will need to update the meter serial number. However, we would encourage you to let us know in advance of making any amendments so we can agree the best time to update the application. This is because ROCs will not be issued whilst an amended application is in review with us. Once we have reviewed the amendments we will confirm that they have been processed in writing to the operator of the station.

How to amend your application to register additional capacity or reduce capacity

3.28. If the capacity of an accredited generating station changes the generator needs to amend the details in the existing accreditation to reflect the changes. This is done through the accreditation tab of the account. Generators must provide a revised schematic diagram showing the position of the additional generating equipment and any changes to metering.

[15] Article 88(2) of the ROO, 58(2) ROS and article 50(5) of the NIRO.
[16] Article 88(2) of the ROO and article 58(2) of the ROS.
[17] Permitted termination events are defined in article 2 of the ROO and article 58(4) of the ROS.

3.29. Once the accreditation is edited and submitted back to us we will review it to ensure that the revised arrangement still allows the claim of ROCs and doesn't make the station ineligible under the RO.

3.30. Generators may wish to ensure that any amendments to the application are made as close to the time of the change to the station as possible. This is because the issue of ROCs is suspended while the amendment to the application is being processed. Any proposed amendments to an accredited generating station cannot be approved before the changes have actually taken place.

Confirmation of accreditation

3.31. If we are satisfied that the generating station is eligible under the scheme, we will confirm accreditation in writing to the operator of the generating station.

3.32. For full accreditation, the confirmation letter will state the basis on which the generating station has been accredited (ie what eligible renewable source the generating station is accredited for). It will also confirm the total installed capacity of the station, the accreditation date, the accreditation code and any conditions attached to the accreditation. The letter will also explain how and when monthly generation data must be submitted to us.

3.33. For preliminary accreditation, the letter will specify any conditions attached. It will also set out the process that needs to be followed before we can grant accreditation.

When would we refuse to accredit?

3.34. The circumstances when we would not grant accreditation include:

- if are not satisfied that the generating station is capable of generating electricity from eligible renewable sources
- if it is unlikely that ROCs could ever be issued on electricity generated by the station
- if the generating station is a potential Feed-in Tariff generating station
- if the application has been made fraudulently or by a party not entitled to apply for accreditation[18]
- if the generating station has not commissioned
- if an application for a CFD has been made at any time, unless that application for a CFD has been rejected by National Grid (in its function as CFD Delivery Body)
- if an investment contract has been entered into, unless that investment contract has been terminated as per the "permitted termination events".[19]

[18] Article 89 of the ROO, article 58 of the ROS and article 50 of the NIRO .
[19] Article 89 of the ROO and article 58 of the ROS.

Withdrawal of accreditation

3.35. When an application is withdrawn the station is no longer eligible to receive ROCs.

Why would we withdraw accreditation?

3.36. We may withdraw full accreditation or preliminary accreditation if[20]:

- we think there has been a material change[21] in circumstances since the accreditation was granted
- any condition of accreditation has not been complied with
- we have reason to believe that the information that the decision to grant the accreditation was based on was incorrect in a way that makes the station ineligible
- there has been a change in the applicable legislation since the preliminary accreditation was granted such that, had the application for preliminary accreditation been made after the change, it would not have been granted
- there has been a change in applicable legislation since the accreditation was granted such that, in our opinion, the station to which the accreditation relates is no longer likely to generate electricity that ROCs may be issued on.

Why would the operator want to withdraw accreditation?

3.37. In order to withdraw an accreditation the operator should email us at renewable@ofgem.gov.uk clearly stating the name of the generating station in the email title and including the reasons why they wish to withdraw the accreditation. The most common reason for an operator applying to withdraw accreditation is if a station has been decommissioned. In this instance, we require the following information:

- The operator should explain why they want to withdraw accreditation and why they believe that the conditions for accreditation withdrawal have been met. The operator should refer to the circumstances in 3.36 and provide any appropriate third party evidence.
- The operator should explain exactly what changes were made to the station. This includes what equipment / infrastructure was removed and what remains in place. We will establish whether it still constitutes a generating station using this information. Chapter 2 sets out what we consider comprises a generating station.
- Suitable third party evidence such as decommissioning certificates, photographic evidence and other similar documents.
- A timeline of decommissioning events and photo evidence of these events, ie of the station in its commissioned state and once it has been decommissioned.

[20] See article 90 of the ROO, article 58 (8) of the ROS and article 50(5) of the NIRO.
[21] See chapter 3 for information on what constitutes a material change.

- Invoices or receipts for the decommissioning process, confirming such things as equipment hire/ labour costs/ transport costs/ disposal costs etc.

3.38. We will confirm our decision, including the date of withdrawal of accreditation, as appropriate. Depending on the reason for accreditation being withdrawn, we may revoke some or all of the ROCs issued. Chapter 5 deals with the circumstances in which we may revoke ROCs.

Audits

Why do we audit stations?

3.39. We routinely carry out audit checks on both accredited generating stations and before stations are accredited to make sure that generators are complying with the scheme rules. Auditing can also help identify and protect against errors and fraud. These checks also ensure that a generating station remains an eligible renewable generating station, that we hold the most up-to-date information for a station and that the correct number of ROCs has been issued to the generator in question.

3.40. We select generating stations for audit based on a number of reasons such as data submission issues, a large ROC claim and where we are not confident in the metering arrangements, but we also undertake random sampling.

What is reviewed during audit?

3.41. The auditors review, among other things, commissioning evidence, metering arrangements and the data that has been submitted monthly for ROC claims. (See chapter 4 for information on submitting data). Operators of generating stations should keep appropriate records for at least six years so that they can provide a full audit trail at the time of audit.

What happens following an audit?

3.42. Following an audit we will write to the generator concerned outlining any issues and include a copy of the auditor's report. The generator is expected to address these issues and report back to us. In certain circumstances we can suspend ROC issue until the issues have been resolved. We also have the power to withdraw accreditation in certain circumstances and revoke or permanently withhold ROCs as appropriate.

4. Submitting output data and supporting evidence

Chapter summary

Here you can find out what information we need to determine whether to issue ROCs. There is also a timetable for submitting information, and we explain what happens if we receive information after the deadline, or if information is inaccurate.

4.1. This chapter is for non-fuelled stations only. Fuelled stations should refer to the data chapter of the 'RO: Fuel Measurement and Sampling' guidance. This chapter covers:

- How do you submit output data?
- What information do you need to submit?
- When should you submit output data?
- Who is responsible for data submissions?
- When would you submit estimated data?
- How is output data reviewed?
- What does your output data status mean?
- How do you amend data?

4.2. Article 29 of the Orders[22] explains how to calculate renewable output, for issuing ROCs. This is:

Net renewable output = (Gross output – Input electricity) x

Renewable qualifying percentage

4.3. ROCs issued under the CHP uplift take into account the qualifying power output (QPO) and total power output (TPO) as represented on the CHPQA certificate for the relevant period. For generating stations where TPO = QPO, ie 100% of generation is considered good quality, the station will receive the relevant ROC banding uplift (outlined in appendix 3) on 100% of their RO eligible output in a given month. Where QPO ≠ TPO the relevant uplift will only apply to the percentage of output considered good quality (eg QPO/TPO)[23].

4.4. Generators of accredited stations must give us accurate and reliable generating and input electricity data so we can issue ROCs. For stations using fuels, we may also need information about the fuels used (as agreed as part of the station's FMS procedures (see our

[22] Article 25 of the ROS, and article 23 of the NIRO.

[23] The 'energy from waste with CHP' band is not considered the 'CHP uplift' as being a qualifying CHP generating station is an eligibility requirement. For stations generating electricity from waste ROCs are only issued on the qualifying output. The non-qualifying output would receive no ROCs.

guidance on this) to determine the proportion of renewable electricity generated or to assist in satisfying the sustainability reporting requirements.

4.5. Output data (the term used for the information you provide to claim ROCs each month) is submitted through the generator's account on the Register. Evidence to support data submissions, explained later in this chapter, should be sent to renewable@ofgem.gov.uk. All stations with a DNC of greater than 50kW must submit data every month. Microgenerators, ie operators of generating stations with a DNC of 50kW or less, can choose to submit data monthly or annually.

Table 5: Key terms for output data submissions

Term	Definition
Gross output	The total amount of electricity generated by a generating station[24]
Input electricity	The total amount of electricity used by the generating station for purposes directly related to the operation of that generating station. This includes fuel handling, fuel preparation, maintenance and pumping water. This is whether or not that electricity is generated by the station or used while the station is generating electricity[25]. For more information please see section 4.12.
Net output	This is the gross output minus any input electricity. You should not deduct import from the gross output when submitting the data to the register as the register will calculate this for you.

How do you submit output data?

4.6. Data is submitted through your account in the 'Output data' tab. When submitting output data on the Register, you will be asked to report various readings, depending on your application. All figures that you submit should be for the period of generation only, and not a cumulative meter reading.

Output data screen shot

4.7. Here's an explanation of what is required for each data field on the CHP register:

- **Total quantity of electricity produced**: this is the total renewable electricity generated by the station. If you are claiming Renewable Energy Guarantee of Origin certificates (REGOs), this is what they will be calculated from. If you are not claiming REGOs you will not see this field.

[24] Article 29 of the ROO, article 25(6) of the ROS and article 23(6) of the NIRO.
[25] Article 26 of the ROO, article 24(6) of the ROS and article 22(6) of the NIRO.

- **Output**
    - **Type of eligible output**: select what you are eligible to claim your ROCs on from the dropdown menu. Check your application (Question F100) if you're unsure.
    - **Total export output**: this is the figure showing the quantity of electricity for that month for the type of eligible output you have selected. This is what ROCs and Renewable Levy Exemption Certificates (LECs)[26] are calculated from.
- **Input**
    - **Import**: this is the total electricity imported from the grid by the generating station. You should only report import which is used in the running of the generating station, not other on-site loads. You should include import associated with the generating station even when it is not generating.
    - **Generated by the generating station**: this is the electricity generated by the generating station which is then used by the generating station itself. Depending on the metering setup at the station this may or may not need to be deducted.
    - **Standby generation**: this is the electricity generated by any standby generators which provides electricity to the station, and is classed as input electricity.

What information do you need to submit?

Electrical information

4.8. When generators apply for accreditation under the RO, they are asked to show the position of their metering and the meters they wish to use to claim ROCs. Meters may include a single net output meter, multiple meters determining on-site usage, export and input electricity meters.

4.9. The generation and input electricity information should be based on meter readings taken by, or on behalf of, the generator. There are two types of meter readings commonly used to claim ROCs:

- **Manual meter readings**: these are readings taken from the display of the meter at the beginning or end of each month. The difference between the start and end reading should then be submitted as output or input, depending on what is being measured. We recommend you take photos at the same time as you take the readings. We don't require you to send us the photos each month, but if we query your data submission they will be useful supporting evidence. Every effort should be made to ensure that meter readings are taken at the same time every month.
- **Half-hourly data**: this is data provided to the generator by a supplier or data collector in a spreadsheet showing generation in each half-hour period in that month. The total of the readings for that month should be submitted as output or input, depending on what is being measured. We don't always require this data but we recommend having it

[26] LECs cannot be claimed on post-1 August 2015 generation.

as supporting evidence. If we have cause to question your data submission, it will show exactly what is generated by a station.

4.10. All meter readings should be recorded and retained together with supporting evidence, including photographs of the metering, invoices showing the sale of electricity, half-hourly data etc.

4.11. All meter readings should be recorded and retained together with supporting evidence, including photographs of the metering, invoices showing the sale of electricity, half-hourly data etc.

Input electricity

4.12. Sources of input electricity include:

- Electricity generated by the generating station used by loads directly associated with the operation of the station
- Imported electricity
- Standby generation electricity

4.13. All generators are required to report input electricity associated with the generating station, no matter how high or low this value may be.

Accounting for input electricity

4.14. To calculate the net renewable output, the Orders[27] require input electricity to be deducted from the gross output (if the input electricity is more than 0.5% of gross output). This deduction is calculated by the Register for the generator. It includes any electricity used by the sets of equipment (as described in chapter 2) and any used for maintenance, which must also be deducted in the monthly calculations. Input deductions must not be done before submitting output figures.

4.15. If input electricity to the generating station does not exceed 0.5% of the station's gross output in a month, the input electricity will not be deducted for issuing ROCs. You must still submit the input electricity data in this case as the Register will calculate whether the input electricity is below the 0.5% threshold.

Standby generation

4.16. Standby generation is defined in the Orders as:

> "the generation of electricity by equipment which is not used frequently or regularly to generate electricity and where all the electricity generated by that equipment is used by the generating station."

4.17. Generating stations which have standby generators must have mechanical interlocking arrangements, or equivalent, in place to prevent the electricity generated from such generators being exported or used in such a way that might augment the monthly ROC claim.

[27] Article 29 of the ROO, article 25 of the ROS, and articles 23 and 24 of the NIRO.

4.18. If the use of standby generation meets the definition of input electricity it must be reported as part of the stations monthly data submissions. Any standby generators must be declared on the application for accreditation so we can determine how they should be treated for the purposes of claiming ROCs.

When should you submit output data?

When should you first submit your monthly output data?

4.19. ROCs can only be claimed on electricity that has been generated on or after the accreditation date. So the first data submission may not represent the whole month generation figure (or a whole year in the case of microgenerators who submit data annually).

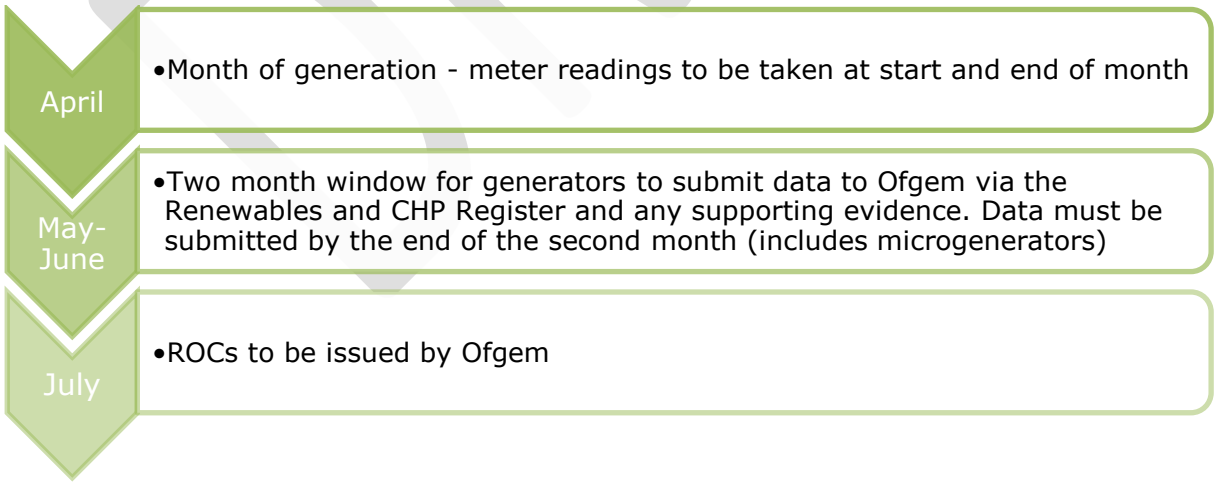
4.20. When the operator submits an application for accreditation to us, we send them an email to confirm that we have received their application. Assuming the station has already been commissioned, applicants for both monthly and annual issue of ROCs should take an initial meter reading as soon as they receive our confirmation email. This is because this reading will coincide with the accreditation date. Otherwise the meter reading should be taken on the day that the generating station does commission.

4.21. If the station has not yet commissioned when the application is submitted, applicants should take an initial meter reading as soon as the generating station has commissioned. This is because this reading will coincide with the accreditation date.

4.22. Applicants should not wait until the station has been accredited before submitting data. Data should be submitted monthly from the accreditation date.

Submitting data

4.23. For the majority of stations, data should be submitted on a monthly basis. Generators have two months after the month of generation to submit their data to us[28]. Here is an example of the timeline:



[28] Article 80 of the ROO, article 53(3) of the ROS and article 45(3) of the NIRO.

4.24. The timelines for data submission and certificate issue are published annually in the 'Renewables Obligation Certificate (ROC) and CCL Renewable Levy Exemption Certificate (LEC)[29] issue schedule' on our website. For microgenerators making annual submissions, this two-month submission period also applies. For example, data for annual submissions (1 April – 31 March) should be received by 31 May.

4.25. As part of the initial accreditation application, microgenerators (≤50 kW DNC) can opt to claim ROCs monthly or annually[30]. The output data they provide to us will relate to the chosen period.

Important things to consider when submitting data

- Wait until the end of the output period before submitting data.
- Take the meter readings once a month. Do this either the day before or the day after the end of the month and at the same time each month.
- Submit the data once a month in line with the relevant deadline
- Let us know by email if you amend or submit your output data outside the two-month window. If you don't we may not know that it needs reviewing and your certificate issue might be delayed.
- Keep evidence of all your meter readings – invoices, half-hourly data or time-stamped photos. If you are taking manual reads and do not have half-hourly data, you should take photographs of the meter when it is read as proof of output. This will be important for audit purposes.

What happens if I submit late data?

4.26. If you know before the deadline that there is a reason you will not be able to submit data, contact us to discuss this before the deadline. Otherwise it will be considered as 'late data'.

4.27. We strongly recommend that you keep hold of information about when your data was sent to us in case we need evidence that the information was sent before the deadline. This could be a notification email sent by the Register. For help with setting this up, contact the team on 0207 901 7310.

4.28. The Orders give us the discretion to accept generation data submitted outside the two-month deadline[31] if we think it is right to do so. Each request for late data is considered on a case by case basis.

4.29. When deciding whether data is late, we take into account the reasons for the late submission, how many times data for the station has been submitted late, and any previous correspondence with a generator regarding previous late data cases. If data is regularly submitted late, the relevant ROCs will not be issued. If there have been repeated but

[29] LECs cannot be claimed on post-1 August 2015 generation.
[30] Article 94 of the ROO, article 60 of the ROS and article 52 of the NIRO.
[31] Article 80 (3) of the ROO, article 53(4) of the ROS and article 45(4) of the NIRO.

infrequent instances of late submissions, circumstances must be truly exceptional if ROCs are to be issued.

Process for late data

4.30. When a generator submits data late via the Register, they will receive a notification which flags the data as late. At this point the data will be suspended and the generator must provide clear reasons to explain why it is late.

4.31. Supporting evidence for the late data claim should be sent to renewable@ofgem.gov.uk. The generator should also explain whether we had been previously notified that the claim would be late. This email should state the name of the generating station and the period that the claim relates to. Once we have received this information, we will review the case and inform the generator of the outcome in writing.

How do I change how often ROCs are issued?

4.32. Only microgenerators can change how often ROCs are issued. If a microgenerator of an accredited generating station wants to make this change (ie from monthly to annually or vice versa), they must do so by 28 February.

4.33. Once we have received this notification, we will confirm the changes to the microgenerator in writing. The change will take effect from the start of the next obligation period.

Supporting evidence

4.34. When we confirm your accreditation by letter we may request supporting evidence for the data you have submitted, eg meter readings, photographs of metering, half-hourly data or any calculations agreed as part of the accreditation.

4.35. Although this evidence isn't always requested it should be kept on record by the generator in case it is required by us, eg for audit purposes.

4.36. If information cannot be provided via the Register, it can instead be sent via email to renewable@ofgem.gov.uk.

Who is responsible for data submissions?

4.37. It is the operator's responsibility to ensure we have received the information for their ROC claim within two months from the month of generation.

4.38. It is possible for the operator to authorise a third party, eg their supplier or a data collector, to provide the data on their behalf. If an operator wishes to use a third party for this, they can nominate them as a contact through their generator account. But if they do so, it's still the operator's responsibility to ensure we have received the right information.

NFFO, SRO or NI NFFO contracts

4.39. Operators of generating stations that are subject to NFFO, SRO or NI NFFO contracts do not have to provide the electricity information for the data submission to us. This information should instead be provided to NFPA for NFFO and SRO contracts and Power NI for NI NFFO

contracts. Stations using biomass or waste to generate electricity will still need to give us fuelling and sustainability information.

4.40. When NFFO, SRO or NI NFFO contracts end, there is a process for submitting data so that the right number of certificates are issued up to the end of the contract. Generators should contact us for details.

When would you submit estimated data?

4.41. If a generator satisfies us that it will never be able to provide accurate data, we can accept estimated data for issuing ROCs. An example of this could be failure of metering equipment which means that an accurate reading is not possible.

4.42. Data estimates should be conservative, and the method agreed in advance of submitting output data. The generator should contact us as soon as the need for an estimate arises, before the deadline or, if the data has been entered erroneously, within two weeks of the need for estimated data being identified. Estimated data cases may not be accepted if they are submitted outside these deadlines.

Making an application for estimated data

4.43. The generator should make an application for estimated data via their account on the Register, which should include:

- Reasons why an estimate is required and the date(s) on which the issue occurred
- The proposed methodology
- The period the estimate will cover
- Details of how and when the issue was/will be resolved

4.44. It is the generator's responsibility to present such cases to us with the evidence clearly laid out. To ensure that we can review the estimate promptly, once an application for estimated data has been made via the Register, the generator should email any associated documents or calculations to us at renewable@ofgem.gov.uk. This email should clearly state the name of the generating station and the period which the estimate is for. We will not calculate the estimate on behalf of the generator and the estimate will be rejected, or sent back if it is not clear or incorrect information is used.

4.45. Once we receive the application, we will review it to determine whether the proposed methodology is appropriate. If we do not think it is, we will not issue ROCs. In these circumstances the generator may wish to submit a revised or alternative methodology. If we accept estimates, we will issue the ROCs accordingly.

Generating stations that export to the network

4.46. Operators of generating stations that export to the network will need to provide correspondence from the data collector attesting that actual meter reads cannot be recovered. They should also provide evidence of export occurring for the relevant time period. They can get this from a supplier. We would prefer it in the format of a 'Supplier Export Report'.

On-site and private wire generating stations

4.47. On-site use and private wire generating stations with meter failures will be required, as a minimum, to provide supporting correspondence from the engineer repairing/replacing the meter. They should also provide us with their proposed methodology for the estimate, clearly showing all relevant calculations.

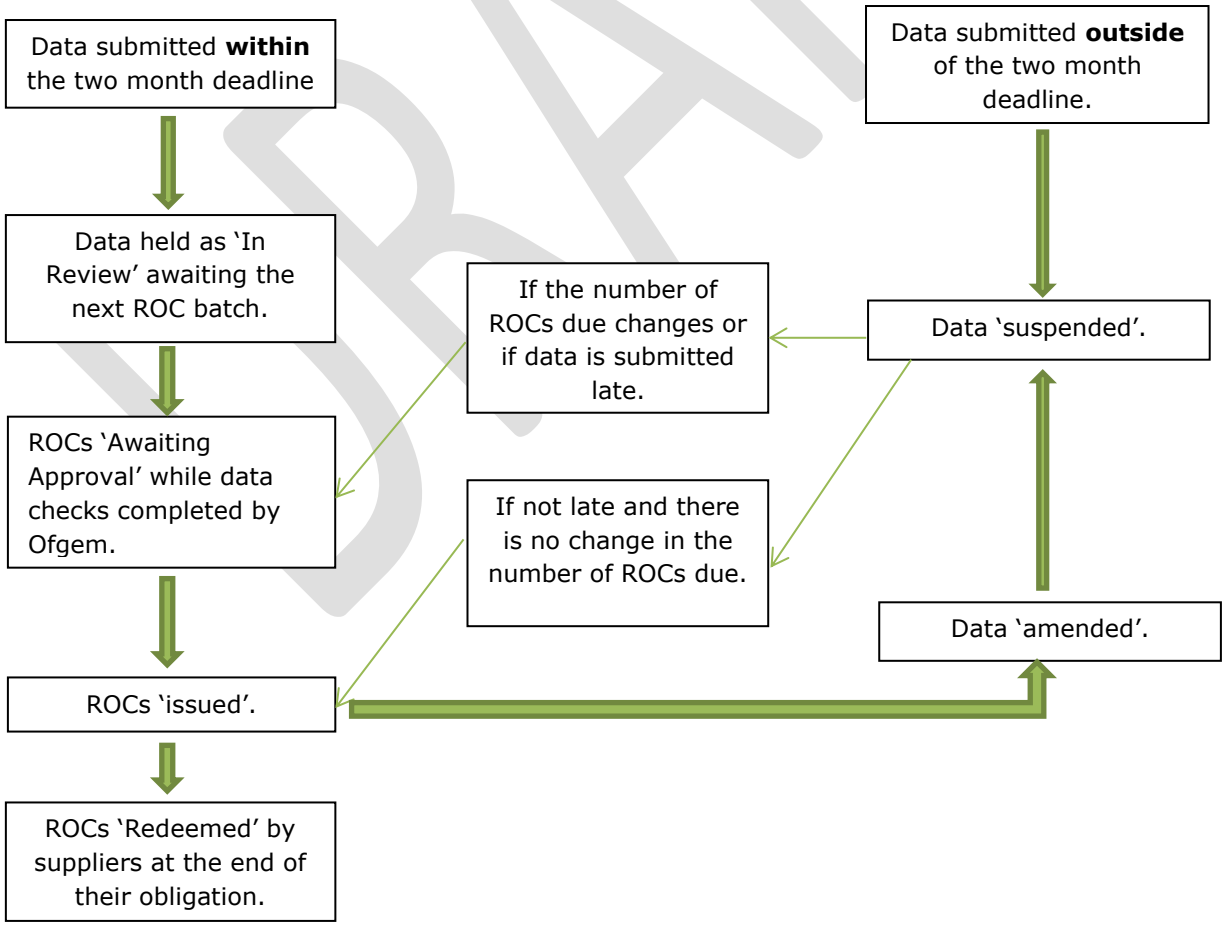
Metering communication failure

4.48. We will not accept estimated data for a metering communication failure for a period longer than a month, unless there is evidence of exceptional circumstances. If there has been a metering communication failure, but meters are still working, manual meter readings (with photographic evidence) can be taken to replace remote readings until communications are restored.

How is output data reviewed?

4.49. When the generator submits output data, we review it before we issue ROCs. The following figure shows the different statuses certificates will be in up until the point they are redeemed.

Figure 3: Certificate statuses



4.50. In addition to this internal review, the Register checks each submission. These checks include:

- the feasibility of the gross output
- a comparison with the same month in previous years
- whether the data is first submitted within the statutory two-month deadline (see 'when would you submit output data?', section 4.41)
- whether the data has been amended (see 'how do amend data?', section 4.58)
- whether the accreditation has been approved, including any accreditation amendments
- whether there are any new fuels used which are pending approval
- whether there are any outstanding declarations to be agreed by the super user of the account.

Output data queries

4.51. If the Register flags any queries with the output data, it will alert the user to the relevant output data anomaly (called data 'exception' on the register) upon submission.

4.52. The Register provides a comments box to add any information which may be relevant to the data anomaly, however note that not all data exceptions will require you to leave a comment. Please ensure you understand why this anomaly has been raised and provide an appropriate comment, with as much detail as possible to minimise delays to ROC issue. We will then review these comments as part of the data review process.

4.53. During this review, we may raise queries on the data and ask for additional information. Any queries raised will appear in your account. We will not process your data until you have responded to all queries and the requested information is provided. Please ensure you have selected the relevant notifications in your account so you are aware of them. Refer to the User Guide for how to turn these on.

How do I respond to data queries?

4.54. To check for, and respond to data queries, follow these steps:

- Click on the "Output data" tab
- Click on "Answer Ofgem queries on output"
- Click "View" next to the query
- Click "Answer" and type your response"
- Click "Send query"

4.55. If you wish to save the query and add further information, you can 'Save' the query to send later, however, please note that the query will not be received by us until it is 'Sent' and we will not process the data until the response is received.

4.56. If you need to send any supporting evidence, such as half hourly data, please email it to renewable@ofgem.gov.uk. Please note, if changes are made to the data outside the two-month submission window, we will ask for evidence of these changes, such as half-hourly data.

What does my output data status mean?

4.57. As the certificates are being processed, they will have different 'Statuses'. Figure 3, earlier in this chapter, shows how these processes fit into our checks. The meaning of these statuses are:

- **In review** – There are no issues with your data; we are waiting for the appropriate time to generate the certificates in a batch and issue certificates.
- **Awaiting approval** – Certificates have been generated, are being checked and will be issued in the next few weeks. You are unable to amend your output data when in this status.
- **Issued** – The ROCs have been issued to your account. You can view or transfer them on from the certificates tab of your account.
- **Suspended** – No certificates will be issued while data is suspended. Please check your account for queries on your data or email us if you are unsure.

How do you amend data?

4.58. We can accept amended data submissions if we consider it appropriate. Data may require amendments for a number of reasons. For instance, the generator may realise that the information originally submitted is incorrect or we may have become aware of this through an audit.

4.59. We will consider each request to issue ROCs on revised data case by case. Generally, we will:

- be consistent about errors. This means that we will treat errors that result in issuing too many ROCs in exactly the same way as errors that result in issuing too few ROCs.
- correct all errors that are identified before the ROCs are issued.
- test the significance of the errors identified after the ROCs have been issued to determine if, due to the data amendment, there will be a difference to the number of ROCs issued.

4.60. If a generating station, or other party, chooses to trade a ROC that is subject to a data error enquiry, it does so in the knowledge that the ROC could be revoked at any time.

4.61. If we revoke ROCs which have already been transferred, it is the generator's responsibility to liaise with the party who receives these ROCs. Once data has been amended and certificates are to be revoked, we will email the current holder of certificates to notify them that certificates will be revoked after a 10 day period.

4.62. The Orders require us to be satisfied that the information we receive is reliable and accurate, so if there are continual errors, we may refuse to issue ROCs until we are satisfied the generating station has robust procedures in place.

Process for amending data

4.63. If data is amended by the generator outside the two-month data submission window, the register will flag this and they will receive a message showing that the output data was amended when it was resubmitted.

4.64. This is an opportunity for the generator to explain in the comment box why the data was incorrect and what amendments they have made.

4.65. So that we can review the amendment properly, we recommend that once the data has been resubmitted, the generator emails the details to us at renewable@ofgem.gov.uk. This email should state the name of the generating station and the period(s) which the amendment covers. The email should outline why the data was erroneous in the first place, what amendments have taken place, and how they will ensure procedures are robust enough to prevent it happening again.

4.66. We will review the information and the generator will be notified of the outcome. If the result is that we revoke or withhold future ROCs we will ensure that we are in contact with the generator before this happens.

5. Receiving and using Renewables Obligation Certificates (ROCs)

Chapter Summary

Describes what ROCs are, how we issue them and the circumstances in which we may revoke or refuse to issue them.

What are ROCs?

5.1. ROCs are electronic certificates issued to operators of accredited generating stations based on the net renewable electricity generated by their station.

5.2. We issue ROCs into a generator's account on the Register. ROCs can then be transferred between registered account holders whether they are other generators, suppliers or other participants in the scheme. A ROC can only be generated, issued, revoked, transferred, redeemed and retired via the Register.

5.3. The number of ROCs that can be issued for each MWh of renewable electricity generation depends on a number of factors. These include:

- the technology used at the generating station
- the location of the station
- the installed capacity of the generating station
- the date that the station was accredited under the scheme
- if applicable the date on which any additional capacity was commissioned, and
- the fuel mix used at the station.

5.4. For more information regarding the number of ROCs issued per MWh of electricity generated by each technology as well as capacity limits, please refer to the tables in appendix 3.

What is the process for issuing ROCs?

5.5. To claim ROCs, a generator must submit output data via their account on the Register. Chapter 4 explains how to do this. Further guidance on how to submit data can be found in the User Guide.

5.6. We carry out a number of automated and manual checks on the data once it has been submitted. We will raise queries with generators as appropriate. The Register will then generate ROCs and we will carry out checks to ensure the correct number and type of certificates have been created.

5.7. To calculate the number of ROCs, the output is rounded to give the nearest whole ROC. This may be rounded up or down. The Orders do not allow for fractions of a ROC to be carried forward to the following month.

5.8. Assuming everything is correct, the ROCs will be issued directly to a generator's account on the Register in accordance with our published ROC issue timetable. The operator of the generating station will be informed via email when this happens.

5.9. ROCs will only be issued for renewable electricity that has been generated on or after the accreditation date of the station in question (this is referred to as the 'effective date' on the Register). Chapter 4 provides further details.

5.10. If ROCs have not been issued in accordance with our timetable, generators should check their accounts to see whether we have raised any data queries. You can set up email notifications via the Register for a variety of functions, including when a data query is raised. We would strongly recommend making use of this functionality. Although the deadline for data is a statutory deadline, the ROC issue date is not. However, we recognise the importance of maintaining stability within the ROC market and issue ROCs as per the specified date shown in the ROC issue timetable as part of our corporate strategy.

5.11. If queries relating to data submissions remain unresolved when the main certificate batch is created, the ROCs will be issued outside of the ROC issue timetable as part of weekly certificate batches.

NFFO stations

5.12. For generating stations that are subject to a NFFO, SRO or NI NFFO contract, ROCs are issued to an electricity supplier nominated by NFPA, NFPA Scotland or Power NI respectively.

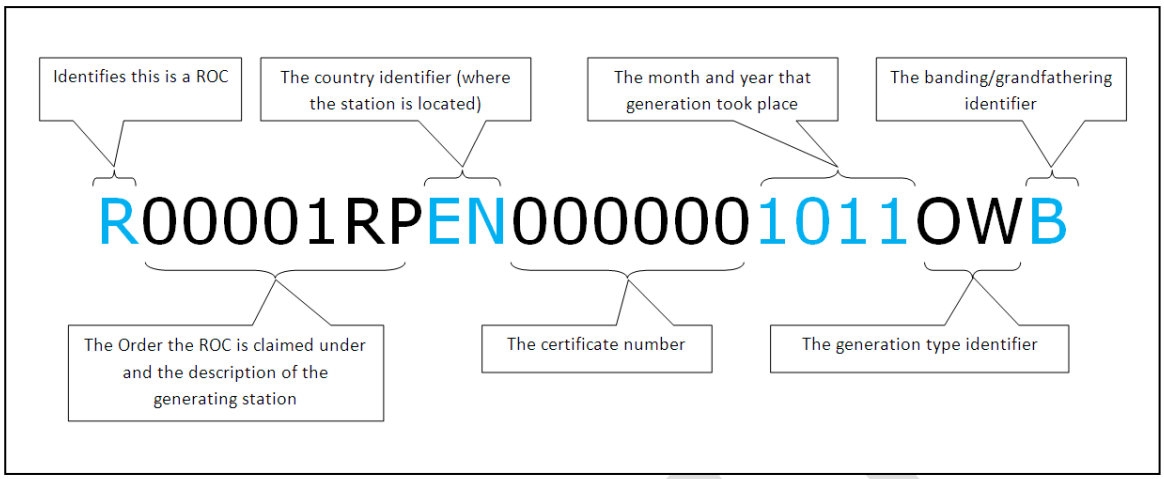
5.13. ROCs on additional metered output (AMO) can be issued to the operator of the generating station or the relevant electricity supplier. We look to the three parties mentioned above to provide us with this information as appropriate.

What information is represented by a ROC?

5.14. The Orders set out that a ROC must contain certain information[32] and each ROC is issued with a specific code along with other information in the Register, known as the ROC identifier.

[32] Schedule 4 of the ROO and ROS, Schedule 3 of the NIRO.

Figure 4: ROC identifier



5.15. Figure 4 shows a ROC identifier. It shows that this is the first ROC in a sequence for generation that took place in October 2011. The ROC has been issued to offshore wind station '000001' located in England claiming under the England and Wales RO Order. The ROC is issued for offshore wind generation, which is banded at the 2009 level and so this ROC represents 1.5 MWh of eligible output.

5.16. ROCs are issued in ranges in ascending numerical order always beginning with 000000, ie zero constitutes the first ROC. For example, if three ROCs for April 2012 are issued to an onshore wind generating station with the accreditation number of R00001RQEN, they would be issued as follows:

'R00001RQEN000000 0412NWC' to 'R00001RQEN000002 0412NWC'

5.17. It is possible for generating stations to be issued multiple ROC ranges to denote generation within a single generation period. Reasons for this may be:

- If a fuelled generating station has generated from multiple fuels, eg energy crops and regular biomass, or
- If a generating station is claiming on original and additional capacity.

5.18. Information on ROCs that have been issued, including details of the certificate range, is available via our public reports on the Register log-in page.

How long can ROCs be issued for?

5.19. ROCs can only be issued to each generating station/additional capacity for a period of 20 years. However, 31 March 2037 is cut-off date for the issue of ROCs, ie no ROCs can be issued on any generation that occurs after this date. For certain generating stations, ROCs can only be issued on generation that occurred up to the original end date of the RO ie 31 March 2027.

5.20. The key dates and criteria are as follows:

- Operators of generating stations that have an accreditation date of on or before 25 June 2008 will not be issued with ROCs for generation beyond 31 March 2027. This includes

any additional capacity that was commissioned at the generating station on or before 25 June 2008.

- Operators of generating stations that have an accreditation date after 25 June 2008 will see their RO support end on the 20th anniversary of their accreditation date or 31 March 2037, whichever is the earlier.

- Operators of RO accredited generating stations that have commissioned additional capacity at their station after 25 June 2008 will receive RO support for 20 years from when the additional capacity was commissioned. Again, this support would end on 31 March 2037 if this date came before the 20 years had elapsed.

5.21. The 20-year period ends on the 20th anniversary of the accreditation date of a generating station (or the commissioning date of the additional capacity), subject to the 31 March 2037 cut-off. This applies even if the generator does not claim ROCs, or becomes ineligible to claim ROCs, for a particular period.

5.22. For offshore wind generating stations accredited on or after 1 April 2011 (or additional capacity added to offshore stations after that date) only, the 20 years of RO support does not apply to the accredited capacity from the point of accreditation. Instead, 20 years of RO support is realised on each group of turbines from the date on which they were registered with us. However, the 31 March 2037 cut-off still applies. Please see chapter 3 for information regarding registration of offshore wind turbines.

What is our role in trading ROCs?

5.23. We do not have any role or responsibility trading ROCs, the contractual arrangements for trading ROCs or monitoring/setting the price of ROCs.

5.24. Once ROCs have been issued to generators it is their responsibility to ensure that they are transferred promptly to their off-takers. They should also ensure that contractual arrangements are in place with such off-takers to transfer their ROCs. The Register sends notifications to inform transferors / transferees of the progress of a ROC transfer. However, it remains the responsibility of the parties involved in the transfer to ensure that the transaction is completed within the relevant statutory and contractual deadlines.

How long are ROCs valid for?

5.25. The Orders place an obligation on licensed electricity suppliers to present ROCs to us[33] on an annual basis or pay into a buyout fund. The process of producing ROCs to us for compliance is known as 'redeeming ROCs'.

5.26. Licensed suppliers must produce ROCs for compliance no later than 1 September following the end of the relevant obligation period. The Orders state that if they are making payments into the buy-out fund, they should do this by 31 August. Any suppliers who have not met their obligations by 1 September must make a late payment, subject to a daily interest penalty, by 31 October. In meeting their obligation, suppliers can only use ROCs issued in the obligation period in question or a certain percentage of 'banked ROCs' (ROCs issued in the immediately preceding obligation period), or a combination of the two. Further details on using 'banked ROCs' can be found in section 5.31.

[33] Article 7 of the ROO and article 5 of the ROS and NIRO.

5.27. For example, ROCs issued for the 2015/16 obligation period (electricity generated between 1 April 2015 and 31 March 2016) cannot be produced to us by suppliers any later than 31 August 2017.

5.28. Given this, once ROCs have been issued, the generator must transfer them promptly so that a licensed supplier can use them against their obligation. Generators should be aware that if ROCs are retained in their accounts for significant periods of time they may be unable to transfer them, or the certificates may expire and become worthless.

5.29. For more information on the role of suppliers, please refer to the 'Guidance for Licensed Electricity Suppliers'.

How do compliance caps work?

5.30. Compliance caps limit the number of certain types of ROCs that a supplier can use towards meeting their obligation under the RO. This limits the overall number of those ROCs likely to be purchased by a particular supplier. There are two caps that affect suppliers under the RO: the 'banked ROCs' cap and the 'bioliquid compliance' cap.

'Banked ROCs' cap

5.31. As part of meeting their renewables obligation, suppliers can use 'banked ROCs'. These ROCs have been issued for electricity generated in the previous compliance period eg 2015/16 ROCs produced against the 2016/17 obligation period. Banked ROCs can only make up 25% of the supplier's total obligation for the period in question[34].

Bioliquid compliance cap

5.32. Licensed electricity suppliers can only meet 4% of their annual obligation by presenting ROCs issued against generation of electricity from bioliquids.

5.33. However, ROCs issued for electricity as set out below are exempt from the bioliquid cap:

- generated by microgenerators
- generated by a qualifying CHP stations with a total installed capacity of <1MW
- generated from advanced fuels
- generated in a way described as 'energy from waste with CHP', and
- for generation that took place before 1 April 2013.

5.34. For stations that use only regular biomass and also use liquid fuels alongside solid or gaseous fuels, FMS procedures will have to be agreed with us to account for the energy content of liquid fuels. This is so that ROCs can be awarded according to the physical state of the fuel and therefore ROCs subject to the cap can be identified. Please refer to our 'RO: Fuel measurement and sampling' guidance for further information.

[34] Article 14(2) of the ROO and article 13(2) of the ROS and NIRO.

Why would we refuse to issue ROCs?

5.35. We may refuse to issue a ROC in the following circumstances:

a) if we are not satisfied that the information presented to us is reliable and accurate[35],

b) if we do not think that the declaration submitted in accordance with article 20 of the ROO[36] is accurate in relation to electricity upon which we are considering issuing the ROC,

c) if we have reason to believe that the electricity in respect of which we are considering issuing the ROC was not supplied by an electricity supplier to customers in Great Britain or Northern Ireland[37],

d) if a station using bioliquids, or stations with TIC ≥1MW using solid biomass or biogas, does not meet the sustainability criteria[38],

e) where an operator of a fuelled generating station is required to but does not provide certain annual sustainability information.

Why would ROCs be revoked?

5.36. If a ROC is yet to be redeemed, the Orders set out instances where we may and must revoke a ROC[39]. We may revoke ROCs if:

- the ROC has been issued on the basis of fraudulent behaviour, statement or undertaking on the part of the operator of the generating station or any connected person
- the information provided to us by a generator or agent in respect of the issue of ROCs is false
- the ROC is otherwise inaccurate
- the ROC should not have been issued
- we have reasonable doubts over the accuracy or reliability of the information on which the ROC issue was based
- due to a failure or refusal of any person to provide relevant information, we have not been able to check the accuracy of a ROC or any information on the basis of which the ROC was issued.

5.37. We must revoke ROCs if UREGNI has notified us that it is not satisfied that the electricity in question has been supplied to customers in Northern Ireland.

5.38. Where we intend to revoke a ROC, we shall notify the person who is the registered holder of the ROC 10 working days before revocation. We will also inform the generator of the

[35] Article 24 (1) of the ROO, article 41(1)(a) of the ROS and article 37(1)(a) of the NIRO.
[36] Article 36 of the ROS and article 34 of the NIRO.
[37] Article 24 (3) of the ROO and article 41(3) of the ROO and ROS.
[38] Article 22A(1) of the ROO, ROS and NIRO.
[39] Article 24 of the ROO, article 41 of the and ROS and article 37 of the NIRO.

electricity to which the ROC relates. Once a ROC has been revoked, the registered holder of the ROC will be sent a notification confirming this.

5.39. All revoked ROCs will have their status changed to 'revoked' in the Register and cannot be redeemed by a licensed electricity supplier when complying with their Renewables Obligation. We publish information on revoked ROCs in our public reports, as required by the Orders.

Why would we withhold ROCs?

5.40. If ROCs cannot be revoked because they have been redeemed, we can still take action, as explained in the Orders[40].

5.41. Where these ROCs are identified, we must refuse to issue further ROCs for electricity generated by the generating station that the original ROC was issued. The total number of ROCs withheld will align with the number of ROCs that should have been revoked in the first instance.

5.42. This action is subject to the original ROCs not being more than six years old and not being issued for electricity generated under a NFFO contract.

5.43. If we find that redeemed ROCs should never have been issued, we will contact the relevant parties and explain how we will withhold the appropriate number of ROCs from a future ROC issue.

Public information on ROCs

ROCs claimed but not issued

5.44. We are required by the Orders to publish information on the number of ROCs claimed but not issued[41]. ROCs may be claimed but not issued for a number of reasons including if data has been queried.

5.45. We will publish on our website a total of all ROCs claimed but not issued in an obligation period. These statistics will not include ROCs that we have decided not to issue. This information is also available via our public reports and published in the Renewables Obligation Annual Report.

ROCs issued or revoked

5.46. Information on ROCs issued or revoked their current holders etc is in our public reports available through the Register home page: https://www.renewablesandchp.ofgem.gov.uk/.

5.47. Please note that the reports are updated overnight and therefore do not contain live information. Additionally only ROCs with a status that is not 'pending' are in the reports.

Accredited stations report

5.48. Information on the number and capacity of stations that have been accredited is available on our website: www.ofgem.gov.uk/ro.

[40] Article 25 of the ROO, article 41A of the ROS and article 37A of the NIRO.
[41] Article 86(b) of the ROO, article 57(1)(e) of the ROS and 49(1)(d) of the NIRO.

Appendix 1: Acronyms

A	
AD	Anaerobic digestion
AMO	Additional metered output
Act	Energy Act 2008
C	
CFD	Contract for Difference
CHP	Combined heat and power
CHPQA	Combined Heat and Power Quality Assurance
D	
DECC	Department of Energy and Climate Change
DNC	Declared net capacity
F	
FITs	Feed-In Tariffs
FMS	Fuel Measurement and Sampling
G	
GB	Great Britain
K	
kW	Kilowatt
kWh	Kilowatt hour
M	
MW	Megawatt
MWh	Megawatt hour
N	
NFFO	Non-Fossil Fuel Obligation
NFPA	Non-Fossil Fuel Purchasing Agency
NI	Northern Ireland
NI-NFFO	Northern Ireland Non-Fossil Fuel Obligation
NIRO	Northern Ireland Renewables Obligation 2009 (as amended)
NIROC	Northern Ireland Renewables Obligation Certificate
O	
Ofgem	Office of Gas and Electricity Markets
Q	
QPO	Qualifying Power output
R	
RFFGS	Relevant Fossil Fuel Generating Station
RHI	Renewable Heat Incentive
RO	Renewables Obligation 2009 (as amended)
ROC	Renewables Obligation Certificate
ROO	Renewables Obligation Order
ROS	Renewables Obligation Scotland 2009 (as amended)

S

SRO	Scottish Renewables Obligation
SROC	Scottish Renewables Obligation Certificate

T

TIC	Total installed capacity

U

UK	United Kingdom

Appendix 2: Definitions of technology and fuelling bands

Appendix summary

Definitions of the individual technology and fuelling based bands that partially determine the number of ROCs that will be issued to a generating station in a given month. Banding is applicable to most but not all stations and is mainly conditional on the date a station was accredited or additional capacity was added.

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.

Anaerobic Digestion

This is abbreviated to "AD" in the Order and means electricity generated from gas formed by the anaerobic digestion of material which is neither sewage or material in a landfill.

Closed landfill gas

Electricity generated from landfill gas (other than electricity generated using the heat from a turbine or engine) in any month in which the generating station generates electricity only from gas formed by the digestion of material in a landfill which no longer accepts waste for disposal.

Co-firing of regular bioliquid

Electricity generated from regular bioliquid in a month in which the generating station generates electricity partly from fossil fuel and partly from renewable sources.

Co-firing of regular bioliquid with CHP

Electricity generated from regular bioliquid in a month in which the qualifying CHP generating station generates electricity partly from fossil fuel and partly from renewable sources.

Co-firing of relevant energy crops

Electricity generated before 1 April 2019 by a generating station where declared net capacity has not been in excess of 50Kw at any time after 31 March 2009; where electricity is

generated from relevant energy crops[42] burned in a combustion unit in a month in which the energy content of the biomass burned in that unit is less than 50 per cent of the energy content of all energy sources burned in that unit in that month; and where electricity is generated partly from fossil fuel and partly from renewable sources.

Co-firing of relevant energy crops (with CHP)
Electricity generated before 1 April 2019 by a generating station where declared net capacity has not been in excess of 50Kw at any time after 31 March 2009; where electricity is generated from relevant energy crops burned by a qualifying CHP generating station in a combustion unit in a month in which the energy content of the biomass burned in that unit is less than 50 per cent of the energy content of all energy sources burned in that unit in that month; and where electricity is generated partly from fossil fuel and partly from renewable sources.

Dedicated biomass

Electricity generated from regular biomass by a generating station which is not a relevant fossil fuel generating station and which, in any month, only generates electricity from biomass.

Dedicated biomass with CHP

Electricity generated from regular biomass by a qualifying combined heat and power generating station which is not a relevant fossil fuel generating station, and which, in any month, only generates electricity from biomass.

Dedicated energy crops

Electricity generated from energy crops by a generating station which is not a relevant fossil fuel generating station, and which in any month, generates electricity only from energy crops.

Electricity generated from sewage gas

Electricity generated from gas formed by the anaerobic digestion of sewage (including sewage which has been treated or processed).

Energy from waste with CHP

Electricity generated from the combustion of waste (other than a fuel produced by means of anaerobic digestion, gasification or pyrolysis) in a qualifying combined heat and power generating station in a month in which the station generates electricity only from renewable sources and those renewable sources include waste which is not biomass.

Geothermal

Electricity generated using naturally occurring subterranean heat.

Geopressure

Electricity generated using naturally occurring subterranean pressure.

[42] 'Relevant energy crops' are energy crops supplied to the operator of a generating station in accordance with an agreement in writing before 7 September 2012 between the owner / operator of the generating station and a person who is not connected to the owner or generator of the station. See Article 36 of the ROO, article 28D of the ROS, article 26D of the NIRO.

Hydro-electric

Electricity generated by a hydro generating station;

A "hydro generating station" means a generating station which is wholly or mainly driven by water (other than a generating station driven by tidal flows, waves, ocean currents, geothermal sources or using a difference in tidal levels) and the "generating station" extends to all turbines supplied by the same civil works, except that any turbine driven by a compensation flow supplied by those civil works where there is a statutory obligation to maintain such compensation flow in a natural water course shall be regarded as a separate hydro generating station.

NB The current restrictions on pre-existing hydro above 20MW in capacity will continue to apply.

High-range co-firing

Electricity generated from solid and gaseous biomass or energy crops in a month in which the generating station generates electricity partly from fossil fuel and partly from renewable sources; and where the energy content of the biomass burned in a combustion unit is at least 85 per cent (but is less than 100 per cent) of all the energy sources burned in that unit in that month.

High-range co-firing with CHP

Electricity generated from solid and gaseous biomass or energy crops in a month in which the qualifying CHP generating station generates electricity partly from fossil fuel and partly from renewable sources; and where the energy content of the biomass burned in a combustion unit is at least 85 per cent (but is less than 100 per cent) of all the energy sources burned in that unit in that month; and where the fossil fuel and biomass or energy crops have been burned in separate combustion units.

Landfill gas heat recovery

Electricity generated using the heat from a turbine or engine which is generating electricity from landfill gas.

Low-range co-firing

Electricity generated from solid and gaseous biomass or energy crops in a month in which the generating station generates electricity partly from fossil fuel and partly from renewable sources; and where the energy content of the biomass burned in a combustion unit is less than 50 per cent of all the energy sources burned in that unit in that month.

Low-range co-firing with CHP

Electricity generated from solid and gaseous biomass or energy crops in a month in which the qualifying CHP generating station generates electricity partly from fossil fuel and partly from renewable sources; and where the energy content of the biomass burned in a combustion unit is less than 50 per cent of all the energy sources burned in that unit in that month; and where the fossil fuel and biomass or energy crops have been burned in separate combustion units.

Mid-range co-firing

Electricity generated from solid and gaseous biomass or energy crops in a month in which the generating station generates electricity partly from fossil fuel and partly from renewable

sources; and where the energy content of the biomass burned in a combustion unit is at least 50 per cent but less than 85 per cent of all the energy sources burned in that unit in that month.

Mid-range co-firing with CHP

Electricity generated from solid and gaseous biomass or energy crops in a month in which the qualifying CHP generating station generates electricity partly from fossil fuel and partly from renewable sources; and where the energy content of the biomass burned in a combustion unit is at least 50 per cent but less than 85 per cent of all the energy sources burned in that unit in that month; and where the fossil fuel and biomass or energy crops have been burned in separate combustion units.

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.

Offshore wind – demonstration turbines

Electricity generated from wind by a generating station that is offshore, uses only eligible turbines, and is located on a particular area of seabed which is subject to a demonstration lease issued by the Crown Estate; Eligible turbine in relation to an offshore wind generating station using demonstration turbines, means a wind turbine which does not form part of the generating station from a date no earlier than 1 April 2014; Demonstration lease means a lease granted by the Crown Estate, one of whose purposes is testing, demonstrating and approving the viability of a wind turbine.
This definition applies to ROS stations only.

Offshore wind – floating turbines

Electricity generated from wind by a generating station that is offshore, uses only floating wind turbines, is granted preliminary accreditation which takes effect on or before 31 March 2017 and is commissioned before 1 October 2018; Floating wind turbine in relation to an offshore generating station, means a wind turbine which is fixed or connected to the seabed by means of a chain, tension leg or other flexible mooring.
This definition applies to ROS stations only.

Onshore Wind

Electricity generated from wind by a generating station that is not offshore (see offshore definition above).

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.

Station conversion

Electricity generated from regular biomass or energy crops by a RFFGS (relevant fossil fuel generating station). The fuels used for electricity generating in any month must be biomass or energy crops.

Station conversion with CHP

Electricity generated from regular biomass or from energy crops by a relevant fossil fuel CHP generating station. The fuels used for electricity generating in any month must be biomass or energy crops.

Tidal Impoundment – Tidal Barrage

Electricity generated by a generating station driven by the release of water impounded behind a barrier using the difference in tidal levels where the barrier is connected to both banks of a river and the generating station has a declared net capacity of less than 1 gigawatt.

Tidal Impoundment - Tidal Lagoon

Electricity generated by a generating station driven by the release of water impounded behind a barrier using the difference in tidal levels where the barrier is not a tidal barrage and the generating station has a declared net capacity of less than 1 gigawatt.

Tidal Stream

Electricity generated from the capture of the energy created from the motion of naturally occurring tidal currents in water.

Enhanced Tidal Stream

Electricity generated from the capture of the energy created from the motion of naturally occurring tidal currents in water, where such electricity is not generated by devices built with or maintained by capital or revenue funding under a statutory grant programme operated by the Scottish Ministers or the Secretary of State; in respect of which a statutory grant was awarded on or before 19th September 2008.

Wave

Electricity generated from the capture of the energy created from the motion of naturally occurring waves on water.

Enhanced Wave

Electricity generated from the motion of naturally occurring waves on water, where such electricity is not generated by devices built with or maintained by capital or revenue funding under a statutory grant programme operated by the Scottish Ministers or the Secretary of State in respect of which a statutory grant was awarded on or before 19th September 2008.

Solar photovoltaic

Electricity generated from the direct conversion of sunlight into electricity.

Building mounted solar photovoltaic

Electricity generated from the direct conversion of sunlight into electricity by equipment which is installed on a building by equipment not installed on the ground either:

- directly,
- or on a frame, plinth or other structure installed on the ground wholly or mainly for the purpose of supporting that equipment.

For NIRO stations only the above definition applies where the relevant generating station is not a qualifying existing solar photovoltaic station or a qualifying new solar photovoltaic station as defined in Schedule 2.

Ground mounted solar photovoltaic

Electricity generated from the direct conversion of sunlight into electricity by equipment installed on the ground either:

- directly,
- on a frame, plinth or structure installed on the ground, and wholly or mainly for the purpose of supporting that equipment.

For NIRO stations only the above definition applies where the relevant generating station is not a qualifying existing solar photovoltaic station or a qualifying new solar photovoltaic station as defined in Schedule 2.

Unit conversion

Electricity generated from regular biomass or energy crops burned in a combustion unit in any month in which that combustion unit burns only biomass or only energy crops, and the generating station generates electricity partly from fossil fuel and partly from renewable sources.

Unit conversion with CHP

Electricity generated from regular biomass or energy crops burned by a qualifying combined heat and power generating station in a combustion unit in any month in which that combustion unit burns only biomass or only energy crops, and the generating station generates electricity partly from fossil fuel and partly from renewable sources.

Appendix 3: Banding and Grandfathering

Explains the technology and capacity dependent bands that determine the level at which ROCs are issued in a given month. It also explains the conditions that influence when these bands apply and exceptions to those rules. The section covers the period 1 April 2009 to 31 March 2017.

Banding reviews

3.1. To ensure that the level of support remains appropriate the government has indicated that it intends to review the banding structure to make any changes at planned 4 yearly intervals. The latest of such changes came into force on 1 April 2013 (or 1 May 2013 under the NIRO).

3.2. The banding structure outlined within this chapter is intended to cover the period 2009-17.

In addition to the planned reviews the primary legislation provides for emergency reviews to be carried out in the following circumstances:

- Significant change in the cost regime for grid connection or transmission
- New renewable generating technology emerges with a potential to deploy on a large scale
- Changes to other support schemes which will have a significant impact on the generation of electricity from renewable sources
- Evidence of significant and sustained variation in net costs or reviews (for one or more technologies) changing the economic case from that assumed in the setting of banding levels
- The co-firing cap creates significant distortions in the ROC market
- Over compliance, and
- Any unforeseen event which could have a significant effect on the operation of the Renewables Obligation.

3.3. It will be for the Secretary of State or relevant Devolved Authority Ministers to determine what is significant in the context of these powers.

Banding (technology, fuelling and location dependent banding levels)

3.4. In 2010, the Feed-in Tariff scheme (FIT) was introduced in Great Britain. As a result hydro, PV, wind and AD microgenerating stations (those with DNC of 50kW or less) were excluded from being supported under the RO[43].

[43] Article 51 of the ROO.

3.5. Since a FIT scheme was not introduced in Northern Ireland, to ensure that the development of renewables was not undermined as a result, in 2010 and 2011 the Northern Ireland administration introduced additional support under the RO for generating stations of specified capacity using certain technologies[44].

3.6. Table 6 shows the banding related to the RO (in England and Wales) and the ROS (in Scotland). Table 7 shows the banding levels under NIRO (in Northern Ireland). Further information is available on the DETI website[45]. Table 8 shows the banding level applicable for RO, ROS and NIRO stations generating electricity using regular biomass.

3.7. The tables list the banding level that applies to stations accredited and capacity added to accredited generating stations during each specific time period. For the definitions of each type of generating capacity please refer to appendix 2.

3.8. The tables reflect the current tables in Schedule 2 of the Orders but have been adapted for ease of reference. This includes presenting the level of support as a number of ROCs per MWh of eligible electricity produced rather than MWhs of electricity to be stated in each ROC. The tables also contain footnotes that point to articles of the Orders that make alterations to the banding levels set out in the tables.

3.9. For stations with more than one combustion unit that use regular biomass on or after 1 April 2013 (or 1 May 2013 under the NIRO), banding is determined on a unit by unit basis rather than a station-wide basis. See the FMS guidance for further information.

3.10. Please note that there is no separate band for stations that meet the 'station conversion' band definition and that use bioliquid fuels; they are supported under the 'station conversion' band.

3.11. There are some exceptions to the RO banding levels set out in Tables 6 and 8 that will apply to certain generating stations. Please refer to the section on 'Exceptions to banding and grandfathering' on page 71 for further information.

[44] Article 27A to D and 29 A and B of the NIRO

[45] http://www.detini.gov.uk/existing_and_confirmed_roc_per_mwh_levels_from_1_april_2013.pdf

Table 6: RO and ROS banding (excluding regular biomass* bands)

Band	pre-13 capacity	13/14 capacity	14/15 capacity	15/16 capacity	16/17 capacity
Advanced gasification/pyrolysis	2	2	2	1.9	1.8
AD	2	2	2	1.9	1.8
Energy from waste with CHP	1	1	1	1	1
Geothermal	2	2	2	1.9	1.8
Geopressure	1	1	1	1	1
Hydro	1	0.7 (1 ROS)	0.7 (1 ROS)	0.7 (1ROS)	0.7(1ROS)
Landfill gas[46]	0.25**	0	0	0	0
Landfill gas – closed landfill gas	New band	0.2	0.2	0.2	0.2
Landfill gas heat recovery	New band	0.1	0.1	0.1	0.1
Microgeneration (<=50kW DNC)[47]	2	2	2	1.9	1.8
Onshore wind	1	0.9	0.9	0.9	0.9
Offshore wind	2***	2	2	1.9	1.8
Offshore wind – demonstration turbines (ROS)	New band, N/A	New band, N/A	2.5	2.5	2.5
Offshore wind – floating turbines (ROS)	New band, N/A	New band, N/A	3.5	3.5	3.5
Other	1	1	1	1	1
Sewage gas	0.5**	0.5	0.5	0.5	0.5
Solar PV	2				
Solar PV (building mounted)	New band	1.7	1.6	1.5	1.4
Solar PV (ground mounted)	New band	1.6	1.4	1.3	1.2
Standard gasification/pyrolysis	1	2	2	1.9	1.8
Tidal barrage (<1GW DNC)	2	2	2	1.9	1.8
Tidal lagoon (<1GW DNC)	2	2	2	1.9	1.8
Tidal stream[48]	2	2	2	2	2
Wave	2	2	2	2	2
Tidal stream - enhanced (ROS)	3	3	3	3	3
Wave - enhanced (ROS)	5	5	5	5	5

* Regular biomass is defined as biomass other than (a) sewage gas, (b) landfill gas, (c) energy crops, (d) fuel produced by means of anaerobic digestion, (e) advanced fuel. ** Some of these stations may be eligible to receive 1 ROC/MWh (article 30 and 31). See 'Exceptions to banding and grandfathering' on page 71 for further information. *** Offshore wind generating stations granted full accreditation or that

[46] Article 57 of the ROO and article 24 of the ROS state that no ROCs are to be issued in respect of post-2013 capacity for landfill gas unless the electricity is generated using pre-2013 capacity, closed landfill gas or landfill gas heat recovery.

[47] Article 34 of the RO and article 29 of the ROS apply. Article 2d(a)(v) of the ROS excludes enhanced wave and tidal stream generating stations from the definition of 'microgenerator' from 1 April 2013.

[48] Under Article 40 of the ROO '2012/17 marine capacity' up to 30MW TIC receives 5 ROCs/MWh.

have additional capacity recognised in the period 12/07/2006 to 31/03/10 are awarded 1.5 ROCs/MWh (article 39 ROO, article 30A ROS.).

Table 7: NIRO banding and DNC limits (excluding regular biomass bands)

Band		Pre-2013 capacity		13/14 capacity[49]	14/15 capacity[50]	15/16 capacity[49]	16/17 capacity[49]
		2009 banding	2010&2011 changes[51]				
Advanced gasification/pyrolysis		2	2	2	2	1.9	1.8
Anaerobic digestion[1]	<= 500kW	2	4	4	4	4	4
	>500kW-5MW	2	3	3	3	3	3
	>5MW	2	2	2	2	1.9	1.8
Energy from waste with CHP		1	1	1	1	1	1
Geothermal		2	2	2	2	1.9	1.8
Geopressure		1	1	1	1	1	1
Hydro[2]	<=20kW	1	4	4	4	4	4
	>20kW-250kW	1	3	3	3	3	3
	>250kW-1MW	1	2	2	2	2	2
	>1MW – 5MW	1	1	1	1	1	1
	>5MW	1	1	0.7	0.7	0.7	0.7
Landfill gas[52]		0.25*	1	1	1	0	0
Landfill gas – closed landfill		New band				0.2	0.2
Landfill gas heat recovery		New band				0.1	0.1
Microgeneration (<50kW DNC)[53]		2	2	2	2	1.9	1.8
Onshore wind[2]	<=250kW	1	4	4	4	4	4
	>250kW-5MW	1	1	1	1	1	1
	>5MW	1	1	0.9	0.9	0.9	0.9
Offshore wind		2**	2	2	2	1.9	1.8
Sewage gas		0.5*	0.5	0.5	0.5	0.5	0.5
Solar PV[3] BM = building mounted solar PV	<=50kW	2	4	4	4	4, then 3 from 1 Oct 2015.	3, then 2 from 1 Oct 2016.

[49] AD, hydro, PV and onshore wind <5MW based on articles 27 to 27D and 29A and B.
[50] AD, hydro, PV and onshore wind <5MW based on articles 27 to 27D and 29A and B.
[51] Article 27 to 27D and 29A and B.
[52] Article 22 of the NIRO states that no ROCs are to be issued in respect of post-2013 capacity for landfill gas unless the electricity is generated using pre-2013 capacity or 2013/15 capacity, closed landfill gas or landfill gas heat recovery.
[53] Article 27 of the NIRO applies.

GM = ground mounted solar PV	>50kW-250kW	2	2	2	2	2	2
	>250kW	2	2	1.7 BM	1.6 BM	1.5 BM	1.4 BM
				1.6 GM	1.6 GM	1.5 GM	1.4 GM
Standard gasification/pyrolysis		1	1	2	2	1.9	1.8
Tidal barrage (<1GW DNC)		2	2	2	2	1.9	1.8
Tidal lagoon (<1GW DNC)		2	2	2	2	1.9	1.8
Tidal stream[54]		2	2	2	2	2	2
Wave[55]		2	2	2	2	2	2

[1] Applies to generating stations that were first accredited on or after 1 April 2011. If the station, at any time after 26 April 2010, had a DNC above the specified maximum it would not qualify for the band[56] and standard banding rules apply.
[2] & [3] applies to:
a) Generating stations that were first accredited after 31 March 2010. If the station, at any time after that date, had a DNC above the stated maximum, it does not qualify for the band and standard banding rules apply; and
b) Stations that were accredited as of 31 March 2010, that add capacity after this date, can claim the enhanced level of NIROCs in respect of generation by the additional capacity only. Generation by the original capacity ie the capacity of the station as at 31 March 2010 will continue to realise NIROCs at the relevant band that applied when the station was accredited. If the station, at any time after 31 March 2010, had a DNC above the stated maximum, it does not qualify for the band[57].

* Some of these stations may be eligible to receive 1 ROC/MWh (article 30 and 31). See 'Exceptions to banding and grandfathering' on page 71 for further information.

** Offshore wind generating stations granted full accreditation or that have additional capacity recognised in the period 12/07/2006 to 31/03/10 are awarded 1.5 ROCs/MWh (article 39 ROO, article 30A ROS).

[54] Under article 40 of the ROO ROO 2012/17 marine capacity up to 30MW TIC receives 5 ROCs/MWh.
[55] Under article 40 of the ROO 2012/17 marine capacity up to 30MW TIC receives 5 ROCs/MWh.
[56] Article 27C of NIRO.
[57] Articles 27 to 27B, 29A and 29B of NIRO.

Table 8: RO, ROS and NIRO banding for stations using regular biomass* (note - for post 31 March 2013 (or post 30 April 2013 under the NIRO) generation, banding for multi unit stations is determined on a unit by unit rather than station-wide basis)

Band	pre-2013 capacity	13/14 capacity	14/15 capacity	15/16 capacity	16/17 capacity
Conversion (station or unit)	1	1	1	1	1
Conversion with CHP (station or unit)	1.5	1.5	1.5	1.5	1.5
Co-firing of biomass	No ROCs issued under this band for post 31 March 2013 generation				
Co-firing (low range) [58]	0.5	0.5	0.5	0.5	0.5
Co-firing (mid-range)	0.6	0.6	0.6	0.6	0.6
Co-firing (high-range) [59]	0.9	0.9	0.9	0.9	0.9
Co-firing (low range) with CHP [60]	1	1	1	1***	1***
Co-firing (mid-range) with CHP	1.1	1.1	1.1	1.1***	1.1***
Co-firing (high-range) with CHP [61]	1.4	1.4	1.4	1.4***	1.4***
Co-firing of biomass with CHP	No ROCs issued under this band for post 31 March 2013 generation				
Co-firing of energy crops	No ROCs issued under this band for post 31 March 2013 generation				
Co-firing of energy crops with CHP	No ROCs issued under this band for post 31 March 2013 generation				
Co-firing of regular bioliquid [62]	0.5	0.5	0.5	0.5	0.5
Co-firing of regular bioliquid with CHP [63]	1	1	1	1	1
Co-firing of relevant energy crops (low-range)[64]	See footnote				
Co-firing of relevant energy crops with CHP (low-range)[65]	See footnote				
Dedicated biomass**	1.5	1.5	1.5	1.5	1.4
Dedicated biomass with CHP**	2	2	2	1.9	1.8
Dedicated energy crops**	2	2	2	1.9	1.8

*Regular biomass is defined as biomass other than (a) sewage gas, (b) landfill gas, (c) energy crops, (d) fuel produced by means of anaerobic digestion, (e) advanced fuel.

**Generating stations meeting the definition of a relevant fossil fuel generating stations are not eligible to claim under these bands for any post 31 March 2013 (post 30 April 2013 under the NIRO) generation[66].

*** These support levels are only available in circumstances where support under the RHI is not available. See article 35 of the ROO, article 28 of the ROS and article 26 of the NIRO.

[58] Under article 36 of the ROO 1 April 13 – 31 March 15 generation receives 0.3 ROCs/MWh.
[59] Under Schedule 5, Part 2 of the ROO 1 April 13 – 31 March 14 generation receives 0.7 ROCs/MWh.
[60] Under Schedule 5, Part 6 of the ROO 1 April 13 – 31 March 15 generation receives 0.8 ROCs/MWh.
[61] Under Schedule 5, Part 6 of the ROO 1 April 13 – 31 March 14 generation receives 1.2 ROCs/MWh.
[62] Under Schedule 5, Part 2 of the ROO 1 April 13 – 31 March 15 generation receives 0.3 ROCs/MWh.
[63] Under Schedule 5, Part 6 of the ROO 1 April 13 – 31 March 15 generation receives 0.8 ROCs/MWh.
[64] Under Schedule 5, Part 2 of the ROO 1 April 13 – 31 March 15 generation receives 0.8 ROCs/MWh and 1 April 15 – 31 March 19 generation receives 1 ROC/MWh.
[65] Under Schedule 5, Part 6 of the ROO 1 April 13 – 31 March 15 generation receives 1.3 ROCs/MWh and 1 April 15 – 31 March 19 receives 1.5 ROC/MWh.
[66] Refer to Schedule 2 of the ROO for the definition of the bands.

Exceptions to banding and grandfathering

Grandfathering

3.12. Grandfathering is the policy intent of maintaining the same level of support as was available at the point of accreditation (for additional capacity when this was added to an accredited station) for the whole duration of its support under the RO. Part 6 of the Orders provides further information.

3.13. Subject to a number of exceptions the following grandfathering provisions apply:

- Landfill gas, sewage gas, offshore wind, wave and PV generating stations (TIC) accredited on or before 11 July 2006 (the date of the publication of the Energy Review Report) receive 1 ROC/MWh.
- Generating stations (TIC) accredited on or before 31 March 2009 and which, after the introduction of banding, would have been banded up, were moved to the appropriate higher band on 1 April 2009. This is with the exception of offshore wind, wave and PV stations.
- Landfill gas and sewage gas generating stations (TIC) accredited between 12 July 2006 and 31 March 2009 inclusive, receive 1 ROC/MWh.
- Landfill gas and sewage gas generating stations (TIC) which were granted preliminary accreditation on or before 31 March 2009 and which were commissioned before 1 April 2011, receive 1 ROC/MWh.
- Additional capacity added between 12 July 2006 and 31 March 2011 to landfill and sewage gas generating stations that were accredited as at 11 July 2006 receives 1 ROC/MWh.
- Additional capacity added between 12 July 2006 and 31 March 2011 to landfill and sewage gas stations which were accredited on or before 31 March 2009 receives 1 ROC/MWh.
- Landfill and sewage gas generating stations which were granted preliminary accreditation on or before 31 March 2009 and commissioned on or before 31 March 2011 and subsequently added additional capacity on or before 31 March 2011, receive 1 ROC/MWh on electricity generated using both the original accredited capacity as well as the additional capacity added on or before 31 March 2011.

Exceptions to the grandfathering rules

3.14. Government policy states that certain types of station are not accommodated by grandfathering. DECC's consultation response document on the banding review[67] contains a chapter setting out the government policy intent for grandfathering; please refer to this document for further details.

Generating stations that received a statutory grant made prior to 11 July 2006[68]

3.15. Stations that received such a grant that are accredited after 11 July 2006 must have surrendered or paid back the grant prior to 31 March 2011 in order to benefit from banded

[67] http://www.decc.gov.uk/assets/decc/11/consultation/ro-banding/5936-renewables-obligation-consultation-the-government.pdf
[68] Article 41 of the RO, Article 32 of the ROS and Article 31 of the NIRO.

ROCs. If the grant was not surrendered the station receives 1ROC/MWh or the relevant banding whichever is less.

3.16. DECC are responsible for informing us of any generating stations in receipt of a grant before 11 July 2006 and also for informing us of when this grant has been repaid in full.

Registered grace period stations[69]

3.17. Stations that for reasons related to delays in grid connection or radar solution deployment were unable to commission prior to 1 April 2013 (or 1 May 2013 under the NIRO) had the option to register as a grace period generating station. Stations registered as grace period generating stations are supported at the ROC level that was available prior to 1 April 2013 (or 1 May 2013 under the NIRO).

[69] RO (Amendment) Order 2013.

Annex 2 – Consultation process

We are keen to consider any comments or complaints about how this consultation has been conducted and to gain your views on the following:

Question 1: Do you have any comments about the process adopted for this consultation?

Question 2: Please add any further comments.

Please send your comments to:

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