



Making a positive difference  
for energy consumers

Biomass energy developers and  
generators, and other interested  
parties

Email: [REDevelopment@ofgem.gov.uk](mailto:REDevelopment@ofgem.gov.uk)

Date: 24 February 2018

Dear Stakeholder,

**Ofgem response to comments on our guidance and publication of our final guidance – to incorporate changes in response to the new rules for bioliquids, wastes and residues under the Renewables Obligation.**

New rules for bioliquids, wastes and residues under the Renewables Obligation

On 20 December 2017, Ofgem published draft amendments to our guidance for comment, to incorporate changes in response to the new rules for bioliquids, wastes and residues under the Renewables Obligation. These rules apply from 1 January 2018.

We are writing to inform you that we have today published our final guidance. The period for comments closed on 31 January 2018 and we have duly reviewed all responses, and where appropriate, have updated the guidance in light of these responses.

We would like to thank all those who responded to the invitation to comment on our guidance and to those who attended our webinar on the new rules which took place on 16 January 2018.

The comments and our response.

We received comments on the draft guidance from three stakeholders and have used these to make changes to the guidance documents. There is a table (1 & 2) listing the changes made to each document. We have made changes to two additional documents, set out in Table 3, which we are publishing alongside our revised guidance. We received some queries and comments that have not resulted in updates of the guidance and these are set out in table 4.

Schedule of changes.

We have made the changes to the following guidance documents in response to your comments and have provided links to the pages on which they are published. The changes are listed in the tables (1 & 2) that follow.

[Renewables Obligation: Sustainability Criteria](#)  
[Renewables Obligation: Sustainability Reporting Guidance](#)

The following documents have not been changed since the publishing of our draft guidance:

**Table 1: Changes to 'Renewables Obligation: Sustainability Criteria'**

Changes made	Page and paragraph reference
<b>Chapter 5. Greenhouse gas (GHG) criteria, Bioliq uid GHG threshold</b> – amended the wording to clarify the requirements.	Page 12 - paragraph 5.11 & Table 3
<b>Chapter 5. Greenhouse gas (GHG) criteria, Performing GHG calculations</b> – re-added the missing percentage (40%).	Page 38 – paragraph 5.32
<b>Appendix 3. Common fuel classifications</b> – amended the description for classification of bark and amended the description of classification of slab wood.	Page 87 - Table 13

**Table 2: Changes to 'Renewables Obligation: Sustainability Reporting Guidance'**

Changes made	Page and paragraph reference
<b>Chapter 3. Monthly reporting</b> – amended the wording to clarify the requirements.	Page 12 - paragraph 3.2 & Figure 3
<b>Chapter 4. Profiling requirements</b> – added an example for bioliq uid profiling data.	Page 21 - Table 2
<b>Chapter 5. Audit: The requirements and ISAE 3000 (revised)</b> - added installation bioliq uid production date to bioliq uid audit report requirements.	Page 33 – paragraph 5.50
<b>Appendix 2 – Data template</b> – moved "Installation bioliq uid production date" to the end of the table for clarity.	Page 61 - Part B

**Table 3: Additional guidance documents updated and published as final**

Document	Change
<a href="#">Annual Sustainability Template</a>	This template captures the annual profiling data for each consignment used at a generating station. It has been updated to allow for the new requirement for generators with a declared net capacity of greater than 50kW to provide Ofgem with information on the energy content of bioliquids from starch rich crops, sugars, oil crops and other crops grown as a main crop primarily for energy purposes on agricultural land. The "Information" tab has been updated to be used from 2017-18 onwards and to reflect the new column references, columns S-W have been added to the "Profiling Data" tab and instructions have been added to the "Audit data template" tab.
<a href="#">Renewables and CHP Register user Guide</a> – paragraphs 5.49 – 5.55 only	This section has been updated to include the new drop-down field for "installation bioliq uid product date" and an explanation of this. The entire guide is undergoing a full review and update, and will be published in due course.

**Table 4 - Our response to other queries and suggestions from the consultation**

<b>Comment</b>	<b>Response</b>
<p><b>Renewables Obligation: Sustainability Criteria, paragraph 5.10.</b>                      One respondent asked how a bioliquid would be classified if it was produced prior to October 2015, but was not used as fuel for either transport or power generation until after October 2015.</p>	<p>The date that dictates the GHG threshold that needs to be met is the date when the <b>installation that produced the bioliquid</b> (for that consignment) <b>first started production of liquid fuel from biomaterial</b> ie is this date "before" or "on or after" 6 October 2015.</p> <p>Therefore, in the scenario outlined, the installation that produced the bioliquid produced liquid fuel from biomaterial <b>before</b> 6 October 2015. The consignments using this fuel would therefore need to meet the 50% minimum greenhouse gas saving against the fossil fuel comparator.</p>
<p>One respondent queried whether woody biomass processing residue is now (as of 1 January 2018) exempt from reporting against the land criteria.</p>	<p>Processing residues from woody biomass are still required to report against the land criteria. The RO Orders specify reporting requirements for woody biomass, including that derived from processing residues.</p>
<p>One respondent queried the definition and classification of non-sawmill lumber within the Sustainability Criteria, Appendix 3</p>	<p>The guidance as currently written is what we expect and based on previous experience. It is not possible to lay down definitive or absolute rules for when particular materials will be considered waste, residues or products. A judgement has to be made taking into account the circumstances of each case, and applying the legislation, case law principles and other relevant indicators on a case by case basis. All queries on classification of feedstocks should be sent to <a href="mailto:fuellingandsustainability@ofgem.gov.uk">fuellingandsustainability@ofgem.gov.uk</a>.</p>

Yours sincerely,

**Renewable Electricity Development Team**