

Biomass energy developers and
generators, and other interested
parties

Email: REDevelopment@ofgem.gov.uk

Date: 31 August 2018

Dear Stakeholder,

Ofgem response to comments on our draft “RO: Guidance for Generators” and publication of our final guidance – to incorporate changes in response to the new annual ROC cap under the Renewables Obligation.

The annual ROC cap

On 6 June 2018, we published draft amendments to our guidance for comment, to incorporate changes in response to the new annual ROC cap under the Renewables Obligation. The period for comments closed on 4 July 2018 and we have duly reviewed all responses, and where appropriate, have updated the guidance in light of these responses. The annual ROC cap applies from 1 September 2018.

We are writing to inform you that we have today published our final guidance.

We would like to thank those who responded to the invitation to comment on our guidance.

The comments and our response.

We received comments on the draft guidance from one stakeholder and have used these to make changes to the guidance document. Table 1 lists the changes made. We also received some queries that have not resulted in updates of the guidance. These are set out in table 2.

Schedule of changes.

Table 1 lists the changes made to the guidance document in response to the comments received, as well as through our own review of the guidance and processes. We have provided references to the pages on which they are published.

Table 1: Changes to Renewables Obligation: Guidance for Generators

Changes made	Page and paragraph reference
Appendix 5: The annual ROC cap – replaced the verb “apply” with “affect” in recognition that ROC issue will not be capped until certain conditions are met in the year.	Page 81 – appendix

	summary and A5.2
Appendix 5: The annual ROC cap – made the type of ROCs to be issued to mixed generating stations more prominent to avoid confusion.	Page 82 – A5.13
Appendix 5: The annual ROC cap – clarified that ROCs will be identified as associated with generation by specific units through the unit by unit reporting process.	Page 82 – A5.13
Appendix 5: The annual ROC cap – noted that the low-range co-firing notification cannot be used by mixed generating stations.	Page 82 – A5.14
Appendix 5: The annual ROC cap – clarifies the order in which we issue ROCs to types of combustion unit in a mixed generating station which became relevant as we reviewed our operating processes.	Page 83 – A5.17
Appendix 5: The annual ROC cap – clarified how data amendments will operate alongside the annual ROC cap.	Page 85 – A5.26 – A5.28
Appendix 5: The annual ROC cap – clarified that once they have notified us, operators of generating stations affected by the cap will not need to re-notify us of this every proceeding year unless something changes.	Page 85 – A5.29

Table 2 - Our response to other queries and suggestions from the consultation

Comment	Response
The respondent asked whether the words “that month” could be removed from A5.12.	The guidance is written like this because the calculation is for an individual month. It is also possible that a combustion unit could remove the excluded capacity.
The respondent asked whether the annual declarations would be affected by the annual ROC cap.	The annual ROC cap does not affect a generating station’s annual declarations.
The respondent asked for further detail on the unitisation of works power where a station includes excluded capacity.	The calculation for RO input electricity of the unit in points A5.21 and A5.22 explains how this works. It will be calculated by the monitoring spreadsheet provided to the affected generating station.

Yours sincerely,

Renewable Electricity Development Team