

Ofgem E-Serve response to consultation on our draft 'Renewables Obligation (RO): Guidance for Generators'

On 21 September 2015 Ofgem E-Serve published a draft of the 'RO: Guidance for Generators' for consultation. The guidance was updated to make it more accessible for potential applicants and accredited operators. We published the consultation to seek views from stakeholders on the new version of the guidance – to understand whether we had omitted anything or if we could be clearer in the document.

The consultation period closed on 3 November 2015. We have reviewed all responses and, where appropriate, have updated the guidance document. The final version of the document was published on 1 December 2015 and is [here](#). The document also aligns the guidance with the RO Order 2015 and the changes to the RO (Scotland) Order 2009 (as amended) which came into effect on 1 December 2015. The Northern Ireland Renewables Obligation Order was not amended in December 2015.

The consultation period

We would like to thank all stakeholders who responded to the consultation. We have used your responses to make changes to the final guidance. We received a number of queries that did not require us to change the guidance but for which we have included answers to in Table 1. Table 2 lists the changes we made and explains why we made them.

Table 1 - Our response to queries and suggestions from the consultation

1. For preliminary accreditation, is planning permission required for the generating station only, or to include substations etc?

The Orders require planning permission to be granted for the generating station. While there is not a definition of 'generating station' in the legislation, we generally regard any equipment which contributes to generating electricity as part of the generating station even if that equipment has another purpose. When assessing an application for preliminary accreditation, we would initially seek to establish the boundary of a station. We would then look to what planning permission(s) were in place for the station. Further detail on what constitutes a generating station in sections 2.15 to 2.22.

2. What are the usual industry standards in relation to commissioning a generating station? Where multiple G59 tests are required, do all of them need to be completed before commissioning?

As part of assessing an application for accreditation we must be satisfied that the generating station to which the application relates to has been commissioned. The definition in legislation requires us to take account of the usual industry standard practices for commissioning a station. These will vary according to technology and grid connection, among other things.

In the case of any generating station that is to export its generation to the licensed network, we would be looking for evidence to demonstrate that the relevant network operator is content for such export to take place. We would also be looking for confirmation that the

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station and network operators had completed all the necessary commissioning tests and procedures such that the station can operate commercially. We have recently published an [Essential Guide to Commissioning](#) which applicants may find useful. We will assess each application case by case according to the Order. It is up to the applicant to demonstrate to us that their generating station meets the definition of 'commissioned'.

If prospective applicants are in any doubt over the commissioning status of their generating station, we encourage them to seek their own advice before applying to us.

3. Will the eligibility of a generation station which has received preliminary accreditation be affected by major or material changes which are not related to the eligibility criteria set out in chapter 2 of the guidance?

We grant preliminary accreditation to a generating station under the condition that the applicant tells us about any major or material changes to the station ('major' and 'material' are defined in our [guidance for generators](#)). Upon receipt of any major or material changes, we will revisit whether the generating station still meets the eligibility requirements of the scheme outlined in Chapter 2. We will also take a view as to whether the changes mean that the station can be regarded as the same station as the one in which preliminary accreditation was first granted.

The legislation¹ sets out that we must not grant accreditation if there has been a material change since the preliminary accreditation was made, and that if the preliminary application was made after that change that we would not have granted accreditation. Nor should we grant accreditation if the information/evidence on which we based our decision to grant preliminary accreditation on was incorrect or if we had known the circumstances we would not have granted the preliminary accreditation.

4. Is a station which uses refurbished wind turbines eligible for support under the RO if the wind turbines have previously been used as part of a generating station which has received support under the Feed-in Tariff (FIT) scheme?

There is no direct exclusion of reused or refurbished wind turbines as part of a generating station seeking support under the RO scheme. A key consideration as part of our assessment we will consider whether a generating station has received support under the FIT scheme for generating electricity². When assessing this for an application, we will consider what constitutes a generating station as described in sections 2.14 to 2.22. Although a refurbished turbine would certainly constitute a part of a generating station, it is not of itself a generating station.

5. Is it possible to change the operator of the generating station on the Renewables & CHP register?

Yes. If you do wish to change the operator, please email renewable@ofgem.gov.uk.

6. Can a generating station which has received preliminary accreditation under the FIT scheme receive support under the RO?

Yes. Preliminary accreditation under the FIT scheme does not render a generating station ineligible to apply for accreditation or preliminary accreditation under the RO scheme. We have updated section 2.38 in the guidance to clarify that only once a generating station has received full accreditation under the FIT scheme is it ineligible to receive accreditation to the RO scheme.

¹ Article 89(3) of the ROO 2015

² Article 51(2)(a) of the ROO 2015

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We have also updated section 3.60 to clarify that when the RO Order and our guidance refers to a 'potential FIT generating station' this means a generating station which may have been given support under FIT scheme³. We have a number of checks in place to ensure that no station receives accreditation under both schemes.

7. When electricity generated is not exported to the grid, how can a generator demonstrate that the electricity is being used in a permitted way?

Permitted ways are defined in section 32B(10) of the Electricity Act 1989. Ofgem is not able to provide legal or technical advice. We would always encourage operators or developers to obtain their own independent advice prior to making an application to us so that they are satisfied that:

- any declarations, such as the permitted ways declaration (which are required as part of the application) can be signed, and
- it would be possible to demonstrate that the electricity is being used in a permitted way if required.

8. What is the purpose of providing both the TIC and DNC, and how should these be calculated?

TIC (total installed capacity) and DNC (declared net capacity) are distinct characteristics of a generating station in the Orders, and have separate uses in determining eligibility and eligible renewable electricity output. We believe the legislation and guidance is clear in defining what comprises the TIC and DNC. It is not for us to provide further technical detail on calculation methodologies.

9. Where a generating station has commissioned, should the initial meter reading be taken on the day the application is submitted rather than wait for the confirmation email from Ofgem?

Where generators have already commissioned they should take their initial meter reading on the same day they submit their application. Accordingly we have updated paragraph 4.20 to clarify this. Ofgem will include a reminder to take a meter reading in the confirmation email in case a reading was not taken on the day the application was submitted. 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.

10. What is the process where a generator has applied for preliminary accreditation but this has not been granted by the time the generating station is commissioned and therefore the generator wants to apply for full accreditation?

We ask that generators contact us at renewable@ofgem.gov.uk if this is the case or if you have any questions or concerns about an application that is in progress. We will then advise on how this will be managed. We have added a sentence in paragraph 3.44 to reflect this advice.

11. Why does the draft guidance not include details on the main components of an hydro generating station which was previously provided in paragraph 2.25?

Paragraph 2.25 of the old version of the guidance relates to stations which were commissioned prior to 1 January 1990 and we therefore removed this detail as we do not expect it to be relevant to any new applicants. The older guidance is still available on our

³ Article 89(10) of the ROO 2015

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website for reference.

We cover the current definition of a hydro generating station in paragraphs 2.16 – 2.18 of the updated guidance.

12. In chapter 4 the guidance advises generators to select what they are eligible to claim ROCs on using question F100 as guidance, but the options in F100 don't match. How does a generator know what to select?

We recognise that the options do not align exactly and generators would appreciate more guidance on this. We intend to publish Output Data FAQs shortly. In the meantime, if you are unsure about any aspect of submitting output data, please contact us at renewable@ofgem.gov.uk.

Table 2 - Changes to the guidance

Section of the final guidance document	What has changed?
Throughout	The Renewables Obligation Order (Northern Ireland) has not been amended in December 2015. As such, all references to Northern Ireland Renewables Obligation amendment Order 2015 have been removed.
Associated documents, page 2	The title of the related guidance document 'Renewables Obligation: Sustainability Annual Reporting – Guidance for Operators and Auditors' has been changed to 'Renewables Obligation: Sustainability Reporting' to reflect the new title of the updated version of that guidance.
Figure 1, page 7	The design of the figure has been updated, and the text in the third box has been changed from 'Make the relevant declarations' to 'Read and sign the relevant declarations' to increase clarity.
Table 2, page 13	The table has been moved to sit nearer to the text which refers to it, and the first paragraph in the further information about 'Is the generated electricity within the CHPQA scheme boundary' has been simplified.
Table 3, page 16	Table 3 has been moved to sit closer to the text which refers to it.
Table 3, page 17	The text relating to the eligibility criteria for biomass generating stations in Scotland with a (TIC) > 15MW has been updated to clarify when ROCs cannot be issued.
2.24	A footnote has been added to explain where 'permitted ways' are defined in legislation.
2.37	Text in this paragraph has been changed from 'Once your generating station has been accredited under the chosen scheme, it is not possible to switch' to 'Once your generation station has received full accreditation under the chosen scheme, it is not possible to switch'. This is to clarify that a generating station which has received preliminary accreditation under the FIT scheme can opt for RO support instead.
3.6	A sentence has been added to clarify that a generator account must be set up and approved by Ofgem before an application for accreditation can be submitted.
3.19	A new sentence has been added, asking operators to gather commissioning, TIC and first generation evidence when submitting for full accreditation. This point has been moved from within 3.17 as it is

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	not required at the point an application is submitted to us.
3.23	An addition has been made to this sentence to confirm that commissioning evidence should be provided as part of any supporting evidence emailed to us.
3.26	We have clarified that when we raise queries this may require you to change your answers to some questions (rather than 'will'), and provided an example of the type of information we would query.
3. 27	A sentence has been added to clarify that amendments resulting from queries raised by Ofgem following our review of the application will not usually affect eligibility, though we cannot grant accreditation until we have a full set of accurate information.
3.29	A paragraph has been added to remind operators to check for new declarations after amending an application, and explaining that they must be signed before the application will come back into review with us.
3.35	A sentence has been added to inform readers that amendments of an application for accreditation required as a result of our assessment will not usually result in a change in the effective date of a station's accreditation.
3.44	We have added clarification that eligibility for any grace periods will not be assessed until an application for full accreditation is received. A sentence has been added to advise generators to contact us at renewable@ofgem.gov.uk if they want to convert to full accreditation before we have granted preliminary accreditation.
3.45	The last bullet point on paragraph 3.45 has been added to include the relevant marine license which can be provided as planning consent evidence for offshore generating stations in Scotland.
Footnote 17, page 29	This has been corrected to refer to Article 89 of the ROO and also now refers readers to the relevant RO Closure Orders in relation to the new grace period point addressed in 3.52, see below.
3.52	The last bullet point has been added to state that failure to meet the grace period criteria relating to any relevant closure date may be reason for not automatically granting full accreditation.
3.55	We have added clarification about how to amend details of an existing accreditation.
3.61	The text in the third bullet has been changed from 'if the generating station is a potential Feed-in-Tariff generating station' to 'if the generating station may have received financial support under the FIT scheme' as it was not clear to readers what 'potential' meant. The last bullet point has been added to state that breaching grace period criteria can be a reason for us to refuse to grant accreditation.
4.7	Footnote 28 has been amended to correct the date of electricity generation from which LECs cannot be claimed; the footnote previously stated that ROCs for electricity generated post 1 August 2015 cannot be claimed, and has since been amended to 'electricity generated on or after 1 August 2015'.
4.8	A paragraph has been added to describe the process for submitting output data from offshore wind generating stations where some turbines have not been registered. This has been reinstated from the older version of our guidance.
4.20	We updated section 4.20 to advise generators who have already commissioned by the time they submit their application to submit their initial meter reading on the day they submit their application, rather than the date they receive email confirmation that we have received their application.

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4.26	A sentence has been added 'When submitting data it is important to consider the following'.
4.33	This paragraph has been altered to instruct micro-generators to first contact the RO team by email at renewable@ofgem.gov.uk before amending the register if they wish to change how often ROCs are issued.
4.39	In this paragraph we have clarified that it is the super user who can nominate a third party who can submit data on their behalf.
4.46	In this paragraph we have added that we will inform the generator if we are not to issue ROCs when we do not deem the method for estimating data to be appropriate.
Figure 4, page 43	The figure has been redesigned and includes new boxes to more comprehensively describe certificate statuses.
4.60	A new paragraph has been added to explain how to amend incorrect monthly output data.
5.6	We have added that our checks will ensure the right type of ROC has been issued.
5.8	We have clarified that it is the super user and other approved users of the account who have set up the relevant email notifications will be informed when ROCs are generated.
5.19	The text has been changed to better clarify that there are certain cases where ROCs may be issued for slightly more or slightly less than 20 years.
5.35	5.35 (d) has been amended to make clear that the requirements for biomass or biogas stations do not apply to Northern Ireland
5.41	We have clarified that ROCs can only be revoked if they were issued no more than six years previously.