

## **Ofgem E-Serve response to consultation on the draft ‘Renewables Obligation (RO): Guidance on the closure of the RO to large-scale solar PV’**

On 28 January 2015 Ofgem published a draft of the ‘RO: Guidance on the closure of the RO to large-scale solar PV’ for consultation. We published the guidance in draft form to seek views from stakeholders on our proposed administration of the closure of the RO to large-scale (greater than 5MW) solar PV and the grace periods that are available. The closure affects stations in England, Scotland and Wales.

The consultation period closed on 25 March 2015. We have reviewed all responses and, where appropriate, have updated the guidance document accordingly. The final version of the guidance document was published on 13 April 2015 and is available [here](#). Based on stakeholder feedback we have also published a short Frequently Asked Questions (FAQ) document to support the guidance, which is available at the same link.

### **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 changes to the guidance but which we have provided answers to in Table 1. Table 2 lists the changes that we have made with an explanation of why we have made them.

Several of the responses were in relation to the policy intent behind the closure of the RO to large-scale solar PV. The Department of Energy and Climate Change (DECC) is responsible for setting the policy related to the RO scheme. We, as the administrators of the scheme, cannot provide feedback on policy queries. We have forwarded these responses to DECC for their information.

### **Table 1 - Ofgem response to queries raised during the consultation period**

**1. Can Ofgem provide an early assessment of whether a project is eligible for a grace period before investments are made?**

No. The grace periods are available to protect projects where (i) significant investments had been made before DECC’s consultation was published on 13 May 2014 and was not intended to enable new projects to reach final investment decisions; (ii) where grid connection delays occur that are outside the developer’s control but where the project was expected to commission on or before 31 March 2015; (iii) where preliminary accreditation was obtained by 13 May 2014.

We will assess grace period evidence alongside an application for the RO as the legislation requires. There is no provision for prospective applicants to obtain definitive comfort of being granted a grace

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period before a station is commissioned.

Proving eligibility for a grace period does not guarantee entry to the RO. The station must, on or before 31 March 2016, have applied for accreditation, met all RO eligibility criteria (including for the grace period) and been commissioned. We will assess each application on a case by case basis according to the statutory requirements set out in the RO Order and RO Closure Order.

If prospective applicants are in any doubt as to the eligibility of their projects for a grace period, we encourage them to take their own legal advice before applying to us.

2. I applied for planning permission before 13 May 2014. However, the application was refused and then re-submitted after 13 May 2014 to reflect issues raised by the planning authority. Am I eligible for the significant investment grace period?

Our assessment of the grace period evidence will be a point in time assessment, ie whether the relevant criteria were met as at 13 May 2014. This means that if the correct evidence can be provided for any point in time before 13 May 2014, then it will be accepted. Refer to section 3.8 of the final guidance for further information on 'variations to the required evidence'.

3. How will Ofgem assess whether a planning application that has been submitted on or before 13 May 2014 is valid and complete?

Applicants need to provide evidence to Ofgem that an application for planning permission was made on or before 13 May 2014. The legislation does not require Ofgem to verify that the application was valid and complete. If the relevant planning authority can confirm that the application was made on or before 13 May 2014 then the evidence meets the legislative criteria. We will undertake audits of stations that are granted a grace period. Grace period evidence will be reviewed as part of these audits.

4. When is an application for planning permission 'made'?

The relevant planning authority must confirm when the application for planning permission was made. Typically we would expect this to be when the application was submitted.

5. Does a pre-application for planning permission count as submitting an application for planning permission?

No. The legislation is clear that it is a planning application that must have been made on or before 13 May 2014.

6. Will Ofgem accept grid delays which are not the fault of the distribution network operator (DNO), eg that are the fault of an independent connection provider?

The legislation is clear that a letter or email written by, or on behalf of, the DNO must confirm that, in their opinion, the failure to complete grid works was not due to any breach by a station developer of any agreement with the DNO. Delays due to other reasons are not provided for in the legislation.

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7. Will Ofgem adopt the DNO interpretation of what a mechanically and electrically connected independent site is?

As the administrator of the RO it is our responsibility to assess whether a generating station should be accredited. As part of the assessment we consider whether the station is a single generating station or not by taking a view on the commercial arrangements and physical components that exist. Section 1.6 of the guidance provides further details.

8. Can I have 5MW under the RO and then 5MW under the Feed-in Tariff scheme on the same site?

Applicants would need to assess the requirements of both schemes, using the relevant legislation and guidance. Stations would need to be entirely separate; we have detailed the ways we would we assess separate stations in our guidance. We would assess each application on a case by case basis.

## Table 2 - Changes to the guidance

Section of the final guidance document	What has changed?
Front page	The details for contacting Ofgem have been updated.
Table 1, page 17	The title of the third column has been changed from 'What evidence should you provide?' to 'What evidence <i>could</i> you provide?' to make it clearer this column contains examples of what could be provided. This is to take into account stakeholder feedback that there may be other pieces of evidence that could meet the legislative requirements.
Table 1, page 17	The word 'capacity' has been removed from the box in the second row of the third column as the planning authority may not be able to include the capacity in this piece of evidence.
Table 1, page 18	A footnote (number 19) has been inserted against the reference to 'person' in the middle column of the bottom row of table 1 to confirm that a 'person' could be the director or company secretary of a limited company.
3.10	The final sentence has been removed as stakeholders found the term 'dramatic variances' confusing. Defining this term could create further confusion and so we have the left the remaining text as it is. The key message for applicants here is that the station that is the subject of the accreditation application should be for the same station covered by the grace period evidence. If it is not, a grace period will not be granted.
Table 2, page 20	The title of the third column has been changed from 'What evidence should you provide?' to 'What evidence <i>could</i> you provide?' to make it clearer this column contains examples of what could be provided. This is to take into account stakeholder feedback that there may be other pieces of evidence that could meet the legislative requirements.
Table 2, page 20	The references to the operator of the station, in the second row of the third column, as being the super user of the account on the register has been

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	removed. This is because the operator that entered into the agreement with the network operator may not be the same person that applies for accreditation.
Table 2, 'Date for completion of grid works'	Several consultation respondents queried whether a 'document' could be an email instead of a letter. This is the case, so we have stated this in Table 2.
3.16	The first sentence has been removed as stakeholders found the term 'dramatic variances' confusing. Defining this term could create further confusion and so we have left the remaining text as it is. The key message for applicants here is that the station that is the subject of the accreditation application should be for the same station covered by the grace period evidence. If it is not, then a grace period will not be granted.
3.22	This is a new sentence explaining where to find information on obtaining full accreditation where preliminary accreditation has been granted.
4.1	The end of this section now refers to what a 'complete' application is.
4.8	A new sentence has been added to the end of this section explaining that applicants will receive two receipt emails; one confirming receipt of the accreditation application, and one confirming receipt of the grace period evidence. An application is not considered complete until both the application and grace period evidence has been received by us.
4.9	One respondent queried whether stations could apply for more than one grace period. Some new text has been added stating that we would not expect applicants to apply for more than one grace period because the grace periods relate to different scenarios. This is not to say that it is impossible to apply for both grace periods but, in the vast majority of cases, we would expect stations to fall into one of the three categories.
4.15 – 4.16	The text in these sections has not been changed but they have been given a new heading: 'submitting a complete application' to make this section clearer for applicants.
4.19	The final sentence has been changed to make it clearer that the list of commissioning evidence is the <i>type</i> of evidence we would usually expect to see, rather than an exhaustive list.
Table 3, page 28	The following updates have been made to the 'Commissioning evidence' table based on stakeholder feedback: <ul style="list-style-type: none"> <li>• The titles of the columns have been changed to make it clearer that these are examples of what could be provided rather than an exhaustive list.</li> <li>• 'DC string test results certificates' has been changed to 'DC test result certificates' as not all stations use 'string combiner' boxes and will therefore not have string certificates.</li> <li>• 'Inverter commissioning certificates' has been merged with the 'DC test results certificates' row.</li> </ul>
4.22 and 4.24	These have been updated to clarify that we intend to be in regular contact with applicants via the register, as well as by email and telephone.
4.26	Several stakeholders were concerned that if we have not finished its assessment of an application by 31 March 2016 they would not be eligible.

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	This is the not the case. We have included a sentence clarifying that once accreditation is granted, it is effective from the later of the following dates: the date the application was submitted via the register, or the commissioning date. The time it takes us to assess an application does not impact on a station's effective date.
Appendix 1	The new grace period question, (QC247), which will appear on the register has been included with some help text.