

Robin Hood Energy Limited
Electricity Act 1989
Final Order of the Gas and Electricity Markets Authority ("the Authority")
Made under section 25(1) of the Electricity Act 1989 ("EA89")

To: Robin Hood Energy Limited ("RHE") (company number 08053212) of Loxley House, Station Street, Nottingham, NG2 3NG of an Electricity Supply Licence issued by the Authority under section 6(1)(d) of the EA89

WHEREAS:

- A. RHE is a designated electricity supplier ("supplier") subject to the requirement to discharge its Renewables Obligation ("RO") under the arrangements set out in the Renewables Obligation Order 2015 ("the ROO") and the Renewables Obligation Order (Scotland) 2009 ("the ROS");
- B. Specifically, to meet the RO, article 7 of the ROO and article 5 of the ROS require each supplier to produce to the Authority the number of Renewables Obligation Certificates (ROCs) determined in accordance with the ROO, in respect of each megawatt hour of relevant electricity that it supplies during an obligation period, before 1 September after the obligation period in question. An obligation period is defined in article 2 of the ROO¹ as the period starting on 1 April 2016 and ending on 31 March 2017, or any subsequent period of 12 months ending with the period of 12 months ending on 31st March 2037. Article 7 is subject to articles 67 and 68 of the ROO, and article 5 of the ROS is subject to articles 43 and 44 of the ROS, whereby payments can be made to the Authority as an alternative to production of ROCs;
- C. Under article 67 of the ROO and article 43 of the ROS, payments by a supplier, as an alternative to production of ROCs, are required to be made by no later than 1 September after the obligation period in question;
- D. Under article 68 of the ROO and article 44 of the ROS, where a supplier has failed (in whole or part) to discharge its RO, by production of ROCs or by payments, before 1 September after the obligation period in question there is a further period, ("the late payment period"). This lasts from 1 September to 31 October after that obligation period, and suppliers are able to use it to pay the outstanding sums which correspond to the UK ROCs due under their RO, together with interest on a daily basis at 5% above the Bank of England Base rate (article 68(3) and (4));
- E. Under article 68(6) of the ROO and article 44(6) of the ROS, where a supplier has paid to the Authority the outstanding sums due, together with interest, it will be treated as having discharged its RO for the relevant period;
- F. Under article 68(7) of the ROO and article 44(7) of the ROS, if, by the end of the late payment period, a supplier has not paid to the Authority the outstanding sums due, together with interest, the supplier will not have discharged its RO for the relevant period;

¹ And the equivalent provisions of the ROS

- G. Under these arrangements, a supplier was required to discharge its RO for the obligation period of 1st April 2019 to 31st March 2020 in full, via the acquisition of ROCs and/or via making a payment (or balancing payment, taking into account the value of any ROCs produced) to the Authority;
- H. RHE failed to acquire sufficient ROCs and/or make payments to discharge its RO, for the 2018-2019 obligation period, by 1 September 2020 as required by article 7 and as provided for in article 67 of the ROO and the equivalent provisions of the ROS;
- I. The Authority has engaged with RHE and sought suitable assurances (for example, a bank guarantee, confirmation of undrawn credit facilities, or confirmation of support from a parent company or other investor) that RHE will be in a position to make payment of the outstanding sums and interest as provided for under article 68 of the ROO and the equivalent provisions of the ROS in order to meet its RO within the late payment period in 2020;
- J. RHE has refused or failed to provide the Authority with satisfactory assurances that it will be able to make the necessary payment(s) within the late payment period as applicable;
- K. RHE has also refused or failed to make its annual FITS levelisation payment by the due date of 21 September 2020 or at all;
- L. The ROO was made by the Secretary of State (and the ROS by the Scottish Ministers), inter alia, in exercise of the powers conferred by sections 32 to 32K, 32LA and 32M of EA89, which, pursuant to section 25 of and Schedule 6A to EA89, are provisions imposing obligations enforceable as “relevant requirements” by the Authority;
- M. The FITS levelisation payments are provided for under SLC 33 which is a “relevant condition” for the purposes of section 25 of EA89; and,
- N. The Authority is satisfied;
 - a. that RHE is likely to contravene the ROO and ROS, by failing to produce ROCs to the Authority, or to make payments as an alternative of £12,057,879.42 (plus accrued interest) by 31 October 2020, sufficient to discharge its RO, which is an obligation enforceable by the Authority as a relevant requirement for the purposes of section 25 of EA89;
 - b. that RHE is contravening SLC 33 by failing to make its FITS levelisation payment by 21 September 2020; and
 - c. that the inclusion of an obligation upon RHE within a Final Order, made under section 25(1) EA89, to compel payment to the Authority of the outstanding monies including interest accrued within the late payment period (that is, by 31 October 2020), and the FITS levelisation payment forthwith, is requisite for the purpose of securing RHE’s compliance with those relevant conditions and requirements.

NOW THEREFORE: The Authority, pursuant to section 25(1) of the EA89 makes a Final Order requiring RHE to:

- 1) make a payment to the Authority in full settlement of its RO, for the obligation period of 1 April 2019 to 31 March 2020, in the sum of £12,057,879.42 plus accrued interest² by no later than 31 October 2020;

² The amount of interest due will depend on the exact date of the payment – this may be confirmed with the Authority’s Renewable Energy Compliance Team if required

- 2) make a payment to the Authority in settlement of its FITS levelisation obligation in the sum of £33,945.51 forthwith and
- 3) notify the Authority by email to susan.paget@ofgem.gov.uk and megan.pickard@ofgem.gov.uk of such payment(s) immediately after it they have been made.

Dated: 28 October 2020

Signed for and on behalf of Megan Forbes as Chair of the Enforcement Decision Panel

Name: Jennifer Todd

Job Title: Senior Governance and Secretariat Manager

MEGAN FORBES
PETER HINCHLIFFE
PHILIP MARSDEN
Enforcement Decision Panel