

# Research RES LEGAL – Promotion system

Country: UK

## 1. Summary of support system

<p><b>Overview of support system</b></p>	<p>In the United Kingdom, the generation of electricity from renewable sources is regulated through a combination of a feed-in tariff system and a quota system in terms of a quota obligation and a certificate system.</p> <p>Under the feed-in tariff, accredited producers whose systems have a capacity of less than 5 MW can sell their electricity at fixed tariff rates established by the Gas and Electricity Market Authority (Ofgem).</p> <p>Under the quota system, electricity suppliers of more than 5 MW are obliged under the Renewables Obligation Orders to supply a certain proportion of electricity from renewable sources ("quota") to their customers. A supplier's quota is deemed satisfied if he presents a certain number of green certificates.</p> <p>Furthermore, in the United Kingdom commercial and industrial users of traditional energy sources are subject to a Climate Change Levy (CCL), a tax on the consumption of fossil energy.</p>
<p><b>Means of support</b></p>	<ul style="list-style-type: none"> <li>• <b>Feed-in tariff.</b> In Great Britain, eligible renewable energy systems with a capacity of up to 5MW must generally undergo an accreditation process, which may differ according to system size and energy source. Once this process is completed and the system has resulted accredited, the electricity exported to the grid by the system is bought by a FIT licensee, i.e. an electricity supplier, at rates fixed by the FTO 2010 and corrected yearly by the the Gas and Electricity Markets Authority. This system only applies in Great Britain, i.e. Scotland, England and Wales. The Orders are not applicable in Northern Ireland. However, as confirmed by Ofgem, plants between 50 kW and 5 MW are entitled to choose between the above-mentioned system and the Renewables Obligation (Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010).</li> <li>• <b>Quota system.</b> In the United Kingdom, electricity generated from renewable sources is also promoted through a quota system in terms of a quota obligation and a certificate system. The Renewables Obligation Orders (ROO 2009, ROO SCO 2009, ROO NI 2009) impose on electricity suppliers the obligation to prove that a certain proportion of electricity supplied was generated from renewable sources (art. 5 ROO 2009). To this end, they shall present Renewables Obligation Certificates (ROCs, SROCs in Scotland, NIROCs in Northern Ireland) to the regulatory authority Ofgem (in charge of England, Scotland and Wales and receiving NIROCs on behalf of NIAUR, the regulatory authority of Northern Ireland). The quota system supports plants above 5 MW, although plants between 50 kW and 5 MW are also entitled to choose between the fixed-rate system and the Renewables Obligation (Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010).</li> <li>• <b>Tax regulation mechanisms.</b> In the United Kingdom, electricity generated from renewable sources is eligible for tax relief. The Climate Change Levy, which was introduced by the Finance Act 2000, applies to the consumption of electricity from traditional sources only (sec. 30 in connection with schedule VI, § 19 (1) FA 2000).</li> </ul>
<p><b>Technologies</b></p>	<p>All technologies used in the generation of electricity from renewable sources are eligible.</p>

<b>Statutory provisions</b>	<ul style="list-style-type: none"><li>• FTO 2010 (The Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010, No. 678)</li><li>• EA 1989 (The Electricity Act 1989, c.29)</li><li>• ROO 2009 (The Renewables Obligation Order 2009, No. 785)</li><li>• ROO SCO 2009 (The Renewables Obligation (Scotland) Order 2009, No. 140)</li><li>• ROO NI 2009 (The Renewables Obligation (Northern Ireland) Order 2009, No. 154)</li><li>• FA 2000 (The Finance Act 2000, c.17)</li><li>• CCL GenReg 2001 (Climate Change Levy (General) Regulations 2001, No 838)</li><li>• UA 2000 (The Utilities Act 2000, c.27)</li><li>• EnA 2008 (The Energy Act 2008, c. 32)</li></ul>
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## 2. Basic information on legal sources

<b>Name of legal source (original language)</b>	The Electricity Act 1989, c.29	The Renewables Obligation Order 2009, No. 785	The Renewables Obligation (Scotland) Order 2009, No. 140
<b>Full name</b>			
<b>Name (English)</b>			
<b>Abbreviated form</b>	EA 1989	ROO 2009	ROO SCO 2009
<b>Entry into force</b>	27.07.1989	01.04.2009	01.04.2009
<b>Last amended on</b>	22.04.2011	01.04.2011	01.04.2011
<b>Future amendments</b>			
<b>Purpose</b>	The act opens the electricity and gas markets in Great Britain.	Protecting the climate by increasing the proportion of renewable energy in total energy supply to 15% by 2020.	This Order applies to the territory of Scotland. It aims at protecting the climate by increasing the proportion of electricity from renewable sources in the UK's total electricity supply to 15% by 2020.
<b>Relevance for renewable energy</b>	Sections 32, 32 A-M of the Act authorise the issuing of the Renewables Obligation Orders and thus the introduction of the quota obligation and the certificate system. Furthermore, the Act includes general provisions on the access of electricity to the grid.	The Order aims at promoting renewable energy sources in England and Wales.	The Order aims at promoting renewable energy sources within the territory of Scotland.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legislation.gov.uk/ukpga/1989/29/contents">http://www.legislation.gov.uk/ukpga/1989/29/contents</a>	<a href="http://www.legislation.gov.uk/uksi/2009/785/contents/made">http://www.legislation.gov.uk/uksi/2009/785/contents/made</a>	<a href="http://www.legislation.gov.uk/ssi/2009/140/contents/made">http://www.legislation.gov.uk/ssi/2009/140/contents/made</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>	The Renewables Obligation (Northern Ireland) Order 2009, No. 154	The Finance Act 2000, c.17	Climate Change Levy (General) Regulations 2001, No 838
<b>Full name</b>			
<b>Name (English)</b>			
<b>Abbreviated form</b>	ROO NI 2009	FA 2000	CCL GenReg 2001
<b>Entry into force</b>	01.04.2009	21.03.2000	01.04.2001
<b>Last amended on</b>	01.04.2011	22.04.2011	29.04.2011
<b>Future amendments</b>		A new version of the Finance Act (FA) including amendments and complementary provisions is approved every year. The version currently in force is FA 2010, which applies to the fiscal year of 2010/2011.	
<b>Purpose</b>	This Order applies to the territory of Northern Ireland. It aims at protecting the climate by increasing the proportion of electricity from renewable sources in the UK's total electricity supply to 15% by 2020.	First and foremost, the Act aims at regulating state revenue and reducing national debt.	The CCL GenReg 2001 finalises the rules established by the FA 2000 on the CCL.
<b>Relevance for renewable energy</b>	The Order aims at promoting renewable energy sources within the territory of Northern Ireland.	The FA 2000 introduced the Climate Change Levy (CCL) for the very first time (section 30 FA 2000 in connection with schedule VI FA 2000 in connection with part IV of the CCL GenReg 2001). It provides fiscal benefits for the use of electricity from renewable sources. Among other things, the FA 2010 set the amount of CCL for the period after 1 April 2011.	The Regulation establishes detailed regulations on the Climate Change Levy (CCL). Part IV of the CCL GenReg 2001 lays down the exemption of electricity from renewable sources from the levy.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.legislation.gov.uk/nisr/2009/154/contents/made">http://www.legislation.gov.uk/nisr/2009/154/contents/made</a>	<a href="http://www.legislation.gov.uk/ukpga/2000/17/contents">http://www.legislation.gov.uk/ukpga/2000/17/contents</a>	<a href="http://www.legislation.gov.uk/uksi/2001/838/contents/made">http://www.legislation.gov.uk/uksi/2001/838/contents/made</a>

<b>Link to full text of legal source (English)</b>			
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<b>Name of legal source (original language)</b>	The Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010, No. 678	The Utilities Act, c.27	The Energy Act 2008, c. 32
<b>Full name</b>			
<b>Name (English)</b>			
<b>Abbreviated form</b>	FTO 2010	UA 2000	EnA 2008
<b>Entry into force</b>	01.04.2010	28.07.2000	26.11.2008
<b>Last amended on</b>	18.10.2011	22.04.2011	05.09.2011
<b>Future amendments</b>	The review of the FiT scheme will be completed by the end of 2011.		
<b>Purpose</b>	To encourage the deployment of small-scale low-carbon electricity generation systems.	This Act established the regulatory authorities for gas and electricity in the United Kingdom and defined their functions. Furthermore, the gas and electricity consumer council was created.	The EnA 2008 regulates fundamental issues related to energy supply in Great Britain.
<b>Relevance for renewable energy</b>	To incentivise investments and thus develop micro renewable electricity generation, i.e. systems with a capacity of less than 5 MW. The FTO 2010 opens the possibility for such systems to rely on a dedicated support scheme.	Sections 62-67 replaced section 32 of the Electricity Act 1989 with sections 32, 32 A-C. This amendment is the legal basis which authorises the introduction of the quota and certificate systems.	Section 37 of the EnA 2008 fundamentally amend the rules and regulations of the EA 1989. The amendments to sections 32 to 32C of the EA 1989 are especially important, as these sections are the legal basis for the quota and certificate systems. Section 41 introduces the feed-in tariff system.

<b>Link to full text of legal source (original language)</b>	<a href="http://www.legislation.gov.uk/uksi/2010/678/contents/made">http://www.legislation.gov.uk/uksi/2010/678/contents/made</a>	<a href="http://www.legislation.gov.uk/ukpga/2000/27/resources">http://www.legislation.gov.uk/ukpga/2000/27/resources</a>	<a href="http://www.legislation.gov.uk/ukpga/2008/32">http://www.legislation.gov.uk/ukpga/2008/32</a>
<b>Link to full text of legal source (English)</b>			

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
<b>Department of Energy and Climate Change (DECC)</b>	<a href="http://www.decc.gov.uk/">http://www.decc.gov.uk/</a>		+44 300 060 4000	
<b>Office of Gas and Electricity Markets (Ofgem) – regulatory authority</b>	<a href="http://www.ofgem.gov.uk/">http://www.ofgem.gov.uk/</a>		+44 207 901 72 95	
<b>Department for Environment Food and Rural Affairs (Defra)</b>	<a href="http://www.defra.gov.uk/">http://www.defra.gov.uk/</a>		+44 207 082 81 71	
<b>HM Revenue and Customs (HMRC) – national tax and customs authority</b>	<a href="http://www.hmrc.gov.uk/index.htm">http://www.hmrc.gov.uk/index.htm</a>			
<b>Department for Business, Innovation and Skills</b>	<a href="http://www.bis.gov.uk/">http://www.bis.gov.uk/</a>		+44 207 215 50 00	
<b>NIAUR – Northern Ireland Regulator</b>	<a href="http://www.niaur.gov.uk/">http://www.niaur.gov.uk/</a>		+44 (0) 28 9031 1575	

## Means of support

### 4.1. Feed-in tariff

<b>Abbreviated form of legal source(s)</b>	The Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010, No. 678	
<b>Country-specific support system</b>	<p>The feed-in tariff system in Great Britain came into effect in 2010 and aims to support small-scale RES-E systems (less than 5 MW, however systems between 50 kW and 5 MW located in Great Britain are entitled to choose between this system and the Renewables Obligation – Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010). Systems from eligible sources must undergo an accreditation process, which may differ according to system size and energy source. Once this process is completed and a system has resulted accredited, the electricity exported to the grid by the system is bought by a FiT licensee, i.e. an electricity supplier, at the rates fixed by the FTO 2010 and corrected yearly by the the Gas and Electricity Markets Authority.</p> <p>The FTO 2010 applies only to Great Britain, i.e. England, Wales and Scotland. The Order does not apply to Northern Ireland.</p>	
<b>Promoted technologies</b>	<b>General information</b>	All installations using promoted technologies (wind energy, solar PV energy, biogas, hydro-energy) are eligible as long as their specified maximum capacity does not exceed 5MW (Art. 3 FTO 2010). Systems between 50 kW and 5 MW are entitled to choose between the fixed-rate system and the Renewables Obligation (Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010).
	<b>Wind energy</b>	Eligible (Arts. 2 (3), 3 FTO 2010). In order to be accredited, installations of less than 50 kW shall take part in the Microgeneration Certification Scheme, an independent scheme that certifies microgeneration products of less than 50 kW and installers in accordance with consistent standards. Alternatively, installations between 50 kW and 5 MW shall complete a process for accreditation based on the existing ROO process (thus called ROO-FiT Process) (Arts. 5-7 FTO 2010).
	<b>Solar energy</b>	Eligible (PV Systems). In order to be accredited, installations of less than 50 kW shall take part in the Microgeneration Certification Scheme, an independent scheme that certifies microgeneration products of less than 50 kW and installers in accordance with consistent standards. Alternatively, installations between 50 kW and 5 MW shall complete a process for accreditation based on the existing ROO process (thus called ROO-FiT Process) (Arts. 5-7 FTO 2010).
	<b>Geothermal energy</b>	Not Eligible.
	<b>Biogas</b>	Eligible (Arts. 2 (3), 3 FTO 2010). Systems shall be accredited under the ROO-FiT process, a process for accreditation based on the existing ROO process (Arts. 5-7 FTO 2010).
	<b>Hydro-electricity</b>	Eligible (Arts. 2 (3), 3 FTO 2010). In order to be accredited, installations under 50 kW shall be commissioned after 31 March 2012 and take part in the Microgeneration Certification Scheme, an independent scheme that certifies microgeneration products of less than 50 kW and installers in accordance with consistent standards. Alternatively, installations between 50 kW and 5 MW should shall complete a process for accreditation based on the existing ROO process (thus called ROO-FiT Process) (Arts. 5-7 FTO 2010).
	<b>Biomass</b>	Not Eligible.
<b>Amount</b>	<b>General information</b>	An inflation-indexed payment rate table is published every year prior to 31 March by the Gas and Electricity Markets Authority (Art. 13 FTO).
	<b>Wind energy</b>	Payment rates (Payment rate table of 1 August 2011 in connection with art. 13 FTO).

		GBP/kWh	2011/2012	
		≤ 1.5kW	0.362	
		1.5 - 15 kW	0.28	
		15kW - 100kW	0.253	
		100kW - 500kW	0.197	
		500kW - 1.5MW	0.099	
		> 1.5MW	0.047	
	<b>Solar energy</b>	Payment rates (Payment rate table of 1 August 2011 in connection with art. 13 FTO).		
		GBP/kWh	2011/2012	
		4kW on new buildings	0	378
		4kW. Retrofit	0.433	
		4kW - 10kW	0.378	
		10kW - 50kW	0.329	
		50 kW - 100kW	0.19	
		100kW - 150kW	0.19	
		150kW - 250kW	0.15	
		> 250kW	0.085	
		Stand-alone	0.085	
	<b>Geothermal energy</b>			
	<b>Biogas</b>	Payment rates (Payment rate table of 1 August 2011 in connection with art. 13 FTO).		
		GBP/kWh	2011/2012	
		< 250kW	0.14	
		250kW - 500kW	0.13	
		> 500kW	0.094	
	<b>Hydro-electricity</b>	Payment rates (Payment rate table of 1 August 2011 in connection with art. 13 FTO).		
		GBP/kWh	2011/2012	
		≤ 15kW	0.209	
		15kW - 100kW	0.187	

		100kW - 2MW	0.115	
		> 2MW	0.047	
	<b>Biomass</b>			
<b>Degression</b>	<b>General information</b>	An inflation-indexed payment rate table is published every year prior to 31 March by the Gas and Electricity Markets Authority in cooperation with the Secretary of State (Art. 13 FTO).		
	<b>Wind energy</b>			
	<b>Solar energy</b>			
	<b>Geothermal energy</b>			
	<b>Biogas</b>			
	<b>Hydro-electricity</b>			
	<b>Biomass</b>			
<b>Cap</b>	The FIT Scheme does not specify a cap.			
<b>Eligibility period</b>	The tariffs are guaranteed for 20 years, except the tariff for PV, which is guaranteed for 25 years.			
<b>Addressees</b>	<p><b>Entitled party.</b> All accredited eligible installations (Arts. 5-7 FTO).</p> <p><b>Obligated party.</b> All FIT licensees, i.e. either electricity suppliers that provide electricity, alone or with their affiliates, to more than 50.000 households and are thus required to participate in the FIT Scheme, or smaller supply companies that decide to participate in the scheme on a voluntary basis (Modifications to Conditions 33 and 34 of the Standard Licence Conditions in connection with Arts. 5-7 FTO).</p>			
<b>Procedure</b>	<b>Procedure</b>	In practice, after installing a system of 50 kW or less, the owner is obliged to inform the energy supplier of his choice. The supplier will then include the installation in the Central FIT register. The owners of systems of more than 50 kW shall direct their applications to the Gas and Electricity Markets Authority (Ofgem).		
	<b>Competent authority</b>	The Gas and Electricity Markets Authority (Ofgem) (Art. 2 FTO).		
<b>Flexibility Mechanism</b>				
<b>Funding</b>	<b>State</b>			
	<b>Consumers</b>	The FIT payments, borne by the licensees (Modifications to the standard conditions of electricity supply licences in connection with Arts. 5-7 FTO), are usually included in the final consumers' energy bills.		
	<b>Grid operator</b>			

	<b>System operator</b>	
	<b>Distribution mechanism</b>	The Authority carries out a process of levelisation to make sure that the costs of participating in the FIT Scheme are proportionate for each licensee. Every licensee makes a certain payment to a levelisation fund which is then redistributed by the Authority to the different licensees (Arts. 22-35 FTO). The actual FIT payments are not accounted for in this system (Art. 25 (3)(c) FTO).

4.3. **Quota system** (Renewables Obligation Order)

<p><b>Abbreviated form of legal source(s)</b></p>	<ul style="list-style-type: none"> <li>• The Renewables Obligation Order 2009, No. 785 (ROO 2009)</li> <li>• The Renewables Obligation (Scotland) Order 2009, No. 140 (ROO SCO 2009)</li> <li>• The Renewables Obligation (Northern Ireland) Order 2009, No. 154 (ROO NI 2009)</li> <li>• The Electricity Act 1989, c. 29 (EA 1989)</li> <li>• The Utilities Act, c. 27 (UA 2000)</li> <li>• The Energy Act 2004, c. 20 (EnA 2004)</li> </ul>	
<p><b>Country-specific support system</b></p>	<p>Under the Renewables Obligation Orders, electricity suppliers are obliged to prove that a certain percentage of electricity supplied to final consumers within the United Kingdom was generated from renewable sources (art. 5 ROO 2009). To this end, they shall present Renewables Obligation Certificates (ROCs, SROCs in Scotland, NIROCs in Northern Ireland) to the regulatory authority Ofgem (in charge of England, Scotland and Wales and receiving NIROCs on behalf of NIAUR, the regulatory authority of Northern Ireland). Hereinafter all information will refer to ROO 2009, as the wording and content of the rules and regulations of ROO SCO and ROO NI are broadly the same. Important differences in the ROO SCO for Scotland and the ROO NI for Northern Ireland will be pointed out explicitly.</p> <p>This framework supports systems or plants above 5 MW. Systems or plants between 50 kW and 5 MW located in Great Britain (England, Wales and Scotland) are entitled to choose between the ROC scheme and the FIT (Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010).</p>	
<p><b>Promoted technologies</b></p>	<p><b>General information</b></p>	<p>In the United Kingdom, all renewable electricity generation technologies are eligible under the Renewables Obligation Orders (Art.14 ROO 2009). Systems eligible for the Feed-in Tariff Scheme are not eligible for ROCs (Art. 17B ROO 2009). The ROC scheme supports systems above 5 MW. Systems between 50 kW and 5 MW located in Great Britain (England, Wales and Scotland) are entitled to choose between the ROC scheme and the FIT (Artt. 17B, 17D ROO 2009 in connection with Art. 3 FTO 2010).</p>
	<p><b>Wind energy</b></p>	<p>Both onshore and offshore wind energy stations are eligible with the following exception:</p> <ul style="list-style-type: none"> <li>• Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</li> <li>• Offshore wind turbines cease to be eligible for ROCs after 20 years from their accreditation date or on 31st March 2037 (whichever is the earlier) (Art. 17AA ROO 2009)</li> </ul>
	<p><b>Solar energy</b></p>	<p>Eligible with the following exception:</p> <ul style="list-style-type: none"> <li>• Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</li> </ul>
	<p><b>Geothermal energy</b></p>	<p>Eligible with the following exception:</p> <ul style="list-style-type: none"> <li>• Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</li> </ul>
	<p><b>Biogas</b></p>	<p>Plants generating electricity from landfill and sewage gas are eligible with the following exception:</p>

		<ul style="list-style-type: none"> <li>Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</li> </ul>																				
	<b>Hydro-electricity</b>	<p>Eligible with the following exceptions:</p> <ul style="list-style-type: none"> <li>Large systems (&gt;20MW) that were commissioned before 1 April 2002 (Art.17 (4) ROO 2009);</li> <li>Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</li> </ul>																				
	<b>Biomass</b>	<p>Eligibility of systems that generate electricity from biomass (source: Department for Energy and Climate Change):</p> <table border="1"> <thead> <tr> <th>Type of waste / Type of generating station</th> <th>Mixed waste</th> <th>Waste that is purely biomass</th> <th>Energy crops, agricultural waste and forestry material</th> </tr> </thead> <tbody> <tr> <td><b>Incineration</b></td> <td>Ineligible</td> <td>Eligible*</td> <td>Eligible*</td> </tr> <tr> <td><b>Pyrolysis, gasification and anaerobic digestion</b></td> <td>Eligible for the biomass fraction of waste</td> <td>Eligible*</td> <td>Eligible*</td> </tr> <tr> <td><b>Combined heat and power (CHP)</b></td> <td>Eligible for the biomass fraction of waste produced as good quality CHP</td> <td>Eligible*</td> <td>Eligible*</td> </tr> <tr> <td><b>Co-firing</b></td> <td>Ineligible</td> <td>Eligible* (There are no restrictions on the amount of co-firing a generator can undertake. However, suppliers can only meet 12.5% of their obligation from co-fired ROCs.)</td> <td>Eligible*</td> </tr> </tbody> </table>	Type of waste / Type of generating station	Mixed waste	Waste that is purely biomass	Energy crops, agricultural waste and forestry material	<b>Incineration</b>	Ineligible	Eligible*	Eligible*	<b>Pyrolysis, gasification and anaerobic digestion</b>	Eligible for the biomass fraction of waste	Eligible*	Eligible*	<b>Combined heat and power (CHP)</b>	Eligible for the biomass fraction of waste produced as good quality CHP	Eligible*	Eligible*	<b>Co-firing</b>	Ineligible	Eligible* (There are no restrictions on the amount of co-firing a generator can undertake. However, suppliers can only meet 12.5% of their obligation from co-fired ROCs.)	Eligible*
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<b>Co-firing</b>	Ineligible	Eligible* (There are no restrictions on the amount of co-firing a generator can undertake. However, suppliers can only meet 12.5% of their obligation from co-fired ROCs.)	Eligible*																			

		<p>* The proportion of fossil fuels shall not exceed 10% (Arts. 3 and 4 ROO 2009).</p> <p>Systems that were commissioned prior to 01/01/1990 and have not been substantially renewed since 31/12/1989 are ineligible (Art.18 ROO 2009).</p>																																				
<b>Amount</b>	<b>Amount of quota and period of application</b>	<p><b>Amount of quota.</b> The amount of quota does not account for the initial costs of different technologies.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Obligation period</th> <th style="text-align: center;">Number of ROCs / MWh of electricity supplied in Great Britain</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 April 2009 – 31 March 2010</td> <td style="text-align: center;">0.097</td> </tr> <tr> <td style="text-align: center;">1 April 2010 – 31 March 2011</td> <td style="text-align: center;">0.104</td> </tr> <tr> <td style="text-align: center;">1 April 2011 – 31 March 2012</td> <td style="text-align: center;">0.114</td> </tr> <tr> <td style="text-align: center;">1 April 2012 – 31 March 2013</td> <td style="text-align: center;">0.124</td> </tr> <tr> <td style="text-align: center;">1 April 2013 – 31 March 2014</td> <td style="text-align: center;">0.134</td> </tr> <tr> <td style="text-align: center;">1 April 2014 – 31 March 2015</td> <td style="text-align: center;">0.144</td> </tr> <tr> <td style="text-align: center;">1 April 2015 – 31 March 2016</td> <td style="text-align: center;">0.154</td> </tr> <tr> <td style="text-align: center;">Any further 12-month obligation period until 31 March 2037</td> <td style="text-align: center;">0.154</td> </tr> </tbody> </table> <p>(Schedule 1 ROO 2009)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Obligation period</th> <th style="text-align: center;">Number of ROCs / MWh of electricity supplied in Northern Ireland</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 April 2009 – 31 March 2010</td> <td style="text-align: center;">0.035</td> </tr> <tr> <td style="text-align: center;">1 April 2010 – 31 March 2011</td> <td style="text-align: center;">0.040</td> </tr> <tr> <td style="text-align: center;">1 April 2011 – 31 March 2012</td> <td style="text-align: center;">0.050</td> </tr> <tr> <td style="text-align: center;">1 April 2012 – 31 March 2013</td> <td style="text-align: center;">0.063</td> </tr> <tr> <td style="text-align: center;">1 April 2013 – 31 March 2014</td> <td style="text-align: center;">0.063</td> </tr> <tr> <td style="text-align: center;">1 April 2014 – 31 March 2015</td> <td style="text-align: center;">0.063</td> </tr> <tr> <td style="text-align: center;">1 April 2015 – 31 March 2016</td> <td style="text-align: center;">0.063</td> </tr> <tr> <td style="text-align: center;">Any further 12-month obligation period until 31 March 2037</td> <td style="text-align: center;">0.063</td> </tr> </tbody> </table> <p>(Schedule 1 ROO 2009)</p>	Obligation period	Number of ROCs / MWh of electricity supplied in Great Britain	1 April 2009 – 31 March 2010	0.097	1 April 2010 – 31 March 2011	0.104	1 April 2011 – 31 March 2012	0.114	1 April 2012 – 31 March 2013	0.124	1 April 2013 – 31 March 2014	0.134	1 April 2014 – 31 March 2015	0.144	1 April 2015 – 31 March 2016	0.154	Any further 12-month obligation period until 31 March 2037	0.154	Obligation period	Number of ROCs / MWh of electricity supplied in Northern Ireland	1 April 2009 – 31 March 2010	0.035	1 April 2010 – 31 March 2011	0.040	1 April 2011 – 31 March 2012	0.050	1 April 2012 – 31 March 2013	0.063	1 April 2013 – 31 March 2014	0.063	1 April 2014 – 31 March 2015	0.063	1 April 2015 – 31 March 2016	0.063	Any further 12-month obligation period until 31 March 2037	0.063
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<b>Number of certificates according to technology</b>	<b>England, Wales and Scotland</b>																																					

<b>Generation type</b>	<b>Amount of electricity to be stated in a renewables obligation certificate</b>	
Electricity generated from landfill gas <sup>1,2</sup>	4 MWh	
Electricity generated from sewage gas <sup>1,2</sup>	2 MWh	
Co-firing of biomass		
Onshore wind	1 MWh	
Hydro-electric		
Co-firing of energy crops		
Energy from waste with CHP		
Geopressure		
Co-firing of biomass with CHP		
Standard gasification		
Standard pyrolysis		
Offshore wind <sup>1</sup>		2/3 MWh
Dedicated biomass		
Co-firing of energy crops with CHP		
Wave <sup>1</sup>	1/2 MWh	
Tidal-stream		
Advanced gasification		
Advanced pyrolysis		
Electricity generated by gas formed by the anaerobic digestion of material that is neither landfill material nor sewage		
Dedicated energy crops		
Dedicated biomass with CHP		
Dedicated energy crops with CHP		
Solar photovoltaic*		
Geothermal		
Tidal impoundment – tidal barrage		
Tidal impoundment – tidal lagoon		
Enhanced tidal stream		1/3 MWh (ROO SCO 2009)
Enhanced wave		1/5 MWh (ROO SCO 2009)

(Schedule 2 Part 2 ROO 2009)

<sup>1</sup> If the station was accredited on 11th July 2006 at the latest with no interruptions of accreditation to date and is neither a co-firing station nor a microgenerator that has had a declared capacity of more than 50kW at any time after 31 March 2009, the amount of electricity to be stated in a renewable obligation certificate is 1 MWh (Art. 30)

(3) ROO 2009).

<sup>2</sup> For electricity generated using additional capacity which was operational before 1 April 2011, the amount of electricity to be stated in a renewable obligation certificate is 1 MWh (Art. 30 (5) ROO 2009). Power stations accredited as at 31 March 2009, with no interruptions to date, which are neither co-firing stations nor microgenerators that have had a declared capacity of more than 50kW after 31 March 2009, and whose installed capacity is greater than it was on 31st March 2011, are to state 1 MWh in a renewable obligation certificate as regards the electricity generated using the original capacity of the power station. This principle applies where the electricity generated using the original capacity is measured separately from the one generated using additional capacity. In any other case, the ROC scheme applies to the percentage of electricity which was generated using the station's original capacity (Art. 31 (4) ROO 2009).

**Northern Ireland**

<b><i>Generation type</i></b>	<b><i>Amount of electricity to be stated in a renewables obligation certificate</i></b>
Electricity generated from sewage gas <sup>1,2</sup>	2 MWh
Co-firing of biomass	
Onshore wind	1 MWh
Hydro-electric	
Electricity generated from landfill gas	
Co-firing of energy crops	
Energy from waste with CHP	
Geopressure	
Co-firing of biomass with CHP	
Standard gasification	
Standard pyrolysis	
Offshore wind <sup>1</sup>	
Dedicated biomass	
Co-firing of energy crops with CHP	
Wave <sup>1</sup>	1/2 MWh
Tidal-stream	
Advanced gasification	
Advanced pyrolysis	
Electricity generated by gas formed by the anaerobic digestion of material that is	

		neither landfill material nor sewage Dedicated energy crops Dedicated biomass with CHP Dedicated energy crops with CHP Solar photovoltaic <sup>1</sup> Geothermal Tidal impoundment – tidal barrage Tidal impoundment – tidal lagoon Qualifying new hydro stations <sup>3</sup> Qualifying new hydro stations <sup>3</sup>	
		Qualifying new anaerobic digestion stations <sup>4</sup>	1/3 MWh
		Qualifying new onshore wind stations <sup>5</sup> Qualifying new hydro stations <sup>3</sup> Qualifying new anaerobic digestion stations <sup>4</sup>	1/4 MWh
		Qualifying new solar photovoltaic stations <sup>6</sup>	
(Schedule 2 Part 2 ROO NI 2009)			
<sup>1</sup> If the station was accredited on 11th July 2006 at the latest with no interruptions of accreditation to date and is neither a co-firing station nor a microgenerator that has had a declared capacity of more than 50kW at any time after 31 March 2009, the amount of electricity to be stated in a renewable obligation certificate is 1 MWh (Art. 28 (3) ROO NI 2009).			
<sup>2</sup> For electricity generated using additional capacity which was operational before 1 April 2011, the amount of electricity to be stated in a renewable obligation certificate is 1 MWh (Art. 28 (5) ROO NI 2009). Power stations accredited as at 31 March 2009 with no interruptions to date, which are neither co-firing stations nor microgenerators that have had a declared capacity of more than 50kW at any time after 31 March 2009, and whose installed capacity is greater than it was on 31st March 2011, are to state 1 MWh in a renewable obligation certificate as regards the electricity generated using the original capacity of the power station. This principle applies where the electricity generated using the original capacity is measured separately from the one generated using additional capacity. In any other case, the ROC-scheme applies to the percentage of electricity generated using the station's original capacity (Art. 29 (4) ROO NI 2009).			
<sup>3</sup> "Qualifying new hydro station" means a hydro generating station which— (a) was first accredited after 31st March 2010, and			

		<p>(b) was not had a total declared net capacity in excess of 1 megawatt at any time after 31st March 2011 (Art. 27 (3) ROO NI 2009).  The amount of electricity to be stated in each NIROC in relation to a qualifying new hydro station which:</p> <ul style="list-style-type: none"> <li>- has not had a declared net capacity in excess of 20 kilowatts at any time after 31st March 2010, ¼ megawatt hour;</li> <li>- has had a declared net capacity in excess of 20 kilowatts but not in excess 250 kilowatts at any time after 31st March 2010, ⅓ megawatt hour;</li> <li>- has had a declared net capacity in excess of 250 kilowatts at any time after 31st March 2010, ½ megawatt hour (Art. 27B ROO NI 2009).</li> </ul> <p><sup>4</sup> “Qualifying new anaerobic digestion”, means a generating station which—</p> <ul style="list-style-type: none"> <li>(a) generates electricity from gas formed by the anaerobic digestion of material which is neither sewage nor material in a landfill.</li> <li>(b) was first accredited on or after 1st April 2011, and</li> <li>(c) has not had a declared net capacity in excess of 5 megawatts at any time on or after 1st April 2011 (Art. 27 (3) ROO NI 2009).</li> </ul> <p>The amount of electricity to be stated in each NIROC which is issued in relation to a qualifying new anaerobic digestion station which:</p> <ul style="list-style-type: none"> <li>- has not had a declared net capacity in excess of 500 kilowatts at any time on or after 26th April 2010, ¼ megawatt hour;</li> <li>- has had a declared net capacity in excess of 500 kilowatts at any time on or after 26th April 2010, ⅓ megawatt hour (Art. 27C ROO NI 2009).</li> </ul> <p><sup>5</sup> “Qualifying new onshore wind station” means a generating station which—</p> <ul style="list-style-type: none"> <li>(a) generates electricity from onshore wind,</li> <li>(b) was first accredited after 31st March 2010, and</li> <li>(c) has not had a declared net capacity in excess of 250 kilowatts at any time after 31st March 2010 (Art. 27 (3) ROO NI 2009). The amount of electricity to be stated in each NIROC which is issued in respect of electricity generated by a qualifying new onshore wind station is ¼ megawatt hour Art. (27A ROO NI 2009).</li> </ul> <p><sup>6</sup> “Qualifying new solar photovoltaic station” means a generating station which—</p> <ul style="list-style-type: none"> <li>(a) generates electricity from the direct conversion of sunlight into electricity,</li> <li>(b) was first accredited after 31st March 2010, and</li> <li>(c) has not had a declared net capacity in excess of 50 kilowatts at any time after 31st March 2010 (Art. 27 (3) ROO NI 2009). The amount of electricity to be stated in each NIROC which is issued in respect of electricity generated by a qualifying new solar photovoltaic station is ¼ megawatt hour Art. (27A ROO NI 2009).</li> </ul>
	<b>Minimum price per certificate</b>	

	<b>Fees and penalty charges</b>	If a supplier fails to satisfy his quota obligation, he shall make a "late payment". The late payment is the sum of the buy-out price plus interest of 5 percentage points above the base rate of the Bank of England (art. 44 (6) ROO 2009).
<b>International applicability</b>	<b>International certificate trade</b>	
	<b>Flexibility Mechanism</b>	
<b>Addressees</b>	<b>Obligated party.</b> The persons obligated to satisfy a quota according to the Renewables Obligation Orders are those electricity suppliers that supply electricity to final consumers within the United Kingdom (Art. 5 (1) ROO 2009). Since 1 November 2007, electricity suppliers within Northern Ireland have been subject to a different obligation. A SEM (Single Electricity Market) was created for the Irish island (Northern Ireland and the Republic of Ireland). NIROCs are only issued to electricity produced from eligible sources and sold on the SEM market. For further information please see: <a href="http://www.allislandproject.org/">http://www.allislandproject.org/</a> .	
<b>Procedure</b>	<b>Procedure</b>	<p>Electricity suppliers may satisfy their quota as follows:</p> <ul style="list-style-type: none"> <li>• <b>Submission of certificates of origin.</b> Suppliers may satisfy their quota by presenting tradable green certificates (Renewable Obligation Certificates - ROCs, NIROCs (Northern Ireland) or SROCs (Scotland) – Art. 2 ROO 2009). These certificates are issued to the system operators for every MWh of electricity from renewable sources they produce. The preconditions for the issuing of certificates are laid down by the Renewables Obligation Orders (ROO 2009, ROO SCO 2009, ROO NI 2009), which differ for England/ Wales, Scotland and Northern Ireland, but whose content is basically the same.</li> <li>• <b>Buy out.</b> Suppliers may satisfy their quota obligation by paying a certain amount of money to the regulatory authority. On 1 April 2009, the buy-out price was set at 37.19 GBP per MWh (Art. 43 ROO 2009). Each year, this buy-out price rises or decreases with the retail price index (Art. 43 (4) ROO 2009). For the period 2011-2012, the buy-out price was set at 38.69 GBP per MWh (Ofgem Information Note 04.02.2011). The regulatory authorities collect the buy-out payments received within one obligation period (1 April – 31 March) in a fund and then distribute it amongst all British electricity suppliers that have satisfied their quota obligation. The proportion a supplier receives bears to the number of his ROCs (Art. 45 ROO 2009).</li> <li>• <b>Late payment.</b> Please see the "Amount" section</li> </ul>
	<b>Competent authority</b>	The Gas and Electricity Markets Authority (Ofgem)
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	The costs of the quota system are borne by the consumers through the electricity price.

	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	<p>According to the former British Department for Business, Enterprise and Regulatory Reform (BERR), electricity producers and suppliers use to pass on the cost arising from the quota obligation to the final consumers by adding it on to the electricity bill. In some cases, especially with wholesale customers, these additional charges may be shown separately on the bill. The pricing of electricity is monitored by the regulatory authorities.</p>

#### 4.4. Tax regulation mechanisms (Climate Change Levy)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• The Finance Act 2000, c.17 (FA 2000)</li> <li>• Climate Change Levy (General) Regulations 2001, No 838 (CCL GenReg 2001)</li> <li>• The Utilities Act, c. 27 (UA 2000)</li> </ul>																						
<b>Country-specific support system</b>	<p>The Climate Change Levy (CCL) is a climate protection tax which is levied on the consumption of electricity from non-renewable sources by commercial and industrial final consumers and the public sector (section 30 in connection with schedule VI, §§ 3, 5 FA 2000). Electricity from non-renewable sources shall mean electricity generated from traditional sources, gas, LPG (liquefied petroleum gas) and coal (for the definition of "renewable source" please see section 62 (8) UA 2000). The CCL aims at reducing greenhouse gases and promoting energy-efficiency in final consumers. The Climate Change Levy is collected from the electricity suppliers, who pass it on to their consumers through the electricity price. Electricity from renewable sources is exempt from this tax (schedule VI, § 19 FA 2000 in connection with part IV of the CCL GenReg 2001).</p>																						
<b>Promoted technologies</b>	<b>General information</b>	<p>The Climate Change Levy favours any type of generation of electricity from renewable sources (for an overview of the individual technologies eligible for exemption please see HM Revenues &amp; Customs notice CCL1/4 "Electricity from renewable sources" of July 2010).</p>																					
	<b>Wind energy</b>	<p>Eligible</p>																					
	<b>Solar energy</b>	<p>Eligible</p>																					
	<b>Geothermal energy</b>	<p>Eligible, including systems applying the hot-dry-rock technology</p>																					
	<b>Biogas</b>	<p>Eligible. Methane gas from coal mines is no longer covered by the definition of "renewable sources" (Section 149 FA 2008) and thus no longer exempt from the levy.</p>																					
	<b>Hydro-electricity</b>	<p>Eligible under the following conditions:</p> <ul style="list-style-type: none"> <li>• The system capacity shall not exceed 10 MWs (§ 47 (1), (2) CCL Gen Reg 2001). Large hydro generating stations are currently ineligible.</li> <li>• Stations powered by waves and tidal flows are eligible</li> </ul>																					
	<b>Biomass</b>	<p>Eligible, including electricity generated from urban, industrial, agricultural and forestry waste and from energy crops</p>																					
<b>Amount</b>	<p>The amount of tax benefit equals the amount of the CCL which the suppliers are exempt from. Amount of the CCL per kWh of electricity:</p> <table border="1" data-bbox="506 1118 2058 1358"> <thead> <tr> <th>Obligation period</th> <th>Amount of CCL in £ (GBP)/kWh</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td>base rate</td> <td>0.00430</td> <td>Schedule VI, § 42 FA 2000</td> </tr> <tr> <td>1 April 2007 – 31 March 2008</td> <td>0.00441</td> <td>Section 171 FA 2006</td> </tr> <tr> <td>1 April 2008 – 31 March 2009</td> <td>0.00456</td> <td>Section 13 FA 2007</td> </tr> <tr> <td>1 April 2009 – 31 March 2011</td> <td>0.00470</td> <td>Section 19 FA 2008</td> </tr> <tr> <td>1 April 2011 – 1 April 2012</td> <td>0.00485</td> <td>Section 17 FA 2010</td> </tr> <tr> <td>1 April 2012 – onwards</td> <td>0.00509</td> <td>Section 23 FA 2011</td> </tr> </tbody> </table>		Obligation period	Amount of CCL in £ (GBP)/kWh	Source	base rate	0.00430	Schedule VI, § 42 FA 2000	1 April 2007 – 31 March 2008	0.00441	Section 171 FA 2006	1 April 2008 – 31 March 2009	0.00456	Section 13 FA 2007	1 April 2009 – 31 March 2011	0.00470	Section 19 FA 2008	1 April 2011 – 1 April 2012	0.00485	Section 17 FA 2010	1 April 2012 – onwards	0.00509	Section 23 FA 2011
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<b>Addressees</b>	<p><b>Entitled party.</b> The Climate Change Levy is levied on the consumption of traditional sources of energy. Thus, the final consumers are subject to tax. However, the levy is collected from the electricity suppliers, who then pass it on to the final consumers through the electricity price or the electricity bill. For this reason, the suppliers of electricity from renewable sources are directly exempt from the obligation to pay the CCL (schedule VI, § 19 FA 2000).</p> <p><b>Obligated party.</b> The suppliers' statutory entitlement to exemption goes hand in hand with the state's obligation to grant this exemption.</p>	
<b>Procedure</b>	<b>Procedure</b>	<p>The suppliers of renewable energy sources shall hold a licence in order to be exempt from the obligation to pay the levy (schedule VI, § 19 FA 2000). This licence is issued under the following conditions:</p> <ul style="list-style-type: none"> <li>• <b>Electricity consumer – electricity supplier.</b> Suppliers are exempt from the CCL only if the consumer's electricity supply agreement includes a "<i>Renewable Source Declaration</i>" (Schedule VI, § 19 (1 B) FA 2000). This declaration is a standardised statement in which the electricity supplier declares to have supplied a certain amount of electricity that was generated from renewable sources. Unless he is the producer of the electricity, the supplier may purchase the amount of renewable energy he is obliged to supply from other producers of electricity (Schedule VI, § 19 (2) FA 2000).</li> <li>• <b>Electricity supplier – electricity producer.</b> In order to be able to conclude a "Renewable Source Declaration" with a customer, electricity suppliers shall conclude a "<i>New Electricity Trading Agreement (NETA)</i>" with those electricity producers they receive electricity from, unless the suppliers themselves produce electricity from renewable sources. The NETA enables suppliers to furnish proof of the proportion of electricity from renewable sources in the total amount of energy they supplied. The main elements of a NETA between electricity suppliers and electricity consumers are the <i>Levy Exemption Certificates (LEC)</i>, which the regulatory authority allocates to the producers of electricity on a monthly basis. The number of certificates depends on the amount of electricity generated from renewable sources. These certificates document the amount of electricity from renewable sources supplied; they accompany the electricity until it reaches the final consumer, who can then claim to be relieved from the levy (Source: 3.4, 3.5 HM Revenues &amp; Customs notice CCL1/4 "Electricity from renewable sources" of July 2010).</li> </ul>
	Competent authority	The scheme is overseen by Ofgem and the Director General of Electricity Supply in Northern Ireland (3.5 CCL1/4).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The cost of exemption from the Climate Change Levy is borne by the state in terms of lower tax revenue.
	<b>Consumers</b>	

	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	