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## EXPLANATORY NOTE

*(This note is not part of the Order.)*

This Order provides for the coming into operation on 10th February 2005 of the following provisions of the Energy (Northern Ireland) Order 2003 –

Part VI (enforcement) in so far as it is not already in operation: this has the effect of applying Part VI to the requirements imposed by Part VII (electricity from renewable sources).

Article 52 which provides the Department of Enterprise, Trade and Investment (“the Department”) with a power to impose obligations on Northern Ireland electricity suppliers in relation to the supply of electricity from renewable sources. Article 52 was amended by the Energy (Amendment) Order (Northern Ireland) 2004 (“the 2004 Order”) to reflect amendments made to the Electricity Act 1989 by the Energy Act 2004.

Article 53 which sets out details of the provisions which may be included in an order under Article 52. Article 53 was amended by the 2004 Order to extend coverage to include Great Britain electricity suppliers.

Article 54 which introduces the concept of “green certificates”, which will be tradeable certificates issued by the Northern Ireland Authority for Energy Regulation (“the Authority”), evidencing the production and supply in Northern Ireland of electricity from renewable sources. The production of such a certificate to the Authority will constitute sufficient evidence of the supply of the electricity to which it relates for the purpose of satisfying a supplier’s renewables obligation under Article 52. Article 54 was amended by the 2004 Order to provide for certificates to be issued to Great Britain suppliers by the Authority; and to allow Northern Ireland suppliers to discharge their renewables obligations by the production to the Authority of Great Britain certificates. In addition, the Energy Act 2004 (c. 20) made direct amendments to Article 54 to provide for a definition of “Northern Ireland” and for the treatment of certificates issued in respect of electricity generated under the Northern Ireland Non-Fossil Fuel Orders.

Article 55 which provides for an alternative way for electricity suppliers to meet their renewables obligation by making payments to the Authority. The Authority is then required to pay amounts received under Article 55 to other electricity suppliers in accordance with a system of allocation specified in the order made by the Department under Article 52. The Article was amended by the 2004 Order to make provision in relation to late payments and to default in payments.

Paragraph 12 of Schedule 3 (and Article 65 in so far as it relates to it) which makes a minor amendment to the Electricity (Northern Ireland) Order 1992.