

# COVID-19 and the delivery of Ofgem E-Serve schemes

Luke Bailey – Senior Policy Manager



23 Apr 2020

- Introduction
- Update on BAU operations
- Select queries

- Ofgem is responsible for delivering a number of renewable energy and social programmes on behalf of government
- Today's presentation will cover the RHI, RO, FIT and SEG schemes, all of which are underpinned by policy from BEIS

Ofgem are alert to the varied impacts of COVID-19 and like all government departments, and indeed organisations across the UK, we have been making and implementing plans in line with [central government guidance](#).

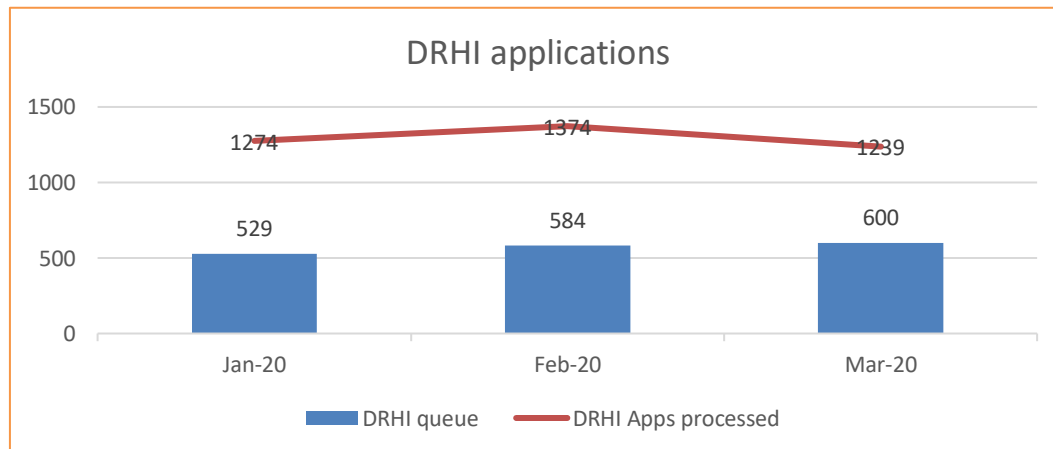
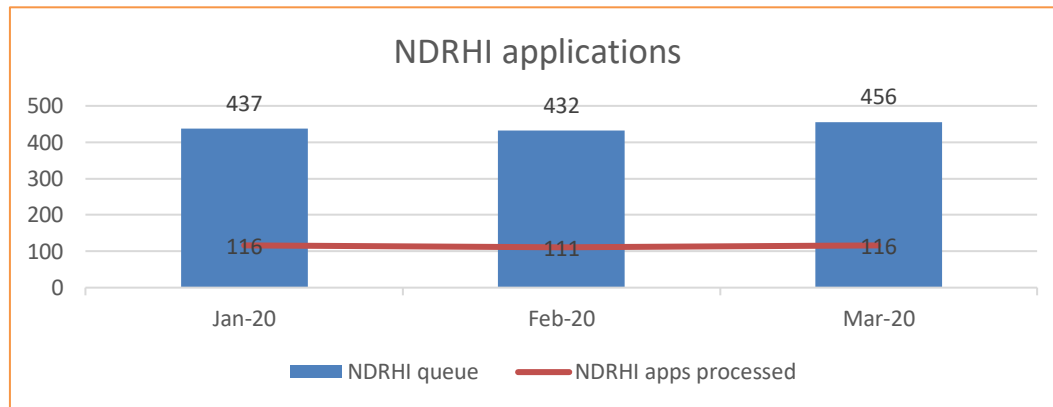
As part of this we are feeding in views on the impacts on the schemes we administer to BEIS, including those where we recognise that legislation dictates specific timelines.

Where the legislation does provide for discretion, Ofgem will continue to use this in its decision making and will continue take into account the specifics of each individual case in question.

- All staff have been wfh since 16<sup>th</sup> March
- Business continuity plans have been put into action and the movement of the business to wfh has been successful
- Like all businesses we are aiming to maintain as normal a service level as is possible during these times whilst continuing to support our staff throughout this difficult time
- Will continue to monitor staffing levels over time and will prioritise resource as needed

- Site audits have stopped
- In recognition of staff welfare whilst working from home we are operating a reduced phone service. The times are subject to change and flexible based on staff availability
- We are operating a full e-mail service and would ask you to email the following addresses:
  - renewable electricity schemes including FIT and RO: [renewable@ofgem.gov.uk](mailto:renewable@ofgem.gov.uk)
  - energy companies obligation [ECO@ofgem.gov.uk](mailto:ECO@ofgem.gov.uk)
  - non domestic renewable heat incentive [rhi.enquiry@ofgem.gov.uk](mailto:rhi.enquiry@ofgem.gov.uk)
  - domestic renewable heat incentive [DomesticRHI@ofgem.gov.uk](mailto:DomesticRHI@ofgem.gov.uk)
- We are prioritising all covid-19 and payment queries and are operating a triage service to ensure these are picked up first
- If you need to speak to us urgently – please can you mark this in the heading of your email and one of the team will call you back
- We are reviewing this approach regularly and are arranging to get the most common FAQs onto the main Ofgem website under the coronavirus banner. This should be available shortly. If anything changes, we will update the website to provide the latest information. The FAQs should be read in conjunction with the existing guidance on the scheme pages

## Applications



## Payments and ROC issue

- On the NDRHI 96%, 93% and 93% of payments made within 40 working days for the January, February and March respectively
- Payments have been prioritised as an activity by Ofgem and last week we conducted our biggest ever payment run on the NDRHI scheme making over 7,200 payments totalling ~£52million.
- ROC issue has also remained consistent over the same period

- Collating, monitoring and running daily triage meetings of queries
- Query topics triaged have been prioritised by volume and urgency
  - Matters that lie outside of Ofgem's discretion have been raised to the relevant body
  - Matters that lie within Ofgem's discretion have had positions developed
- Creation of landing page on Ofgem website for COVID-19 queries related to E-Serve schemes. This page will be updated over time.
- Communications with industry bodies and groups



1. Data submission for the NDRHI and RO schemes
2. Annual Sustainability reports for the NDRHI and RO schemes
3. FMSQ's for the NDRHI and RO schemes
4. FIT deadlines
5. NDRHI deadlines – Tariff Guarantees – 2<sup>nd</sup> and 3<sup>rd</sup> allocations, NDRHI final end date
6. SEG enquiries

- Where possible, participants should continue to submit their meter readings in the usual way.
- Where possible, we encourage participants who are currently unable to obtain the necessary data, as a result of the Covid-19 pandemic, to wait until it is safe to obtain this data and make their submission at that point in time.
- Ofgem will not take compliance action against participants who have chosen to submit their data late as a direct consequence of issues caused by the Covid-19 pandemic.
- Participants who cannot wait until it is safe to obtain and submit their data, can submit a request to Ofgem to have their data estimated. However, these participants must be able to satisfy Ofgem that an estimate is necessary.

Such participants must be aware of the following:

- Participants will need to justify their request for an estimate and explain why it is not possible for them to wait until it is safe to obtain the necessary data to make their submission.
- Our estimates will be conservative.
- There is a chance our estimates will result in an under or over issue of ROCs/ payments. In such cases, ROCs/ payments will be adjusted in the following quarter(s).
- Participants will be required to contact us as soon as it is safe and possible for them to obtain true data.
- **RHI only:** Where applicable, participants who fail to submit true data once it is safe to do so, will have their request for estimated data count towards their allowance of using estimated data for a maximum of eight quarterly periods.

- Submission deadlines contained within the RO and RHI Regulations have not been changed
- However for a sustainability audit report to be produced it is not strictly necessary that a site audit is conducted
- Mitigation actions and assessments could include, for example but not limited to, using previous site visits as a risk factor, relying on photographs from the operator as evidence of fuel/feedstock storage, meter readings and other aspects of the plant, video tours of the site and interviews by video conference. This risk assessment and justification should be provided in the sustainability audit report to demonstrate to us that appropriate action has been taken.

- You do not need await Ofgem's approval before taking in or using a new consignment
- Ofgem though can only make RHI payments or issue of ROCs on the renewable output of an installation/ station, therefore we would not make payments or issue of ROCs until we have reviewed the revised procedures
- In the short term we are doing what we can to prioritise amended FMS procedures in light of your feedback

- An emergency regulation change was introduced at short notice for the FIT scheme
- The Feed-in Tariffs (Amendment) (Coronavirus) Order 2020 grants extensions to validity periods for all preliminary accreditations and pre-registrations for community energy solar photovoltaic (PV) installations which expire between 1 March and 30 September 2020

- Ofgem are aware of the concerns from industry around commissioning deadlines on the NDRHI
- Changes to the Regulations and deadlines contained within is a matter for BEIS which they are keeping actively under review

- Policy only launched recently on 1<sup>st</sup> Jan 2020
- There has been a slight reduction in queries on SEG for the past month but difficult to say whether this is due to COVID-19



# Q & A

**Our core purpose is to ensure that all consumers can get good value and service from the energy market. In support of this we favour market solutions where practical, incentive regulation for monopolies and an approach that seeks to enable innovation and beneficial change whilst protecting consumers.**

**We will ensure that Ofgem will operate as an efficient organisation, driven by skilled and empowered staff, that will act quickly, predictably and effectively in the consumer interest, based on independent and transparent insight into consumers' experiences and the operation of energy systems and markets.**