

Changes to Renewables Obligation (Scotland) Scheme

Question 1	Do you agree with the proposed change which will increase the mutualisation threshold to link with the annual cost of the scheme?
Yes.	Whilst Scottish Water has been protected against mutualisation through agreeing to a fix RO costs with our supplier for the last 3 years, the premium that we pay to protect ourselves includes the risk of mutualisation. Ultimately the end user customer may benefit with the changes as they will reduce the risk of pass-through charges/ risk premiums being applied to the customer.
Question 5	Do you agree that only the costs over the threshold should be recovered if BEIS/Ofgem make further changes to the RO legislation to require suppliers to settle their obligation more frequently?
Yes.	However, we would urge Ofgem to ensure that suppliers cannot pass these on to customers within annual electricity budgets.
Question 6	Do you agree that the Scottish Government should mirror those changes in the RO(S)?
Yes.	If the Scottish Government chooses to not make the same amends as BEIS then end user customers in Scotland would have a higher risk of being liable to pay more pass-through charges if mutualisation thresholds are not increased.

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