

Glossary of terms - consultations on the Renewable Energy and Fuel Quality Directives

Account holder	An organisation holding an account with the RTFO Administrator, allowing them to be issued with or trade RTFCs
Bio-TAEE	Bio-TAEE (bio-tertiary-amyl-ethylether) fuel ether used as a blending component in petrol.
Biofuel	Fuel made from recently-living biological material.
Biodiversity	Measurement of the variety of different life forms in a given area. High biodiversity is viewed as an indication of a healthy ecosystem.
Bioenergy	A term that covers all energy produced from biomass: commonly used in transport, heat and electricity.
Bio-ETBE	Bio-ETBE (bio-ethyl-tertiary-butyl-ether) fuel ether used as a blending component in petrol.
Blend wall	The highest level of biofuel possible to be blended into fossil fuel with no adverse effects on standard vehicles.
Buy-out fund	Under the RTFO obligated suppliers must demonstrate that they have met their obligation by redeeming Renewable Transport Fuel Certificates or 'buying-out' of their obligation. Any buy-out paid is put into a buy-out fund and recycled amongst those suppliers who surrender or redeem Certificates.
Carbon defaults	Default carbon intensity values provided by the European Commission.
Carbon stock	Measurement of the carbon stored in a given area of land which can go up or down depending on the use of that land. Forests and peatland are examples of land with high carbon stocks.

Carry over	The current RTFO allows an obligated supplier to meet 25% of its obligation in any given period with RTFCs issued in the preceding period, this is known as carry over.
Cross compliance	Regime which ensures that feedstocks used in biofuels are grown and cultivated to similar standards of sustainability and this can be recognised across member states.
DECC	Department for Energy and Climate Change
Defaults	Shorthand for default carbon values (see carbon defaults above).
DfT	Department for Transport
Double rewards	The Renewable Energy Directive allows for the introduction of double rewards for biofuels made from wastes, residues, non-food cellulosic material and ligno-cellulosic material. As where these meet sustainability criteria they contribute double towards the targets in the Directive.
Economic operator	Any company or organisation involved in the fuel supply chain.
EC	European Commission. Institution of the European Union which drafts proposals for new European laws, manages the day-to-day business of implementing EU policies and spending EU funds.
Energy based obligation	A scheme which obligates suppliers to report on the amount of renewable energy used in fuel supplied against fossil fuel supplied.
ETS	Emissions Trading Scheme. The EU wide cap and trade scheme for greenhouse gas emissions.
FAME	Fatty-acid-methyl-ester. A type of biofuel
Feedstock	Raw material used to produce biofuels
Fossil Fuel	Fuels which have been formed from the organic remains of prehistoric plants and animals.
Fossil fuel baseline	In the FQD, the 6% target is measured against a baseline established by the European Commission based on 2010 consumption data.

FQD	Fuel Quality Directive. Requires suppliers to reduce the lifecycle greenhouse gas (GHG) intensity of transport fuels and introducing sustainability criteria for biofuels.
GHG	Greenhouse gas.
Grandfathering	Allowing fuels produced at installations operational before a certain date to automatically meet minimum GHG savings thresholds. An industry concession designed to avoid disadvantaging those who have already invested in infrastructure.
Grouping	When two or more suppliers choose to form a group for the obligation and reporting requirements to apply to.
Installation	A processing plant used to make a material modification from any relevant feedstock to the finished fuel. It does not include installations solely used for the collection, transportation or storage of the feedstocks.
ILUC	Indirect land-use change. Land-use change where the cause is at least a step removed from the effect. It can be taken to mean the knock-on effects on land use resulting from the cultivation of biofuel feedstocks.
ISO	International Organisation for Standardisation
ISAE	International Standard on Assurance Engagements.
Mandatory sustainability criteria	Criteria specified in the Renewable Energy and Fuel Quality Directives – requiring that biofuels, with some exceptions, must deliver greenhouse gas savings of at least 35 per cent when compared to fossil fuels and that biofuels must not be sourced from areas of high biodiversity, or from high carbon soils (e.g. rainforests or wetlands). All biofuels will have to meet these mandatory sustainability criteria in order to be counted towards meeting the targets in the Directives.
Meta-standard	The RTFO Meta Standard was a set of sustainability criteria against which biofuel feedstock production may be audited.

Minimum threshold	The RTFO places an obligation on entities that supply a volume of fossil road transport fuel above a minimum threshold. The minimum threshold is currently set at 450,000 litres.
MTBE	Methyl-tertiary-butyl-ether. A type of biofuel
NGO	Non-Government Organisation.
Non-biodegradable feedstocks	Waste that cannot be broken down by other living organisms.
NRMM	“NRMM” is used to collectively refer to the end uses of fuel specified in the Fuel Quality Directive, namely: road vehicles; non-road mobile machinery (including inland waterway vessels when not at sea); agricultural and forestry tractors; and recreational craft when not at sea.
Obligated supplier	A transport fuel supplier upon whom a renewable transport fuel obligation is imposed.
Partially renewable fuel	Fuels that are produced in part from renewable feedstocks and in part from mineral/fossil feedstocks.
RED	Renewable Energy Directive. Requires Member States to ensure that 10% of the energy used in transport is from renewable sources in 2020, as well as requiring the introduction of mandatory sustainability criteria for biofuels and bioliquids.
Renewable fuel	A fuel from a source that is either inexhaustible or can be indefinitely replenished at the rate at which it is used.
RFA	Renewable Fuels Agency. A Non-Departmental Public Body that administered the RTFO prior to its abolition in April 2011.
RO	Renewables Obligation.
ROS	Renewable Transport Fuel Obligation operating system. The IT system used to administer the obligation.

RTFC	Renewable transport fuel certificate. One RTFC is awarded for every litre (or kilogram in the case of biogas) of biofuel reported, and an obligated supplier can obtain them either by supplying biofuels, or by buying them from biofuel suppliers. Their value is determined by the market.
RTFO	Renewable Transport Fuel Obligation. Introduced in 2008. Places an obligation on suppliers of liquid fossil fuel intended for road transport use to ensure that either a certain amount of biofuel is supplied or that a substitute amount of money is paid through the purchase of certificates or by buying out of the obligation.
RTFO Order	The Renewable Transport Fuel Obligations Order 2007. The legislation establishing the Obligation, which it is proposed to amend to implement the Renewable Energy and Fuel Quality Directives.
Supplier	Any company or organisation supplying fuel or its precursors e.g. for biofuel this would include the crop and the virgin oil.
Verification	The process of providing assurance of biofuel sustainability data supplied on behalf of reporting parties. Verifiers must be independent of the reporting party whose data they are verifying.
Volume based obligation	A scheme which obligates suppliers to report on the volume of renewable fuel supplied against fossil fuel supplied.
Voluntary scheme	Schemes run by independent organisations that offer a route to providing assurance that biofuels meet certain sustainability criteria.