STATUTORY RULES OF NORTHERN IRELAND

1997 No. 118

RATES

Valuation (Electricity) Order (Northern Ireland) 1997

Made - - - - 4th March 1997
To be laid before Parliament under paragraph 3(3) of
Schedule 1 to the Northern Ireland Act 1974
Coming into operation 1st April 1997

The Department of Finance and Personnel(1), in exercise of the powers conferred on it by Article 37(3) and 39C of the Rates (Northern Ireland) Order 1977(2) and of every other power enabling it in that behalf, after consultation with such associations of district councils, district councils and holders of licences or exemptions under Part II of the Electricity (Northern Ireland) Order 1992(3) as the Department considered appropriate, hereby makes the following Order:

Part I

Preliminary

Citation and commencement

1. This Order may be cited as the Valuation (Electricity) Order (Northern Ireland) 1997 and shall come into operation on 1st April 1997.

Interpretation

2. In this Order—

"the Company" means Northern Ireland Electricity plc;

"declared net capacity", in relation to generating plant, means the highest generation of electricity (at the main alternator terminals) which can be maintained indefinitely without causing damage to the plant, less so much of that capacity as is consumed by the plant, expressed in megawatts to the nearest one hundredth part of a megawatt;

"the Electricity Order" means the Electricity (Northern Ireland) Order 1992;

⁽¹⁾ Formerly the Department of Finance; seeS.I.1982/338 (N.I. 6) Article 3

⁽²⁾ S.I. 1977/2157 (N.I. 28); Article 39C was inserted by paragraph 17 of Schedule 12 to the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1))

⁽³⁾ S.I. 1992/231 (N.I. 1)

- "exemption" means an exemption under Part II of the Electricity Order;
- "generate", in relation to electricity, means generate for the purpose of giving a supply of electricity to any premises or enabling a supply of electricity to be so given;
- "generating plant", in relation to a hereditament, means plant in or on the hereditament which is used or available for use for the purposes of generating electricity;
- "licence" means a licence under Part II of the Electricity Order;
- "supply" and "transmit", in relation to electricity, have the meanings assigned to them by Article 3 of the Electricity Order.

Part II

Electricity Generation

Application

- **3.**—(1) This Article applies to the class of hereditaments in relation to which the conditions in paragraph (2) are fulfilled.
 - (2) The conditions mentioned in paragraph (1) are that—
 - (a) the hereditament is occupied by a holder of a licence or exemption where the licence or exemption authorises the holder to generate electricity but not to supply or (in the case of a licence) to transmit electricity;
 - (b) the hereditament comprises land, plant or buildings used or available for use for the purpose of generating electricity, where—
 - (i) such use is its sole or primary function; or
 - (ii) its primary function is in connection with a scheme for the production for sale of both electrical power and heat; or
 - (iii) the primary source of energy in such generation is the burning of refuse; and
 - (c) the generating plant—
 - (i) uses wind, tidal or water power as its primary source of energy; or
 - (ii) if its primary source of energy is the burning of refuse, and neither sub-paragraph (i) or (ii) of sub-paragraph (b) applies, has a declared net capacity of 25 megawatts or more; or
 - (iii) has a declared net capacity of 500 kilowatts or more.

Net annual values

- **4.**—(1) In the case of a hereditament falling within the class to which Article 3 applies, its net annual value for the year ending on 31st March 1998 and for each subsequent year shall be an amount equal to—
 - (a) where the primary source of energy used by a generating plant is wind or tidal power, £2,860 per megawatt of the declared net capacity of the generating plant on 1st April in the year in question;
 - (b) in any other case, £5,720 per megawatt of the declared net capacity of the generating plant on 1st April in the year in question.
- (2) In paragraph (1)(a) and (b), amounts in megawatts shall be expressed to the nearest hundredth part of a megawatt.

Apportionment

5. In the case of a hereditament falling within the class to which Article 3 applies, the net annual value shall be ascribed to the district council district in which the hereditament is situated.

Part III

Electricity Transmission and Supply

Net Annual Value

6. For the year ending on 31st March 1998 the net annual value of the hereditaments occupied by the Company shall be £16,720,000.

Redetermination of net annual value

7. For the year ending on 31st March 1999 and for each subsequent year the net annual value of the hereditaments occupied by the Company shall be the amount determined in accordance with the formula—

$$\left(\frac{£4,088,000 \times A}{B}\right) + \left(\frac{£12,632,000 \times C}{D}\right)$$

where-

A is the estimated number of circuit kilometres of main transmission line in Northern Ireland occupied by the Company on the day falling one year before the commencement of the year in question;

B is the estimated number of circuit kilometres of main transmission line in Northern Ireland occupied by the Company on the day falling two years before the commencement of the year in question;

C is the estimated installed transformer capacity (measured in kilovoltamperes) of all the electricity transformation plant in Northern Ireland occupied by the Company on the day falling one year before the commencement of the year in question; and

D is the estimated installed transformer capacity (measured in kilovoltamperes) of all the electricity transformation plant in Northern Ireland occupied by the Company on the day falling two years before the commencement of the year in question.

Apportionment of net annual value

8.—(1) The net annual value of the hereditaments occupied by the Company determined in accordance with Articles 6 and 7 shall for the year ending on 31st March 1998 and for each subsequent year be apportioned among the districts of district councils in accordance with the formula—

$$A \times \left[\begin{bmatrix} \frac{B}{6.3} & + C \\ \frac{D}{6.3} & + E \end{bmatrix} \right]$$

where—

A is the net annual value of the hereditaments occupied by the Company determined in accordance with Article 6 or 7 for the year in question;

B is the total non-domestic net annual values for the year in question in the district in respect of which the apportionment is being made;

C is the total domestic net annual values for the year in question in the district in respect of which the apportionment is being made;

D is the total non-domestic net annual values in the valuation list for the year in question;

E is the total domestic net annual values in the valuation list for the year in question.

(2) For the purposes of paragraph (1) the totals of net annual values there mentioned shall, for any year, be taken to be those totals as ascertained from the valuation list in force or coming into force on 1st April with which that year commences, as in force on that day, but excluding the amounts shown in the list as the net annual values of hereditaments occupied by public supply undertakings or holders of licences or exemptions and (to the extent that they are distinguished in the list as wholly or partially exempt from rates) the amounts shown in the list as the net annual values of hereditaments wholly or partially exempt from rates.

Part IV

Amendment of the Rates (Northern Ireland) Order 1977

Amendment of the Rates (Northern Ireland) Order 1977

- **9.**—(1) The Rates (Northern Ireland) Order 1977 shall be amended in accordance with paragraphs (2) to (5).
- (2) In Article 50(1)(a)(iv) for the words "treated as occupied by the Northern Ireland Electricity Service which are mentioned in Part VI of Schedule 12" there shall be substituted the words "occupied by a holder of a licence or an exemption under Part II of the Electricity (Northern Ireland) Order 1992" and for the words "that Schedule" where they first occur there shall be substituted the words "Schedule 12".
 - (3) In Schedule 11, entry 7 shall be repealed.
- (4) In Part III of Schedule 12, in paragraph 3, in Class 5(4) the words "(b) a pipe or system of pipes vested in the Northern Ireland Electricity Service" shall be repealed;
 - (5) Part VI of Schedule 12 shall be repealed.

Sealed with the Official Seal of the Department of Finance and Personnel on

L.S.

4th March 1997.

V. N. Hewitt Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Order.)

This Order makes provision for determining the net annual value of the hereditaments occupied by holders of licences or exemptions under Part II of the Electricity (Northern Ireland) Order 1992.

Articles 3 and 4 make provision for determining the net annual value of the hereditaments occupied by certain holders of such licences or exemptions where such licences or exemptions authorise the holders to generate electricity but not to supply or (in the case of a licence) to transmit electricity. They provide for the net annual value of such a hereditament for any financial year to be calculated on the basis of a certain rate per megawatt of the declared net capacity of the generating plant on 1st April in the year in question, namely, £2,860 per megawatt for wind or tidal power generators and £5,720 per megawatt in all other cases. Article 5 provides that the net annual value of such a hereditament shall be ascribed to the district council district in which the hereditament is situated.

Article 6 provides that the net annual value of the hereditaments occupied by Northern Ireland Electricity plc shall, for the financial year ending on 31st March 1998, be £16,720,000. Article 7 provides for the redetermination of that net annual value for subsequent financial years.

Article 8 provides for the net annual value of the hereditaments occupied by Northern Ireland Electricity plc determined in accordance with Articles 6 and 7 to be apportioned among the districts of district councils.

Article 9 amends and repeals provisions of the Rates (Northern Ireland) Order 1977.