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## 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 namely, £4,000 per megawatt for wind or water powered generators, £5,000 per megawatt for coal or oil powered generators, £7,700 per megawatt for natural gas powered generators which make use of steam turbines for the generating process and £5,000 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 and the Schedule provide that the net annual value of the hereditaments occupied by Northern Ireland Electricity plc, excluding the Moyle Interconnector, shall, for the financial year ending on 31st March 2004, be £22,500,000 and that the net annual value of the Moyle Interconnector shall be £750,000. Articles 7 and 8 provide for the redetermination of these net annual values for subsequent financial years.

Article 9 provides for the net annual value of the hereditaments occupied by Northern Ireland Electricity plc determined in accordance with Articles 6 to 8 to be apportioned among the districts of district councils.

Article 10 revokes the Valuation (Electricity) Order (Northern Ireland) 1997.