

2001 No. 486

CLIMATE CHANGE LEVY

The Climate Change Levy (Combined Heat and Power Stations) Exemption Certificate Regulations 2001

Made - - - - - *21st February 2001*
Laid before Parliament *26th February 2001*
Coming into force - - *19th March 2001*

The Secretary of State for the Environment, Transport and the Regions, in exercise of the powers conferred on him by paragraph 148(10) and (11) of Schedule 6 to the Finance Act 2000(a), hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Climate Change Levy (Combined Heat and Power Stations) Exemption Certificate Regulations 2001 and shall come into force on 19th March 2001.

Interpretation

2. In these Regulations,

“CHPQA” means the Combined Heat and Power Quality Assurance Standard, Issue 1, November 2000 published by the Department of the Environment, Transport and the Regions(b);

“CHPQA certificate” means a certificate issued in respect of a combined heat and power station following assessment of the station against criteria set out in CHPQA, and “CHPQA scheme reference number” means the number stated as the scheme reference number in that certificate;

“efficiency percentage” has the same meaning as in paragraph 15(4)(b) of Schedule 6;

“exemption certificate” means a certificate given by the Secretary of State under paragraph 148(4) or (5) of Schedule 6 (full-exemption and part-exemption certificates in respect of combined heat and power stations for the purposes of climate change levy);

“operator” means the person by whom a combined heat and power station is operated;

“prescribed conditions” means any conditions prescribed by regulations made by the Treasury under paragraph 148(4) of Schedule 6;

“Schedule 6” means Schedule 6 to the Finance Act 2000; and

“threshold efficiency percentage” has the same meaning as in paragraph 15(4)(a) of Schedule 6.

(a) 2000 c. 17.

(b) Available on the internet at <http://www.chpqa.com/> or free of charge from the Environment and Energy Helpline, telephone 0800 585794.

Applications for, and content of, exemption certificates

3.—(1) An application for an exemption certificate in respect of a combined heat and power station shall be made by the operator in writing and shall be accompanied by a copy of the current CHPQA certificate relating to the station.

(2) The operator shall send a copy of the current CHPQA certificate relating to the station to the Secretary of State by 30th June in each year after the year in which an application is made in accordance with paragraph (1).

(3) An exemption certificate shall remain in force until revoked in accordance with regulation 4(2).

(4) An exemption certificate shall state:

- (a) the date on which it comes into force (which shall not be earlier than the date on which it is issued);
- (b) the CHPQA scheme reference number of the combined heat and power station to which it relates;
- (c) whether the station is fully or partly exempt; and
- (d) (as required by paragraph 148(6) of Schedule 6) its efficiency percentage.

Variation and revocation of exemption certificates

4.—(1) If it appears to the Secretary of State that there has been a material change in the circumstances of a combined heat and power station such that—

- (a) it no longer satisfies the prescribed conditions as being fully exempt; or
- (b) in the case of a partly exempt station, it now satisfies the prescribed conditions as being fully exempt; or
- (c) its efficiency percentage has fallen below, or, as the case may be, risen to equal or exceed the threshold efficiency percentage,

he shall vary its exemption certificate by revising the particulars mentioned in regulation 3(4)(c) or (d), as appropriate.

(2) If—

- (a) a combined heat and power station ceases to operate;
- (b) the operator fails to comply with regulation 3(2); or
- (c) the operator makes a written request to that effect to the Secretary of State,

the Secretary of State shall revoke the exemption certificate.

Whitty,
Parliamentary Under-Secretary of State
Department of the Environment,
Transport and the Regions

21st February 2001

EXPLANATORY NOTE

(This note is not part of the Regulations)

Schedule 6 to the Finance Act 2000 contains provisions relating to the exemption of combined heat and power stations from climate change levy. Depending on the extent to which such stations satisfy prescribed conditions, they are either fully or partly exempt from levy.

These Regulations relate to certificates to be issued by the Secretary of State in respect of these stations.

Regulation 3 contains provisions relating to applications for, and the content and validity of, certificates.

Regulation 4 provides for the variation and revocation of certificates. It includes provision for the variation of certificates if a combined heat and power station which was previously certified as being partly exempt subsequently satisfies the conditions for full exemption, and *vice versa*, or if its efficiency percentage falls below or rises above the prescribed threshold efficiency percentage.

The Combined Heat and Power Quality Assurance Standard, Issue 1, referred to in these Regulations, is available on the internet at <http://www.chpqa.com/> or free of charge from the Environment and Energy Helpline, telephone 0800 585794.

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