
STATUTORY INSTRUMENTS

2012 No. 1976

**The Climate Change Agreements
(Administration) Regulations 2012**

Power to terminate an agreement

18.—(1) The administrator may terminate an umbrella agreement if the sector association contravenes the agreement.

(2) The administrator may terminate an umbrella agreement if the sector association fails to agree a variation in a sector commitment proposed under the terms of the agreement.

(3) The administrator may terminate an underlying agreement if the operator contravenes the agreement unless the contravention has given rise to the imposition of a financial penalty.

(4) If the contravention of the agreement has given rise to the imposition of a financial penalty, the administrator may only terminate the underlying agreement if the operator fails to—

- (a) pay the financial penalty by the date specified in the notice under regulation 16; or
- (b) take the steps to remedy the contravention specified in that notice by the date so specified.

(5) The administrator may terminate an underlying agreement if the operator fails to agree a variation in a target proposed under the terms of the underlying agreement.

(6) For the purposes of this regulation, a failure to meet, or to make progress towards meeting, targets does not constitute a contravention of an agreement.