

---

WELSH STATUTORY INSTRUMENTS

---

**2000 No. 1163 (W. 91)**

**RATING AND VALUATION, WALES**

**The Electricity Supply Industry  
(Rateable Values) (Wales) Order 2000**

*Made* - - - - - *30th March 2000*  
*Coming into force* - - - - - *1st April 2000*

The National Assembly for Wales makes the following Order in exercise of the powers conferred on the Secretary of State, by sections 143(1) and (2) of, and paragraph 3(1) and (2) of Schedule 6, to the Local Government Finance Act 1988(1) and now vested in it(2) in so far as exercisable in Wales.

**PART I  
PRELIMINARY**

**Citation, commencement and application**

1.—(1) This Order may be cited as the Electricity Supply Industry (Rateable Values)(Wales) Order 2000 and shall come into force on 1st April 2000.

(2) This Order applies only to Wales.

**Interpretation**

2. In this Order —

“the Act” (“*y Ddeddf*”) means the Local Government Finance Act 1988;

“declared net capacity”, (“*gallu cynhyrchu net a ddatgenir*”) in relation to generating plant means the highest generation of electricity (at the generator terminals) which can be maintained indefinitely, under the relevant conditions, 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;(For the purposes of this definition for the generating plant whose sole or primary source of energy is the burning of oil or coal, the relevant conditions are that the water

---

(1) 1988 c. 41; See section 146(6) for the definition of “prescribed”. Section 143(2) is amended by paragraph 72(2) of Schedule 5 to the Local Government and Housing Act 1989 (c. 42). Paragraph 3(1) and (2) of Schedule 6 is amended by paragraph 38(12) and (13) of Schedule 5 to the 1989 Act.  
(2) See the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672).

entering the cooling system is nineteen degrees Celsius if the cooling water is circulated on the hereditament for re-use in the cooling system, or in all other cases ten degrees Celsius.

For generating plant whose sole or primary source of energy is wind, the wind speed is sufficient to power the generating plant at its highest generation of electricity.

For generating plant whose sole or primary source of energy is water, the water flow is sufficient to power the generating plant at its highest generation of electricity.

For all other types of generating plant the relevant conditions are that, in the locality of the hereditament, the air temperature is ten degrees Celsius and the air pressure is 1013mbar)

“generating plant” (“*peiriannau cynhyrchu*”), 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; and

“year” (“*blwyddyn*”) means a chargeable financial year.

### **Rounding of Numbers**

**3.** Where (apart from this article) any rateable value determined under this Order would include a fraction of a pound —

- (a) the fraction shall be made up to one pound if it would exceed 50p, and
- (b) the fraction shall be ignored if it would be 50p or less.

### **Revocations and Savings**

**4.—(1)** Subject to paragraph (2) the following are hereby revoked with effect from 1st April 2000 in so far as they are applicable to Wales:

- (a) the Electricity Generators (Rateable Values) Order 1994<sup>(3)</sup>;
- (b) the Electricity Supply Industry (Rateable Values) (Amendment) Order 1995<sup>(4)</sup>;
- (c) article 2 of the Electricity Supply Industry and Water Undertakers (Rateable Values) Amendment Order 1996<sup>(5)</sup> and so much of article 1 as has effect for the purposes of article 2.

(2) The Orders mentioned in paragraph (1) shall continue to have effect on and after 1st April 1995 for the purposes of or for purposes in connection with —

- (a) any alteration of a list compiled before 1st April 2000; or
- (b) any provision made by regulations made under section 58 of the Act<sup>(6)</sup> (special provision for 1995 onwards) as to the chargeable amount as regards a hereditament for a relevant period as defined in that section.

---

(3) S.I. 1994/3282 amended by S.I. 1995/962 and S.I. 1996/912. This Order continues in effect the Electricity Supply Industry (Rateable Values) Order 1989 (S.I. 1989/2474) and the Electricity Generators (Rateable Values) Order 1989 (S.I. 1989/2475) in relation to non-domestic rating lists in force before 1st April 1995.

(4) S.I. 1995/962.

(5) S.I. 1996/912 as amended.

(6) Section 58 is amended by paragraph 68 of Schedule 13 to the Local Government Finance Act 1989 (c. 14), section 2 of the Non-Domestic rating Act 1994 and section 1 of the Local government and Rating Act 1997 (c. 29).

## PART II

### ELECTRICITY GENERATION

#### Rateable Value

5.—(1) Article 6 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 comprises land, plant or buildings used or available for use for the purpose of generating electricity where such use is its sole or primary function and
  - (b) the generating plant either —
    - (i) uses wind, tidal or water power as its primary source of energy; or
    - (ii) has a declared net capacity of 500 kilowatts or more.

(3) In determining whether the primary function of a hereditament is for the purpose of generating electricity, no account shall be taken of so much of any heat produced in or on the hereditament as is produced other than for the purposes of the generation of electricity.

6.—(1) In the case of a hereditament falling within the class prescribed in article 5, paragraphs 2 to 2B of Schedule 6 to the Act(7) shall not apply, and its rateable value, in any year, during which the relevant list has effect, shall be an amount equal to the applicable amount.

(2) The “applicable amount” for the purposes of paragraph (1) is the amount per mega watt of declared net capacity of the generating plant in or on the hereditament (expressed to the nearest hundredth part of a mega watt) set out in column (2) of the following Table in relation to the sole or primary source of energy used by that governing plant set out in column (1):

**TABLE**

(1) Sole or primary source of energy	(2) £ per mega watt
(i) The burning of coal	9,500
(ii) The burning of oil	5,000
(iii) The burning of natural gas where a steam turbine is used	9,500
(iv) The burning of natural gas where a steam turbine is not used	5,000
(v) Nuclear Fission produced by a Magnox reactor	6,000
(vi) produced by a Magnox reactor	Nuclear Fission not 14,000
(vii) Wind Power	2,000
(viii) The burning of gas from land fill sites	5,000
(ix) The burning of crops and animal litter	2,000
(x) Pumped storage	12,800

---

(7) Paragraph 2 is amended and paragraphs 2A and 2B inserted by paragraph 38(3) to (11) of Schedule 5 to the Local Government and Housing Act 1989.

---

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

---

(1) Sole or primary source of energy	(2) £ per mega watt
(xi) Hydro Electric	9,500
(xii) Any source of energy not listed above.	2,000

(3) In this article “the relevant list” means the local non-domestic rating list compiled on 1st April 2000.

### PART III

#### ELECTRICITY GENERATION, TRANSMISSION AND SUPPLY: CENTRAL LISTS

##### Interpretation

7.—(1) In this Part —

“Central List Regulations” (“*Rheoliadau'r Rhestr Ganolog*”) means the Central Rating List (Wales) Regulations 1999<sup>(8)</sup>;

“the central list” (“*y rhestr ganolog*”) means the central non-domestic rating list for Wales compiled on 1st April 2000;

“a class of hereditaments” (“*dosbarth ar hereditamentau*”) means such of those hereditaments to be shown in the central rating list for Wales by virtue of regulation 3(1) of and Part 2 of the Schedule to the Central List Regulations as are occupied by any one designated person named in the Schedule to this Order;

“designated person” (“*person dynodedig*”) means a person designated by regulation 3(1) of and named in Part 2 of the Schedule to the Central List Regulations;

“recalculation factor” (“*ffactor ailgyfrifo*”) in relation to a class of hereditaments means the factor determined in relation to that class in accordance with article 9 or 10, as the case may be;

“relevant year” (“*blwyddyn berthnasol*”) means any year for which a rateable value is to be determined in accordance with this Order and “relevant preceding year” (“*blwyddyn berthnasol flaenorol*”) means the year preceding a relevant year; and

“standard formula” (“*fformwla safonol*”) in relation to a class of hereditaments means the formula

$$T + U$$

where—

T is the amount specified in the Schedule to this Order in relation to that class; and

U is the recalculation factor applicable to that class in respect of the relevant year.

(2) Any reference in this Part to hereditaments occupied by a person includes a reference, in the case of unoccupied hereditaments, to hereditaments owned by that person, references to occupation being construed accordingly.

(3) Any reference in this Part or in the Schedule to a designated person by name is to the company bearing that name at the date that name is entered in the central list.

---

<sup>(8)</sup> S.I. 1999/3453 (W.50).

### Rateable Values

8. In the case of each class of hereditaments, paragraphs 2 to 2B of Schedule 6 to the Act shall not apply in any year in which the central list is in force and its rateable value shall be —

- (a) in the year beginning on 1st April 2000 the amount specified in relation to it in the Schedule; and
- (b) in any other year beginning on or before 1st April 2004 shall be the amount produced by applying the standard formula in relation to that class.

### Transmission Hereditaments: Recalculation Factor

9. In relation to each class of hereditaments listed in Part A of the Schedule the recalculation factor in respect of a relevant year shall be the figure produced for that class by applying the formula —

$$T \left( \frac{k - K}{K} \right)$$

where —

T is the amount specified in relation to that class in the Schedule;

k is the estimated number of circuit kilometres of main transmission line occupied by the designated person as respects that class on 31st March in the relevant preceding year; and

K is the estimated number of circuit kilometres of main transmission line occupied by that person on 31st March 2000.

### Distribution Hereditaments: Recalculation Factor

10. In relation to each class of hereditaments listed in Part B of the Schedule, the recalculation factor in respect of a relevant year shall be the figure produced for that class by applying the formula —

$$T \left( \frac{v - V}{V} \right)$$

where —

T is the amount specified in relation to that class in the Schedule;

v is the estimated installed transformer capacity (measured in kilovoltamperes) of all the electricity transformation plant occupied by the designated person as respects that class on 31st March in the relevant preceding year; and

V is the estimated installed transformer capacity (measured in kilovoltamperes) of such plant on 31st March 2000.

---

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

---

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government Act of Wales 1998(9);

30th March 2000

*D. Elis Thomas*  
The Presiding Officer of the National Assembly

## SCHEDULE

Articles 7 to 10

Classes of hereditament	Specified amounts in £
<b>Part A.</b> Hereditaments occupied for electricity transmission	
The National Grid Company plc	19,739,327
<b>Part B.</b> Hereditaments occupied for electricity distribution	
Manweb plc	9,989,188
Midlands Electricity plc	651,159
South Wales Electricity plc	27,051,852

**EXPLANATORY NOTE***(This note is not part of the Order)*

Under paragraph 3(1) of Schedule 6 to the Local Government Finance Act 1988, the Secretary of State may by order provide that a hereditament of a description prescribed in the order is not to be valued for non-domestic rating on the basis set out in paragraphs 2 to 2C of that Schedule (that is to say, by reference to the rent a hypothetical tenant would pay for the hereditament on an annual basis), but on the basis of prescribed rules.

Under paragraph 3(2) of Schedule 6, the Secretary of State may by order provide that, in the case of non-domestic hereditaments to be shown in the central rating list for Wales (“central list hereditaments”) the basis of valuation contained in paragraphs 2 to 2B of that Schedule shall not apply, and instead their rateable values shall be such as are specified in the order or determined in accordance with prescribed rules.

These powers are now vested in the National Assembly for Wales.

Article 4 of this order (which applies to Wales only) revokes, subject to certain savings, with effect from 1st April 2000, the Electricity Supply Industry (Rateable Values) Order 1994, which was made under both paragraphs 3(1) and 3(2) and applied in respect of years commencing on or after 1st April 1995.

Article 5 prescribes, in pursuance of paragraph 3(1) of Schedule 6, hereditaments used or available for use wholly or mainly for the purpose of generating electricity by means of certain descriptions of plant. Article 6 contains rules for ascertaining the rateable values of such hereditaments in the five years beginning on 1st April 2000.

Article 8 prescribes, in pursuance of paragraph 3(2) of Schedule 6, the rateable values of central list hereditaments used or available for use for the transmission of electricity for the year beginning on 1st April 2000. Articles 9 and 10 provide for the annual recalculation of those rateable values for subsequent years, on the basis of a standard formula.