
STATUTORY INSTRUMENTS

2021 No. 1335

The Green Gas Support Scheme Regulations 2021

PART 10

Compliance and enforcement: scheme suppliers

Draw down of credit cover

- 55.**—(1) This regulation applies where—
- (a) a scheme supplier (the “defaulting scheme supplier”) fails to pay the whole or any part of—
 - (i) a quarterly levy payment in accordance with regulation 40, or
 - (ii) a mutualisation payment required in accordance with regulation 56, or
 - (b) a former scheme supplier (the “defaulting scheme supplier”) fails to pay the whole or any part of an outstanding amount in accordance with regulation 51(8).
- (2) The Authority must draw down the defaulting scheme supplier’s existing credit cover no earlier than the next working day after the day on which payment of the unpaid amount was due.
- (3) Where the Authority draws down a defaulting scheme supplier’s existing credit cover, the Authority must notify the defaulting scheme supplier of that draw down and the notification must specify—
- (a) the amount of the defaulting scheme supplier’s existing credit cover subject to the draw down, and
 - (b) whether the draw down is against payments made, or a letter of credit provided, by the defaulting scheme supplier, or both.
- (4) Where draw down is against payments made by the defaulting scheme supplier, the amount drawn down is treated as a payment by the defaulting scheme supplier in respect of their quarterly levy payment or mutualisation payment (as the case may be).
- (5) Where draw down is against a letter of credit provided by the defaulting scheme supplier—
- (a) the Authority must take steps to demand payment from the person who provided the letter of credit for the lesser of—
 - (i) the amount which can be demanded under that letter of credit, and
 - (ii) the unpaid amount, and
 - (b) the amount which is paid to the Authority under that letter of credit is treated as a payment by the defaulting scheme supplier in respect of their quarterly levy payment or mutualisation payment (as the case may be), made at the time that amount is received by the Authority.
- (6) The Authority may draw down against a letter of credit provided by a defaulting scheme supplier notwithstanding that the letter of credit has ceased to constitute an acceptable letter of credit.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Green Gas Support Scheme Regulations 2021. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

Commencement Information

II Reg. 55 in force at 30.11.2021, see [reg. 1\(1\)](#)

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Changes and effects yet to be applied to :

- reg. 55(1)(b) substituted by [S.I. 2023/1317 reg. 9\(a\)](#)
- reg. 55(2) substituted by [S.I. 2023/1317 reg. 9\(b\)](#)
- reg. 55(4) words substituted by [S.I. 2023/1317 reg. 9\(d\)](#)
- reg. 55(5)(b) words substituted by [S.I. 2023/1317 reg. 9\(e\)](#)

Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Sch. 1A inserted by [S.I. 2024/642 reg. 16](#)
- reg. 8A inserted by [S.I. 2024/642 reg. 8](#)
- reg. 9(10)(f) inserted by [S.I. 2024/642 reg. 9\(b\)\(ii\)](#)
- reg. 10(1)(ga) inserted by [S.I. 2024/642 reg. 10](#)
- reg. 27(11) inserted by [S.I. 2024/642 reg. 15\(b\)](#)
- reg. 39(6A) inserted by [S.I. 2023/1317 reg. 4\(b\)](#)
- reg. 42(3A) inserted by [S.I. 2023/1317 reg. 6\(b\)](#)
- reg. 42(5A) inserted by [S.I. 2023/1317 reg. 6\(d\)](#)
- reg. 43A inserted by [S.I. 2023/1317 reg. 7](#)
- reg. 51(7)(ca) inserted by [S.I. 2023/1317 reg. 8\(1\)\(a\)\(iii\)](#)
- reg. 51(7A)-(7E) inserted by [S.I. 2023/1317 reg. 8\(1\)\(b\)](#)
- reg. 51(9A)(9B) inserted by [S.I. 2023/1317 reg. 8\(1\)\(d\)](#)
- reg. 55(2A)(2B) inserted by [S.I. 2023/1317 reg. 9\(c\)](#)