
STATUTORY INSTRUMENTS

2021 No. 676

EXCISE

The Hydrocarbon Oil Duties (Reliefs for Electricity Generation) (Amendment and Modification) Regulations 2021

<i>Made</i>	- - - -	<i>7th June 2021</i>
<i>Laid before Parliament</i>		<i>8th June 2021</i>
<i>Coming into force</i>	- -	<i>1st July 2021</i>

The Commissioners for Her Majesty’s Revenue and Customs make the following Regulations in exercise of the powers, now exercisable by them, conferred by section 20AA(1)(a), (2)(a) to (e), (g), (h), (i) and (3) of the Hydrocarbon Oil Duties Act 1979(1):

Citation, commencement and application

1.—(1) These Regulations may be cited as the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) (Amendment and Modification) Regulations 2021.

(2) These Regulations come into force on 1st July 2021.

(3) These Regulations apply in relation to qualifying oil or qualifying bioblend used to produce outputs of a combined heat and power station on or after the day that they come into force.

Interpretation

2. In these Regulations—

(a) “the Principal Regulations” means the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) Regulations 2005(2); and

(b) the terms “combined heat and power station”, “outputs”, “qualifying bioblend” and “qualifying oil”, have the meanings provided in regulation 2 of the Principal Regulations.

(1) 1979 c. 5. Section 20AA was inserted by section 2(1) of the Finance Act 1989 (c. 26). It has since been amended, but not relevantly for the purposes of these Regulations. Section 20AA confers power to make regulations on “the Commissioners”, which expression means the Commissioners of Customs and Excise under section 27(3) of the Hydrocarbon Oil Duties Act 1979 and section 1(1) of the Customs and Excise Management Act 1979 (c. 2). Their functions were transferred to the Commissioners for Her Majesty’s Revenue and Customs by section 5(1) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50(1) of that Act provides that a reference to the Commissioners of Customs and Excise shall be taken as a reference to the Commissioners for Her Majesty’s Revenue and Customs.

(2) S.I. 2005/3320, relevantly amended by S.I. 2008/753, 2013/657, 2014/713 and 2015/943.

Amendment of the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) Regulations 2005

- 3.—(1) The Principal Regulations are amended as they apply in Great Britain(3) as follows.
- (2) For regulation 9(2)(c) substitute—
- “(c) “CHPQA” refers to issue 7 (December 2018) of the Combined Heat and Power Quality Assurance Standard prepared by the Department for Business, Energy and Industrial Strategy(4);”.

Modification of the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) Regulations 2005

- 4.—(1) For the period beginning with 1st July 2021 and ending with 28th May 2022, the Principal Regulations are modified in accordance with this regulation.
- (2) Regulation 9(2)(c) as it applies in Great Britain, as substituted by regulation 3(2) of these Regulations, has effect as if, after “Strategy”, there were inserted “subject to issue 8 (March 2021) of that Standard”.
- (3) Regulation 9(2)(c) as it applies in Northern Ireland is to be read subject to the temporary Standard.
- (4) In regulation 9(2)(d) (definition of “CHPQA certificate”), reference to a certificate is to be taken to include any supplementary information issued in respect of that combined heat and power station.
- (5) In this regulation—
- “supplementary information” means supplementary information issued under the temporary Standard and Guidance Note 60 dated March 2021(5) by the administrator of the arrangements set out in that Standard; and
- “the temporary Standard” means issue 8 (March 2021) of the Combined Heat and Power Quality Assurance Standard prepared by the Department for Business, Energy and Industrial Strategy.

*Myrtle Lloyd
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Two of the Commissioners for Her Majesty’s
Revenue and Customs

7th June 2021

(3) Regulation 9(2)(c) of the Principal Regulations was substituted, as it applies to qualifying oil or qualifying bioblend used in Great Britain, by S.I. 2015/943. Schedule 3, as inserted by S.I. 2015/943, similarly only applies to those fuels, used in Great Britain. The version of that regulation as inserted by S.I. 2013/657 continues to apply to those fuels, when used in Northern Ireland.

(4) Issues 7 and 8 of the Standard are available at <https://www.gov.uk/government/publications/chpqa-standard> or upon request from the Department for Business, Energy and Industrial Strategy at 1 Victoria Street, London SW1H 0ET.

(5) See paragraph GN60.7 of the Guidance. The Guidance Note is available at <https://www.gov.uk/guidance/chpqa-guidance-notes> or upon request from the Department for Business, Energy and Industrial Strategy at 1 Victoria Street, London SW1H 0ET.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) Regulations 2005 (S.I. 2005/3320) to update references in those Regulations to the Combined Heat and Power Quality Assurance Standard (“CHPQA”) and to certificates issued under it. These amendments only apply to qualifying oil or qualifying bioblend used to produce outputs of a combined heat and power station in Great Britain.

The purpose of the temporary modifications also made by these Regulations is to update, for the period of from 1st July 2021 to 28th May 2022 (inclusive), the definition of the CHPQA, and of certificates issued under it, to refer to issue 8 of the CHPQA and to related guidance notes. These modifications are made in conjunction with similar modifications made by the Renewable Heat Incentive Scheme (Temporary Modification) Regulations 2021 (S.I. 2021/346) and the Combined Heat and Power Quality Assurance (Temporary Modifications) Regulations 2021 (S.I. 2021/656) and will operate until the same end date.

A Tax Information and Impact Note (TIIN) covering this instrument is available on the Government website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>. It remains an accurate summary of the impacts that apply to this instrument.