

Draft Regulations laid before Parliament under paragraph 146(3) of Schedule 6 to the Finance Act 2000, for approval by resolution of the House of Commons.

DRAFT STATUTORY INSTRUMENTS

2001 No.

CLIMATE CHANGE LEVY

The Climate Change Agreements (Energy-intensive Installations) Regulations 2001

Made - - - - 2001
Coming into force in accordance with regulation 1

The Treasury, in exercise of the powers conferred upon them by paragraph 52 of Schedule 6 to the Finance Act 2000⁽¹⁾ hereby make the following Regulations, a draft of which has, in accordance with paragraph 146(3) of that Schedule, been laid before Parliament and approved by a resolution of the House of Commons:

Citation and commencement

1. These Regulations may be cited as the Climate Change Agreements (Energy-intensive Installations) Regulations 2001 and shall come into force on the day after the day on which they are made.

Amendment of paragraph 51 of Schedule 6 to the Finance Act 2000

2.—(1) Paragraph 51 of Schedule 6 to the Finance Act 2000 (Energy-intensive installations) has effect subject to the following amendments.

(2) For sub-paragraph (2) substitute—

“(2) Sub-paragraph (2A) applies where—

- (a) an installation falls within any one or more of those descriptions, and
- (b) there is, on the same site as the installation, a location at which ancillary activities are carried out.

(2A) The installation (taken alone) is not covered by this paragraph, but the combination—

- (a) of the installation and that location, or

- (b) where there is more than one such location, of the installation and all of those locations, is to be taken as being an installation covered by this paragraph.
- (2B) In sub-paragraph (2) “ancillary activities” means activities that—
 - (a) are directly associated with any of the primary activities carried out in the installation,
 - (b) have a technical connection with those primary activities, and
 - (c) could have an effect on environmental pollution.”
- (3) In sub-paragraph (3), for “sub-paragraphs (1) and (2)” substitute “sub-paragraphs (1) to (2B)”.
- (4) Omit sub-paragraphs (4) and (5).
- (5) In sub-paragraph (6), for “sub-paragraph (4)” substitute “sub-paragraph (2B)”.
- (6) In the Table, for entries 1 to 33 (and the italic cross-headings) there is substituted—

“Installations regulated under the Pollution Prevention and Control (England and Wales) Regulations 2000 (S.I.2000/1973)”

1. Part A installations.

Installations that would be so regulated but for a threshold or exception

- 2. Installations that would be Part A installations but for—
 - (a) a relevant numeric threshold, or
 - (b) a relevant exception.

Installations that would be so regulated if certain modifications were made to the Regulations

- 3. Installations that would be Part A installations if the relevant modifications were made.

Corresponding installations in Scotland and Northern Ireland

- 4. Installations that are situated in Scotland or Northern Ireland, but if situated in England and Wales—
 - (a) would be Part A installations,
 - (b) would be Part A installations but for—
 - (i) a relevant numeric threshold, or
 - (ii) a relevant exception, or
 - (c) would be Part A installations if the relevant modifications were made.

Interpretation of entries 1 to 4

- 5.—(1) In this entry “the Schedule” means Schedule 1 to the Pollution Prevention and Control (England and Wales) Regulations 2000⁽²⁾.
- (2) In entries 1 to 4—
 - (a) “Part A installation” has the meaning given in Part 3 of the Schedule;
 - (b) “relevant exception” means—

(2) S.I. 2000/1973, relevant amendments were made by S.I. 2001/503.

- (i) the exception in paragraph (b)(i) of Part A(1) of Section 2.1 of Part 1 of the Schedule,
 - (ii) the exceptions in paragraph (c) of Part A(1) of Section 5.1 of Part 1 of the Schedule for activities falling within Part B of that Section and for the incineration of specified hazardous waste in an exempt incineration plant, or
 - (iii) the exception in paragraph (e) of Part A(1) of Section 5.1 of Part 1 of the Schedule for incineration as part of a Part B activity in so far as this exception relates to the activities referred to in paragraphs (a) and (b) of Part B of that Section;
- (c) “the relevant modifications” means the omission of the following provisions of Part 1 of the Schedule:
- (i) the final twelve words of paragraph (b) of Part A(1) of Section 4.4;
 - (ii) the final twelve words of paragraph (b) of Part A(1) of Section 4.5;
 - (iii) paragraph 1 of the Interpretation of Part A(1) of Section 5.4;
 - (iv) the final fourteen words of paragraph (c) of Part A(1) of Section 6.1;
 - (v) the final fourteen words of paragraph (c) of Part A(1) of Section 6.4; and
 - (vi) the final fourteen words of paragraph (f)(ii) of Part A(1) of Section 6.8; and
- (d) “relevant numeric threshold” means a numeric threshold specified in any of the following provisions of Part 1 of the Schedule:
- (i) paragraphs (c) and (d) of Part A(1) of Section 2.1;
 - (ii) Part A(2) of Section 2.1;
 - (iii) paragraph (b) of Part A(1) of Section 2.2;
 - (iv) Part A(1) of Section 2.3;
 - (v) paragraph (b) of Part A(1) of Section 3.1;
 - (vi) paragraph (b) of Part A(2) of Section 3.1;
 - (vii) paragraph (b) of Part A(1) of Section 3.3;
 - (viii) Part A(2) of Section 3.3;
 - (ix) paragraph (a) of Part A(1) of Section 3.4;
 - (x) Part A(2) of Section 3.6;
 - (xi) paragraphs (c) and (d) of Part A(1) of Section 4.1;
 - (xii) paragraphs (d) and (e) of Part A(1) of Section 5.1;
 - (xiii) Part A(1) of Section 5.2;
 - (xiv) Part A(1) of Section 5.3;
 - (xv) paragraph (c) of Part A(1) of Section 5.4;
 - (xvi) paragraph (b) of Part A(1) of Section 6.1;
 - (xvii) Part A(1) of Section 6.3;
 - (xviii) paragraphs (a) and (b) of Part A(1) of Section 6.4;
 - (xix) Part A(2) of Section 6.4;
 - (xx) Part A(2) of Section 6.7;
 - (xxi) paragraphs (a) to (e) of Part A(1) of Section 6.8;
 - (xxii) Part A(2) of Section 6.8; and

- (xxiii) Part A(1) of Section 6.9; and
- (e) any reference to a part of the United Kingdom includes the territorial waters adjacent to that part.”

March 2001

Two of the Lords Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which apply throughout the United Kingdom, vary the installations covered by paragraph 51 of Schedule 6 to the Finance Act 2000. Regulation 2(6) substitutes the following descriptions of installation for the entries in the Table in paragraph 51:

- (a) Part A installations within the meaning of Part 3 of Schedule 1 to the Pollution Prevention and Control (England and Wales) Regulations 2000 (as amended by the Pollution Prevention and Control (England and Wales) (Amendment) Regulations 2001);
- (b) installations which would be Part A installations but for:
 - (i) the numeric thresholds specified in Part 1 of that Schedule (except the threshold set out in Section 1.1 of that Part); or
 - (ii) certain exceptions so specified;
- (c) installations which would be Part A installations if certain provisions were omitted from Part 1 of that Schedule; and
- (d) equivalent installations located in Northern Ireland or Scotland.

The substituted descriptions include all the descriptions of installations set out in the existing entries in the Table as well as adding additional descriptions.

Regulation 2(2) to (5) amends paragraph 51 of Schedule 6 to the Finance Act 2000 so that an installation covered by paragraph 51 includes any location:

- (a) which is on the same site as an installation described in the Table in paragraph 51; and
- (b) where an ancillary activity is carried out.

Regulation 2(4) also removes the exclusion from the descriptions of installation listed in the Table in respect of installations (or parts of installations) used for research, development and testing of new products and processes.