

*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.*

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DRAFT STATUTORY INSTRUMENTS

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**2013 No.**

**CLIMATE CHANGE LEVY**

**The Climate Change Levy (Combined Heat and Power Stations) (Amendment) Regulations 2013**

*Made* - - - - *\*\*\*\**  
*Coming into force* - - *1st April 2013*

The Treasury, in exercise of the powers conferred by paragraph 16(2) and (3) of Schedule 6 to the Finance Act 2000<sup>(1)</sup>, 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:

**1.** These Regulations may be cited as the Climate Change Levy (Combined Heat and Power Stations) (Amendment) Regulations 2013 and come into force on 1st April 2013.

**2.** The Climate Change Levy (Combined Heat and Power Stations) Regulations 2005<sup>(2)</sup> are amended as follows.

**3.—(1)** Renumber regulation 4 (supplies from partly exempt combined heat and power stations: exemptions for outputs) as regulation 4(1).

(2) Insert as regulation 4(2) and (3)—

“(2) For the purpose of establishing whether that limit is exceeded—

(a) any supplies made by a station—

(i) to a utility; or

(ii) for domestic or charity use (in either case such use has the respective meaning given in paragraphs 8 and 9 of the Act<sup>(3)</sup>),

shall be disregarded; but

(b) the electrical equivalent of any mechanical output of a station produced otherwise than for the purpose of electricity generation shall be included.

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(1) 2000 c.17.

(2) S.I. 2005/1714.

(3) Paragraph 9 of Schedule 6 to the Finance Act 2000 was amended by the Finance Act 2001 (c. 9), sections 99(6) and 110, Schedule 31, Part 2, paragraph 7 and Schedule 33, Part 3, heading (1).

(3) For the purposes of paragraph 2(b), the electrical equivalent of any mechanical output of a station is derived by multiplying that output by 1.05.”.

4. Omit regulation 7.

Date

*name*  
*name*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on 1 April 2013, amend the Climate Change Levy (Combined Heat and Power Stations) Regulations 2005 ([SI 2005/1714](#)).

Electricity up to a specified, quantitative limit produced in a partly exempt combined heat and power station may be supplied exempt from climate change levy. Regulation 3 provides, for the purposes of calculating that quantitative limit, for supplies to a utility or for a domestic or non-business use of a charity to be disregarded, but requires the electrical equivalent of any mechanical output of the station produced otherwise than for the purpose of generating electricity to be included.

Regulation 4 revokes a transitional provision which is no longer necessary.

A Tax Information and Impact Note covering this instrument was published on 21 March 2012 and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>. It remains an accurate summary of the impacts that apply to this instrument.