
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Environmental Permitting (England and Wales) Regulations 2010 (S.I. 2010/675) (“the principal Regulations”), to transpose Article 14(5) to (9) of Directive 2012/27/EU on energy efficiency (OJ No L 315, 14.11.2012, p 1). Article 14(5) to (9) of the Directive require Member States to ensure that a cost-benefit analysis is carried out to assess the installation of cogeneration or the utilisation of waste heat from energy producing installations, with the aim to increase energy efficiency.

Regulation 4 amends Part 2 of Schedule 1 to the principal Regulations to provide for the aggregation of the net rated thermal input of appliances operated by the same operator on the same site. Where the aggregated net rated thermal input exceeds 20 megawatts, this means they are brought within the scope of the definition of ‘Part B installations’ for the purposes of applying the cost-benefit analysis requirements introduced by the new Schedule 8A.

Regulation 6 inserts new Schedule 8A, which provides for a cost benefit analysis to be included in applications for environmental permits and for the variation of environmental permits for specified installations.

The cost-benefit analysis must assess the cost and benefits of installations producing electricity, operating as cogeneration installations. In the case of other installations, the cost-benefit analysis must assess the cost and benefits of utilising waste heat for the purposes of district and cooling networks.

Regulations 8 and 9 contain transitional provisions. Regulation 8 provides that a Part B installation that is a regulated facility under the principal Regulations due to the application of the aggregation provisions in Regulation 4, and is in operation before the coming into force of these regulations, is to be deemed an exempt facility until it is substantially refurbished.

Regulation 9 provides that Schedule 8A does not apply to applications for an environmental permit or for a variation of an environmental permit received by the regulator prior to the coming into force of these regulations.

A full Impact Assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector is available from the Better Regulation Programme, Department for Environment, Food and Rural Affairs, 17 Smith Square, London SW1P 3JR and is published with the Explanatory Memorandum alongside the instrument on www.legislation.gov.uk.