
STATUTORY INSTRUMENTS

1994 No. 3282

RATING AND VALUATION

The Electricity Supply Industry (Rateable Values) Order 1994

Made - - - - 20th December 1994

Coming into force - - 21st December 1994

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by sections 140(4) and 143(1) and (2) of, and paragraph 3(1) and (2) of Schedule 6 to, the Local Government Finance Act 1988(1), and of all other powers enabling them in that behalf, hereby make the following Order, a draft of which has been laid before, and approved by resolution of, each House of Parliament:

PART I
PRELIMINARY

Citation and commencement

1. This Order may be cited as the Electricity Supply Industry (Rateable Values) Order 1994 and shall come into force on the day after the day on which it is made.

Interpretation

2.—(1) In this Order—

“the Act” means the Local Government Finance Act 1988;

“declared net capacity”, in relation to generating plant, means the highest generation of electricity (at the main alternator terminals) which can be maintained indefinitely without causing damage to the plant, less so much of that capacity as is consumed by the plant, expressed in megawatts to the nearest one hundredth part of a megawatt;

“generating plant”, in relation to a hereditament, means plant in or on the hereditament which is used or available for use for the purposes of generating electricity; and

“year” means a chargeable financial year.

(1) S.I.1989/2474, amended by sections 2(3) and 3(2) and (3) of the Non-Domestic Rating Act 1992 (c. 46), section 1(5) of the Non-Domestic Rating Act 1993 (c. 17) and section 1(4) of the Non-Domestic Rating Act 1994 (c. 3).

Rounding of numbers

3. Where (apart from this article) any rateable value determined under this Order would include a fraction of a pound—

- (a) the fraction shall be made up to one pound if it would exceed 50p, and
- (b) the fraction shall be ignored if it would be 50p or less.

Revocations and savings

4.—(1) Subject to paragraph (2), the following Orders are hereby revoked with effect from 1st April 1995—

- (a) the Electricity Generators (Rateable Values) Order 1989(2);
- (b) the Electricity Supply Industry (Rateable Values) Order 1989(3);
- (c) the Gas and Electricity Industries (Rateable Values) (Amendment) Order 1990(4); and
- (d) the Electricity Supply Industry (Rateable Values) (Amendment) Order 1991(5).

(2) Without prejudice to section 16(1) of the Interpretation Act 1978(6), the Orders mentioned in paragraph (1) shall continue to have effect on and after 1st April 1995 for the purposes of or for purposes connected with—

- (a) any alteration of a list in force immediately before 1st April 1995; or
- (b) any provision made by regulations made under section 58(f) of the 1988 Act (special provision for 1995 onwards) as to the chargeable amount as regards a hereditament for a relevant period as defined in that section.

PART II

ELECTRICITY GENERATION: LOCAL LISTS

Application

5.—(1) This article applies to the class of hereditaments in relation to which the conditions in paragraph (2) are fulfilled.

(2) The conditions mentioned in paragraph (1) are that—

- (a) the hereditament comprises land, plant or buildings used or available for use for the purpose of generating electricity, where—
 - (i) such use is its sole or primary function; or
 - (ii) its primary function is in connection with a scheme for the production for sale of both electrical power and heat; or
 - (iii) its primary source of energy is the burning of refuse; and
- (b) the generating plant—
 - (i) uses wind, tidal or water power as its primary source of energy; or

(2) S.I. [1989/2475](#), amended by section 3(2) and (3) of the Non-Domestic Rating Act 1992, section 1(5) of the Non-Domestic Rating Act 1993 and section 1(4) of the Non-Domestic Rating Act 1994.

(3) S.I. [1990/804](#).

(4) S.I. [1991/959](#).

(5) [1978 c. 30](#).

(6) Section 58 is amended by paragraph 68 of Schedule 13 to the Local Government Finance Act [1992 \(c. 14\)](#) and by section 2 of the Non-Domestic Rating Act 1994.

- (ii) if its primary source of energy is the burning of refuse and neither paragraph (i) nor paragraph (ii) of sub-paragraph (a) applies, has a declared net capacity of 25 megawatts or more; or
- (iii) has a declared net capacity of 500 kilowatts or more; and
- (c) the hereditament does not fall to be shown in a central rating list.

Rateable values

6.—(1) In the case of a hereditament falling within the class to which article 5(1) applies, paragraphs 2 to 2B(a) of Schedule 6 to the Act shall not apply and its rateable value in any year beginning on or after 1st April 1995 shall be an amount equal—

- (a) where the primary source of energy used by the plant is wind or tidal power, to £5,810 per megawatt of the declared net capacity of the generating plant, or
- (b) in any other case, to £11,620 per megawatt of its declared net capacity.

(2) In sub-paragraphs (a) and (b) above, amounts in megawatts shall be expressed to the nearest hundredth part of a megawatt.

PART III

ELECTRICITY GENERATION, TRANSMISSION AND SUPPLY: CENTRAL LISTS

Interpretation

7.—(1) In this Part—

“Central Lists Regulations” means the Central Rating Lists Regulations 1994(7);

“class of English hereditaments” means those hereditaments falling to be shown in the central rating list for England by virtue of regulation 6(1) of and Part 2 of the Schedule to the Central Lists Regulations and occupied by the designated person as respects those hereditaments;

“class of Welsh hereditaments” means those hereditaments falling to be shown in the central rating list for Wales by virtue of regulation 6(2) of and Part 2 of the Schedule to the Central Lists Regulations and occupied by the designated person as respects those hereditaments;

“designated person” means a person designated by regulation 5(1) of and named in Part 2 of the Schedule to the Central Lists Regulations;

“recalculation factor” in relation to a class of English hereditaments or a class of Welsh hereditaments means the factor determined in relation to that class in accordance with article 9, 10 or 11, as the case may be;

“relevant year” means any year for which a rateable value falls to be determined in accordance with this Order and “relevant preceding year” means the year preceding a relevant year; and

“standard formula” in relation to a class of English hereditaments or a class of Welsh hereditaments means the formula $T + U$ where—

- (a) T is the amount specified in the Schedule to this Order in relation to that class; and
- (b) U is the recalculation factor applicable to that class in respect of the relevant year.

(7) Paragraph 2 is amended and paragraphs 2A and 2B are inserted by paragraph 38(3) to (11) of Schedule 5 to the Local Government and Housing Act 1989.

(2) Any reference in this Part to hereditaments occupied by a person includes a reference, in the case of unoccupied hereditaments, to hereditaments owned by that person, references to occupation being construed accordingly.

(3) Any reference in this Part or in the Schedule to a designated person by name is to the company bearing that name at the date that name is entered in the central rating list for England or the central rating list for Wales, as the case may be.

Rateable values

8. In the case of each class of English hereditaments and each class of Welsh hereditaments, paragraphs 2 to 2B of Schedule 6 to the 1988 Act shall not apply in any year beginning on or after 1st April 1995 and its rateable value—

- (a) in the year beginning on 1st April 1995, shall be the amount specified in relation to it in the Schedule; and
- (b) in any year beginning on or after 1st April 1996, shall be the amount produced by applying the standard formula in relation to that class.

Electricity generating hereditaments—recalculation factor

9.—(1) In relation to each class of English hereditaments listed in paragraph A of Part I and each class of Welsh hereditaments listed in paragraph A of Part II of the Schedule, except those falling within the class referred to in paragraph (2), the recalculation factor in respect of a relevant year shall be the figure produced for that class by applying the formula—

$$£11,620 \left(\frac{D}{d} - d \right)$$

where—

D is the total declared net capacity of generating plant in or on the hereditaments occupied by the designated person as respects that class in England, or, as the case may be, in Wales, on 31st March in the relevant preceding year, and d is the total declared net capacity of generating plant in or on the hereditaments occupied by that person in England, or, as the case may be, in Wales, on 31st March 1995.

(2) In relation to any class of English hereditaments and any class of Welsh hereditaments occupied by Nuclear Electric plc, the recalculation factor in respect of a relevant year shall be the figure produced by applying in relation to that class the formula—

$$£16,426 \left(\frac{D}{d} - d \right)$$

where

D and d, respectively, have the meanings assigned to them in paragraph (1).

Electricity transmission hereditaments—recalculation factor

10. In relation to each class of English hereditaments listed in paragraph B of Part I and each class of Welsh hereditaments listed in paragraph B of Part II of the Schedule, the recalculation factor in respect of a relevant year shall be the figure produced for that class by applying the formula—

$$T \left(\frac{k - K}{K} \right)$$

where—

T is the amount specified in relation to that class in the Schedule;

k is the estimated number of circuit kilometres of main transmission line occupied by the designated person as respects that class on 31st March in the relevant preceding year; and

K is the estimated number of circuit kilometres of main transmission line occupied by that person on 31st March 1995.

Electricity distribution hereditaments—recalculation factor

11. In relation to each class of English hereditaments listed in paragraph C of Part I and each class of Welsh hereditaments listed in paragraph C of Part II of the Schedule, the recalculation factor in respect of a relevant year shall be the figure produced for that class by applying the formula—

$$T \left(\frac{t - V}{V} \right)$$

where—

T is the amount specified in relation to that class in the Schedule;

t is the estimated installed transformer capacity (measured in kilovoltamperes) of all the electricity transformation plant occupied by the designated person as respects that class on 31st March in the relevant preceding year; and

V is the estimated installed transformer capacity (measured in kilovoltamperes) of such plant on 31st March 1995.

Signed by authority of the Secretary of State for the Environment

Department of the Environment
19th December 1994

David Curry
Minister of State,

Signed by authority of the Secretary of State for Wales

Welsh Office
20th December 1994

Gwilym Jones
Parliamentary Under Secretary of State,

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Articles 7 and 8

Classes of English Specified amounts *£million*
in hereditaments and classes of Welsh
hereditaments

**PART I. HEREDITAMENTS TO BE
ENTERED IN THE CENTRAL RATING
LIST FOR ENGLAND**

**A. ELECTRICITY GENERATION —
Hereditaments occupied by:**

National Power PLC	231.8554
PowerGen plc	178.8823
Nuclear Electric plc	134.2184

**B. ELECTRICITY TRANSMISSION —
Hereditaments occupied by:**

The National Grid Company plc	189.14
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**C. ELECTRICITY DISTRIBUTION —
Hereditaments occupied by:**

Eastern Group plc	52.6412
East Midlands Electricity plc	38.5263
London Electricity plc	43.6311
Manweb plc	19.0485
Midlands Electricity plc	44.8511
Northern Electric plc	31.2176
NORWEB plc	40.4161
SEEBOARD plc	32.3524
Scottish Power plc	0.2828
Southern Electric plc	49.9275
South Wales Electricity plc	0.0735
South Western Electricity plc	30.96
Yorkshire Electricity Group plc	46.6156

**PART II. HEREDITAMENTS TO BE
ENTERED IN THE CENTRAL RATING
LIST FOR WALES**

**A. ELECTRICITY GENERATION —
Hereditaments occupied by:**

National Power PLC	19.6058
PowerGen plc	2.24876
Nuclear Electric plc	12.04

**B. ELECTRICITY TRANSMISSION —
Hereditaments occupied by:**

The National Grid Company plc	21.0729
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<i>Classes of English Specified amounts in hereditaments and classes of Welsh hereditaments</i>	<i>£million</i>
C. ELECTRICITY DISTRIBUTION — Hereditaments occupied by:	
Manweb plc	7.7853
Midlands Electricity plc	0.543
South Wales Electricity plc	20.11

EXPLANATORY NOTE

(This note is not part of the Order)

Under paragraph 3(1) of Schedule 6 to the Local Government Finance Act 1988, the Secretary of State may by order provide that a hereditament of a description prescribed in the order is not to be valued for non-domestic rating on the basis set out in paragraphs 2 to 2B of that Schedule (that is to say, by reference to the rent a hypothetical tenant would pay for the hereditament on an annual basis), but on the basis of prescribed rules.

Under paragraph 3(2) of Schedule 6, the Secretary of State may by order provide that, in the case of non-domestic hereditaments to be shown in the central rating list for England, or, as the case may be, Wales (“central list hereditaments”), the basis of valuation contained in paragraphs 2 to 2B shall not apply, and that instead their rateable values shall be such as are specified in the order or determined in accordance with prescribed rules.

Article 4 of this Order revokes, subject to certain savings, with effect from 1st April 1995 the Electricity Generators (Rateable Values) Order 1989 which was made under paragraph 3(1) and applied in respect of the years commencing on or after 1st April 1990 and the Electricity Supply Industry (Rateable Values) Order 1989 which was made under paragraph 3(2) and applied in respect of the same period.

Article 5 prescribes, pursuant to paragraph 3(1), hereditaments (other than those which fall to be included in a central rating list by virtue of regulations made under section 53 of the 1988 Act) which are used or available for use wholly or mainly for the purpose of generating electricity by means of certain descriptions of plant set out in article 5(2).

Article 6 contains rules for ascertaining the rateable values of such hereditaments for any year beginning on or after 1st April 1995.

Article 8 prescribes the rateable values of central list hereditaments for the year beginning on 1st April 1995 and provides for the annual recalculation of those rateable values thereafter on the basis of the standard formula.

Articles 9, 10 and 11 provide for the calculation of the recalculation factor to be used in the standard formula.