

Applied Energy – Fact Sheet

CLIMATE CHANGE AGREEMENTS

Key Information for Building Owners and Operators

What is it? The Government has recognised the need for special consideration to be given to the 'energy intensive' industries given their energy usage. Therefore, the Government has provided discounts from the Climate Change Levy (CCL) for those that agree challenging targets for improving their energy efficiency or reducing carbon emissions. The mechanism for Government and industry to agree targets and for companies to claim the levy reduction are Climate Change Agreements (CCAs).

Who is Eligible? Aimed at 'Energy Intensive' industries across a range of different sectors. The Energy intensive industries are defined in Schedule 1 of the Pollution Prevention and Control (England and Wales) Regulations 2000 and the Energy Products Directive.

What are the Benefits? CCA's allow eligible energy intensive business users to receive up to an 80% discount from the Climate Change Levy (CCL) in return for meeting energy efficiency or carbon saving targets.

What is CCL? In April 2001, the Government introduced a tax on the use of energy in industry, commerce and the public sector known as the CCL. The aim of this was to encourage users to improve energy efficiency and reduce CO2 emissions

Are there CCL exemptions? There are several exemptions from the levy, including:

- Electricity generated from new renewable energy (eg solar and wind power)
- Fuel used by good quality combined heat and power (CHP) schemes
- Fuels used as a feedstock
- Electricity used in electrolysis processes

How can we help? Applied Energy's experience in understanding and implementing energy efficient engineering can assist with meeting the requirements of the CCA allowing owners and operators to claim discounts on Climate Change Levy (CCL) charges. Applied Energy also have the expertise to undertake Combined Heat and Power Quality Assurance (CHPQA) assessments for CHP installations that could lead to the CCL exemption on a percentage of their utility bills.

Contact: Geoff Peters (geoff.peters@appliedenergy.co.uk 07957 142 360) at Applied Energy for an initial chat and some guidance on how best to proceed.

