

Operators of all CHP LEC
Generating Stations

*Promoting choice and value for
all gas and electricity customers*

Your Ref:
Our Ref: CHP/4001
Direct Dial: 020 7901 7310
Email: Renewable@ofgem.gov.uk

Date: 11 June 2010

Dear Operator,

CHP LEC RECONCILIATION 2010

The 2010 reconciliation process will take place soon after 1 July 2010 following receipt of the new CHPQA certificate details directly from CHPQA (the accreditation body). This letter is a brief summary of what reconciliation is and highlights any actions you might need to take before reconciliation begins. **If you are not claiming CHP LECs please ignore the content of this letter.**

What is reconciliation?

CHP LECs are issued monthly to individual generating stations based on monthly output data submitted within two months following the month of generation deadline (as published in the certificate issue schedule) and the QPO/TPO ratio of the station. CHPQA assesses a stations QPO/TPO ratio annually. Where a station's QPO/TPO ratio has changed or where monthly output data was submitted late or incorrectly, the number of CHP LECs issued during the previous year will be different to the number of CHP LECs that should have been issued.

To rectify this, reconciliation is performed annually based on the new QPO/TPO ratio of a station. Reconciliation also allows us to take into account any data that was submitted late or inaccurately. **Therefore, if you would like any late or amended data taken into account when reconciliation is performed please complete the form in Annex 1 to this letter and return it to me at the contact details above before 1 July 2010.** Please also make sure that all changes requested are reflected within your account on the Renewables & CHP Register.

If reconciliation finds that an insufficient or excessive number of CHP LECs were issued, the difference must be corrected. If the number of CHP LECs issued during the reconciliation span (1 January 2009 to 31 March 2010, or 1 January 2009 to the day your CHPQA certificate was revoked) needs to be corrected you shall be contacted directly. Additional CHP LECs will be issued or CHP LECs already issued will be withheld on future GQCHP electricity generated via the Renewables and CHP Register. The *Climate Change Levy exemption for CHP: Guidance for exporting 'good-quality' CHP generators and suppliers* published on the Ofgem website, www.ofgem.gov.uk provides further information on how reconciliation is performed.

Consumption Declaration, Information Declaration & Authorisation Form

Please ensure that you sign the appropriate Consumption Declaration (i.e. fully efficient or partially efficient) and Information Declaration for your station(s) via the Renewables & CHP Register www.renewablesandchp.ofgem.gov.uk. You will note that for each station there is both a fully and a partially efficient Consumption Declaration available to sign. Please only sign the appropriate declaration according to your CHPQA certificate. As soon as the 2010/11 CHPQA certificate details are received the incorrect Consumption Declaration for your station(s) will be removed. **Please note, if the declarations are not submitted online CHP LECs will not be issued.**

April 2010 CHP LEC Issue

The **April 2010** and subsequent months CHP LECs will be issued shortly after reconciliation is completed. The reconciliation calculations will be performed as quickly as possible but please bear with us during this period.

If you wish to discuss the content of this letter or reconciliation generally please do so on the contact details at the top of this letter.

Yours sincerely,

Rebecca Toner
Manager CCL & REGO