

Operators of all CHP LEC  
Generating Stations

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

Your Ref:  
Our Ref: CHP/4001  
Direct Dial: 020 7901 1885  
Email: [monthlyoutputdata@ofgem.gov.uk](mailto:monthlyoutputdata@ofgem.gov.uk)

Date: May 2011

Dear Operator,

### **CHP LEC RECONCILIATION 2011**

The 2011 reconciliation process will take place soon after 1 July 2011 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 for any of the period January 2010 – March 2011 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 station's QPO/TPO ratio annually. Where a station's QPO/TPO ratio has changed or where monthly output data were 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 were 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 2011.** 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during the reconciliation span (1 January 2010 to 31 March 2011, or 1 January 2010 to the day your CHPQA certificate was revoked) needs to be corrected you will be contacted directly.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](http://www.ofgem.gov.uk) provides further information on how reconciliation is performed.

## Consumption Declaration, Information Declaration & Authorisation Form

Please ensure that you agree 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](http://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 agree. Please only agree the appropriate declaration according to your CHPQA certificate. Soon after Ofgem receives the 2011/12 CHPQA certificate details from CHPQA the incorrect Consumption Declaration for your station(s) will be removed. **Please note, if the declarations are not agreed online CHP LECs will not be issued.**

### April 2011 CHP LEC Issue

The **April 2011** 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 use the contact details at the top of this letter.

Yours sincerely,

Mark Downham  
Acting Manager CCL CHP