

ALL RENEWABLES & CHP  
REGISTER USERS CLAIMING CHP  
LECs DURING 2012/13

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

Direct Dial: 020 7901 7310  
Email: CCLandREGO@ofgem.gov.uk

Date: 24 May 2013

Dear Operator,

### **CHP LEC RECONCILIATION 2013**

The 2013 reconciliation process will take place soon after 1 July 2013 following receipt of the 2013 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 to individual generating stations based on monthly output data<sup>1</sup> 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 has been amended, the number of CHP LECs issued during the previous year will be wrong.

To rectify this, reconciliation is performed annually to assess the correct number of CHP LECs to issue based on the new QPO/TPO ratio and the correct output data for a station. **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 the contact details above before 30 June 2013.** Please also make sure that all changes requested are reflected within your account on the Renewables & CHP Register.

If the number of CHP LECs issued during the reconciliation span (1 January 2012 to 31 March 2013, or 1 January 2012 to the day your CHPQA certificate was revoked) needs to be corrected you shall be contacted directly. If reconciliation finds that an insufficient number of CHP LECs were issued, the difference will be corrected. Where reconciliation identifies that too many CHP LECs have been issued, Ofgem will not withhold these certificates against future generation in the 2013 reconciliation round due to the closure of the CHP scheme<sup>2</sup>.

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<sup>1</sup> Please note an electrical equivalent of motive power is not an eligible output for CHP LECs. CHP LECs may only be claimed for good-quality CHP electricity generation where at least some of the electricity is exported from site. If no export meter and connection to the grid is in place CHP LECs should not be claimed. Please refer to HMRC Briefing Note 22/11, <http://www.hmrc.gov.uk/briefs/excise-duty/brief2211.htm>.

<sup>2</sup> Schedule 2 paragraph 11 (10)(b).

## CHP LEC Reconciliation 2014

The 2013 reconciliation round is the last that Ofgem will perform. Generators will undertake reconciliation themselves in 2014 for electricity generated between 1 January 2013 and 31 March 2013 once they receive their 2014 CHPQA exemption certificates covering 2013 performance, and contact HMRC with their findings.

The '*Information note – Closure of the CHP LEC scheme*' published on the Ofgem website, [www.ofgem.gov.uk](http://www.ofgem.gov.uk) provides further information on the closure of the scheme.

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

Yours sincerely,



Rebecca Toner  
Manager CCL & REGO

ANNEX 1

**CHP LEC RECONCILIATION 2013 – OUTPUT AMENDMENT REQUEST**

N.B. Please complete and submit a separate form for each station

Name of generating station:

CHPQA scheme reference number:

Organisation name:

Contact name:

Contact email address:

Contact telephone number:

<b>Month/Year</b>	<b>Original output data submitted (kWh)*</b>	<b>Amended output data submitted (kWh)**</b>	<b>Reason for amendment request***</b>
January 2012			
February 2012			
March 2012			
April 2012			
May 2012			
June 2012			
July 2012			
August 2012			
September 2012			
October 2012			
November 2012			
December 2012			
January 2013			
February 2013			
March 2013			

\* This data can be viewed from your Renewables & CHP Register account within 'View Output History' of the 'Output Data' section for each relevant station

\*\* As well as completing this form so the changes to output data for your station are captured within the annual reconciliation round please also enter the late/amended output data into the Renewables & CHP Register to ensure your account is fully up to date

\*\*\* Please ensure you hold evidence of meter reads to support output data for the period 1 January 2012 to 31 March 2013 in case this information is required to support data used for reconciliation