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The CRC Energy Efficiency Scheme has closed.

See the [closure information for participants](#).



CRC Energy Efficiency Scheme Charging Scheme and Guidance

Version 4

Scheme effective from April 2010

Guidance updated April 2016

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1 Introduction

1.1 Purpose of this document

The purpose of this document is to provide advice on CRC Energy Efficiency Scheme charges. It does not include guidance on purchasing allowances. This can be found in the document '[CRC Energy Efficiency Scheme guidance for participants in Phase 2](#)' available on the Environment Agency's pages on GOV.UK.

In this document:

Section 2 details charges for all UK organisations that participate in the scheme, and any persons wishing to open a third party, or non-compliance account.

Section 3 explains the methods of payment for each of the four UK administrators:

- Environment Agency - in respect of England
- Natural Resources Wales (NRW), Cyfoeth Naturiol Cymru - in respect of Wales
- Northern Ireland Environment Agency (NIEA) – in respect of Northern Ireland
- Scottish Environment Protection Agency (SEPA) – in respect of Scotland

Section 4 contains the legal charging scheme itself. We are required to publish this but you do not need to refer to it. Sections 2 and 3 are designed to be easier to read.

1.2 The CRC Energy Efficiency Scheme

This is a mandatory scheme for the UK aiming to reduce carbon dioxide (CO₂) emissions. Organisations required to participate must monitor their energy use and purchase allowances, for each tonne of CO₂ they emit that falls within the scheme. The more CO₂ an organisation emits, the more allowances it must purchase. This will provide an incentive for organisations to reduce their energy use.

Certain aspects of the scheme are administered solely by the Environment Agency, such as processing registrations, operating the on-line registry, and selling allowances for the whole of the UK. All four administrators (Environment Agency, NRW, NIEA and SEPA) are responsible for auditing, and enforcement as a result of any non-compliance in their respective countries.

1.3 The legislation

Charges for registration, annual subsistence, and changes of representative are provided for under the CRC Energy Efficiency Scheme Order 2010 in respect of Phase 1 of the CRC Energy Efficiency Scheme and the CRC Energy Efficiency Scheme Order 2013 in respect of Phases 2 onwards of the CRC Energy Efficiency Scheme. Under these Orders the four UK administrators are given the powers to revise these charges when required. However, we may only do so after consultation with stakeholders, the Secretary of State, the Scottish Ministers, the Welsh Ministers and the Northern Ireland departments. Final approval must then be sought from the Secretary of State.

In addition the Environment Agency has the power to recover administrative costs in relation to the sales of allowances under The CRC Energy Efficiency Scheme (Allocation of Allowances for Payment) Regulations 2012. There are no plans however to levy any charges under this provision during the 2013-14 financial year.

1.4 Changes to the previous scheme and guidance

There have been no changes made to our charges since the scheme was originally made. The guidance has been re-issued in April 2016 however to remove reference to a bank account which is now superseded.

2 Types of charge

2.1 Types of charge

The following different charges are explained in this section:

- Registration for participants
- Registration to open a third party, or non-compliance account
- Annual subsistence for participants
- Annual subsistence for third party, and non-compliance account holders
- Change of representative charge

2.2 Registration charge

A single charge of £950 applies where you need to register as a participant.

For new participants joining in phase 1 as a result of a designated change (up until March 2014) you will need to register and pay this charge.

For phase 2 (commencing April 2014) all qualifying organisations were required to register before the start of the phase and pay this charge, even where previously registered under phase 1.

The charge covers a range of activities carried out by the Environment Agency, including:

- provision of registration guidance
- helpdesk
- processing registration payments
- registration auditing
- identity and 'due diligence' checks for your organisation, contacts and representatives
- some system costs (for maintenance and hosting)
- communication with participants, DECC and the other UK administrators

2.3 Registration charge for opening a third party account, or non-compliance account

Non participants may open a third party account.

Large or complex participants may wish to open a non-compliance account, in addition to a compliance account, however it cannot be used for surrendering allowances, or buying allowances from Government sales.

The charge for opening each account is £285.

2.4 Annual subsistence charge for participants

A charge of £1,290 is payable for each year you are a participant.

For phase 1 only: if you are fully exempt from the scheme because you hold a Climate Change Agreement you will not need to pay this charge. If only part of your organisation is exempt this charge is payable in full.

For phase 2: all participants will be required to pay this charge.

It's a fixed charge per participant, and it isn't adjusted if you join or leave the scheme part way through the year.

The charge covers the work that the four administrators must undertake, and includes:

- dealing with enquiries and helpdesk
- administrative changes to accounts
- some system costs (for maintenance and hosting)
- compliance audits
- receipt of evidence packs
- Government Gateway costs
- communication with participants, UK administrators and DECC
- administration costs, including annual billing

2.5 Annual subsistence charge for third party, and non-compliance account holders

A charge of £390 is payable in each year you hold an account. It's a fixed charge per account and it isn't adjusted if you have the account for only part of the year.

2.6 Change of representative charge

If you wish to change one of your account representatives you will incur a charge of £70 for each individual to be changed. This charge covers our work in verifying the identity of the new individual, through correspondence with either the senior officer or primary and secondary contacts.

The registration charges (in paragraphs 2.2 and 2.3 above) include your initial identity verification checks. The £70 charge only applies if you wish to change your representatives following registration.

No charges are incurred if you wish to change the Senior Officer or other contacts.

3 Payment of charges

3.1 Method and terms of payment

This section provides details of how to pay charges, and where and when to send payments. It also deals with the financial implications of withdrawing any registration or application, and the action that is taken on non-payment of charges.

3.2 Charges for registering and for changing your account representative.

These charges are paid to the Environment Agency, and are due in advance.

You will be able to choose your payment method via the CRC on-line system. You may pay by credit or debit card, or via BACS/CHAPS.

If you wish to pay by credit or debit card, the on-line system will take you to an external secure site where your payment details will be taken. There are no debit or credit card fees. You will receive an electronic receipt when the transaction is successful.

If you choose to pay by BACS or CHAPS, the system will provide you with a unique payment reference. You must pass this unique payment reference number to your payments department, and request that they quote it on the payment. Without this it will not be possible to link the payment to the relevant CRC participant account.

If you need to contact us (e.g. for our account details) please email us at CRCHELP@environment-agency.gov.uk with the words 'Payment Query' in the subject line.

3.3 Annual subsistence charges

3.3.1 Annual subsistence for participants

These charges are paid to the administrator (Environment Agency, NIEA, NRW or SEPA) responsible for auditing your organisation.

Annual subsistence invoices are usually issued in April each year and cover the financial year ahead. The invoice will provide full details on payment options, and where to send payments.

Please note that invoices from the Environment Agency and NRW will be addressed to the 'accounts payable' department within your organisation. We apologise for this temporary measure. Invoices sent from NIEA and SEPA will be sent to the 'invoice contact' as supplied by you as part of the registration process. Charges are payable on receipt of the invoice.

If you register as a participant part way through the year the full subsistence charge is payable and you will receive an invoice from your scheme administrator once your account has been opened.

3.3.2 Annual subsistence for third party, and non-compliance account holders

These charges are paid to the Environment Agency.

Invoices are sent out in April each year and cover the financial year ahead. The invoice will provide full details on payment options and where to send payments. It will be addressed to the accounts payable department within your organisation, and charges are payable on receipt of the invoice.

If you open an account part way through the year the full subsistence charge is payable and we will invoice you once your account has been opened.

3.4 Value Added Tax

No VAT will be added to any charges contained in this guidance.

3.5 Withdrawn applications

If you withdraw a registration (or request for a change of representative) we reserve the right to retain any charge in full without refund. We may make a refund however where we have not undertaken any significant work in respect of the charge.

If you register and we subsequently discover that you were not required to, you will not be entitled to a refund.

3.6 Non-payment of charges

Requests for registration, or change of representative, which are not accompanied by the appropriate payment, will not be processed. If the payment submitted is insufficient we will advise you accordingly and ask you to pay the balance. We will be unable to complete registration if payment isn't received in full.

4 The CRC Energy Efficiency Scheme Order 2010, Article 83(1)

The CRC Energy Efficiency Scheme Order 2013, Article 62(1)

CRC Energy Efficiency Scheme Charges

Version 1.1

This document is version 1.1 of the CRC Energy Efficiency Scheme Charges referred to in Article 83(1) of the CRC Energy Efficiency Scheme Order 2010 SI No. 768 ('the 2010 Order') and Article 62(1) of the CRC Energy Efficiency Scheme Order 2013 SI No. 1119 ('the 2013 Order'). The charges set out in this document were published in the document 'Consultation on the draft Order to implement the Carbon Reduction Commitment, Government Response and Policy decisions' published on 7th October 2009. These charges have been approved by the Secretary of State, following consultation with the Scottish Ministers, the Welsh Ministers and the Department of the Environment of Northern Ireland.

Commencement and citation

1. This document shall:

- (a) be known as version 1.1 of the CRC Energy Efficiency Scheme Charges ('the Scheme')
- (b) come into force on 1st April 2010
- (c) remain in force until revoked

Interpretation

2. Unless otherwise specified, words and expressions used in this Scheme have the same meaning as those used in the 2010 Order and the 2013 Order.

Charges

3. The following charges apply to the following chargeable activities:

- (a) the charge for registration as a participant is £950
- (b) the charge for maintaining a participant is:
 - (i) in relation to each year of a phase where it is a participant £1290
 - (ii) in relation to each request to change an account representative £70
- (c) the charge for establishing an account other than a compliance account is £285
- (d) the charge for maintaining an account other than a compliance account is:
 - (i) in relation to each year of a phase where it is required is £390
 - (ii) in relation to each request to change an account representative £70

Liability to pay charges

4. The persons set out below are liable to pay charges under this Scheme:

(a) in respect of charges arising under paragraphs 3(a) and (c), the person making an application for registration or to establish an account

(b) in respect of charges arising under paragraphs 3(b) and (d), the person who is registered as a participant or as the holder of an account other than a compliance account

Time of Payment

5. Charges payable under this Scheme are due and payable in full at the following times on or after 1st April 2010:

(a) in respect of charges arising under paragraphs 3(a), 3(b)(ii), 3(c) and 3(d)(ii) on the making of the application in question;

(b) in respect of charges arising under paragraphs 3(b)(i) and (d)(i), annually on demand in each period of 12 months commencing on 1 April