STATUTORY RULES OF NORTHERN IRELAND

2003 No. 77

RATES

Valuation (Electricity) Order (Northern Ireland) 2003

Made - - - - 14th February 2003
To be laid before Parliament under paragraph 7(3) of the Schedule to the Northern Ireland Act 2000

Coming into operation 1st April 2003

The Department of Finance and Personnel(**1**), in exercise of the powers conferred on it by Articles 2(2)(**2**) and 39C of the Rates (Northern Ireland) Order 1977(**3**) and of every other power enabling it in that behalf, and after consultation with such associations of district councils, district councils and holders of licences or exemptions under Part II of the Electricity (Northern Ireland) Order 1992(**4**) as the Department considers appropriate, hereby makes the following Order:

PART I

PRELIMINARY

Citation and commencement

1. This Order may be cited as the Valuation (Electricity) Order (Northern Ireland) 2003 and shall come into operation on 1st April 2003.

Interpretation

2. In this Order –

"the Company" means Northern Ireland Electricity plc;

"declared net capacity", in relation to generating plant, means the highest generation of electricity (at the main alternator terminals) which can be maintained indefinitely without causing damage to the plant, less so much of that capacity as is consumed by the plant, expressed in megawatts to the nearest one hundredth part of a megawatt;

(**1**) Formerly the Department of Finance. *See*S.I.1982/338 (N.I. 6) Article 3
(**2**) *See* the definition of "the Department"
(**3**) S.I. 1977/2157 (N.I. 28); Article 39C was inserted by paragraph 17 of Schedule 12 to the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1))
(**4**) S.I. 1992/231 (N.I. 1)

"the Electricity Order" means the Electricity (Northern Ireland) Order 1992;

"exemption" means an exemption under Part II of the Electricity Order;

"generate", in relation to electricity, means generate for the purpose of giving a supply of electricity to any premises or enabling a supply of electricity to be so given;

"generating plant", in relation to a hereditament, means plant in or on the hereditament which is used or available for use for the purposes of generating electricity;

"licence" means a licence under Part II of the Electricity Order;

"supply" and "transmit", in relation to electricity, have the meanings assigned to them by Article 3 of the Electricity Order;

"relevant year" means any year for which a net annual value falls to be determined in accordance with this Order; and

"relevant preceding year" means the year immediately preceding a relevant year.

PART II

ELECTRICITY GENERATION

Application

3.—(1) This Article applies to the class of hereditaments in relation to which the conditions in paragraph (2) are fulfilled.

(2) The conditions mentioned in paragraph (1) are that –

(a) the hereditament is occupied by a holder of a licence or exemption where the licence or exemption authorises the holder to generate electricity but not to supply or (in the case of a licence) to transmit electricity;

(b) the hereditament comprises land, plant or buildings used or available for use for the purpose of generating electricity,

where –

(i) such use is its sole or primary function; or

(ii) the primary source of energy in such generation is the burning of refuse; and

(c) the generating plant –

(i) uses wind, tidal or water power as its primary source of energy; or

(ii) has a declared net capacity of 100 kilowatts or more, or, in a case where its primary source of energy is the burning of refuse and sub-paragraph (b)(i) does not apply, a declared net capacity of 25 megawatts or more.

(3) In determining whether the primary function of a hereditament is for the purpose of generating electricity, no account shall be taken of so much of any heat produced in or on the hereditament as is produced other than for the purpose of the generation of electricity.

Net annual values

4. In the case of a hereditament falling within the class to which Article 3 applies, its net annual value for the year ending on 31st March 2004 and for each subsequent year shall be an amount produced by applying the formula –

$M \times DNC$

where –

M is the amount set out in column 2 of the following Table in relation to the source of energy set out in column 1 thereof which is used by the generating plant in or on the hereditament; and

DNC is the declared net capacity of the generating plant in or on the hereditament (expressed to the nearest hundredth part of a megawatt) on 1st April in the relevant year, or in the event of a change in the source of energy during the relevant year, the date when that change takes place.

TABLE

1 *Source of energy*	2 *£ per megawatt*
The burning of coal	5,000
The burning of oil	5,000
The burning of natural gas where a steam turbine is used for the purposes of the generating process	7,700
The burning of natural gas where a steam turbine is not used for the purposes of the generating process	5,000
Wind Power	4,000
Water Power	4,000
Any source of energy not listed above	5,000

Apportionment

5. In the case of a hereditament falling within the class to which Article 3 applies, the net annual value shall be ascribed to the district council district in which the hereditament is situated.

PART III

ELECTRICITY TRANSMISSION AND DISTRIBUTION

Net Annual Value

6. For the year ending on 31st March 2004 the net annual value of the hereditaments occupied by the Company and specified in column 1 of the Schedule shall be the amounts specified opposite thereto in column 2 of the Schedule.

Redetermination of net annual value

7. For the year ending on 31st March 2005 and for each subsequent year the net annual value of the hereditaments occupied by the Company and specified in Part A of the Schedule shall be the amount determined in accordance with the formula –

$$\left(\frac{£5{,}288{,}000 \times A}{B}\right) + \left(\frac{£17{,}212{,}000 \times C}{D}\right)$$