

## Climate Change Agreement for NAMB

# Note 07: Target Period 3 Reporting

Feb 2018

### What is 'Target Period Reporting'?

Each Target Unit (TU) that has a CCA has been given an energy saving target, which has been set as a series of efficiency improvements compared to a "base year".

Each "target period" is two calendar years in duration. At the end of each target period (TP) the energy efficiency performance of the TU is assessed and compared to the target that has been set. This is done by means of reporting energy and production data to the Environment Agency (EA) via a data collection form submitted to the CBA/NAMB CCA administrators at SLR Consulting Ltd. The forms will need to be completed and returned to [namb@slrconsulting.com](mailto:namb@slrconsulting.com).

If the target is achieved then the CCL discount is retained for the next two year period. Any surplus "CO2" that the TU surpasses its target by can be banked to offset any shortfalls should the TU fail to meet its target in future periods.

If you fail to meet a target all is not lost. There is a buy-out mechanism that allows a company that has failed its target to buy "CO2 allowances" to offset the extra CO2 emitted. Payment of this buy-out allows your TU to be recertified to claim the CCL discount for the next 2 year certification period.

The Target Periods (TP) are:

- TP1: 1<sup>st</sup> January 2013- 31<sup>st</sup> December 2014
- TP2: 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2016
- TP3: 1<sup>st</sup> January 2017- 31<sup>st</sup> December 2018
- TP4: 1<sup>st</sup> January 2019- 31<sup>st</sup> December 2020

### Who needs to report?

- The companies owning the target unit should report for the entire target period, or for that part of the period when they were covered by the CCA.
- If a site/facility or Target Unit joined a CCA after the beginning of a target period, it should report data from the date it became active (date of assent), until the end of the target period.
- If a facility or Target Unit left the CCA before 31 December of the second year of a target period, then it does not have to report but can if the company wants it to.

- If a facility has a change of status for EU ETS then it should report for the whole 24 months as per the status of the facility on 31<sup>st</sup> December 2018.

### **What needs to be reported?**

- You will need to report energy streams into site and throughput data.
- You can report data for each site, or, for the whole of the target unit.
- Fuels covered by EU ETS should not be reported.
- The same methodology as used for base year reporting should be used for target period reporting.

### **After you have reported...**

#### ***If you passed the target***

- No further actions on you.
- Data is submitted to the EA.
- EA list all sites on the new reduced rate certificate published in July 2019.

#### ***If you failed the target***

- Data is submitted to the EA.
- EA will send the MoA (i.e. buy-out invoice) to the Responsible Person.
- You need to pay the MoA (i.e. cash handed over) by 1<sup>st</sup> July 2019.
- EA list all sites on the new reduced rate certificate published in July 2019.

### **Target Period 3 Reporting deadlines**

March 2018	16 <sup>th</sup> - Deadline for returning completed data collection spreadsheets with 2017 included.
December 2018	Reporting spreadsheets issued to collect 2018 data.
January 2019	Invoices for 2019 fees issued.
February 2019	22 <sup>nd</sup> – deadline for returning 2018 completed data collection spreadsheets
March 2019	29 <sup>th</sup> – deadline for correcting any data
April 2019	CBA CCA submit all data to the Environment Agency
May 2019	Buy-out fees invoices issued where buy-out fees due
June 2019	28 <sup>th</sup> – deadline for the Environment Agency to receive the buy-out money
July 2019	1 <sup>st</sup> – recertified to receive CCL discount for next 2 years (as long as you pass or pay the buy-out)

## What happens if..... ?

*... I don't report at the target period?*

You could incur a penalty but will have the opportunity to report late. If you don't pay the penalty then your CCA will be terminated and you will lose all benefits.

*... I report the target period data late?*

You could incur a penalty but can still report. If you don't pay the penalty then your CCA will be terminated and you will lose all benefits.

*... I don't pay the buy-out?*

You will lose the entitlement to claim the CCL discount and exemption from CRC (if you're organisation is already in CRC).

*... a site closed down since we signed the CCA?*

- If it closed on or before 31<sup>st</sup> December 2018 then you do not have to report any data for that site.
- If it closed on or after 1<sup>st</sup> January 2019 then you must report data for the target period.
- If the site was sold before 31<sup>st</sup> December 2018 then we need to move it to the new owner and exclude it from the target period reporting.
- If the site was sold after 31<sup>st</sup> December 2018 then we will move it but it will not affect target period reporting (i.e. you still have to report it).

*... we had problems with metering during the target period?*

You can estimate energy use but keep records of how you have done this.

*... we find an error in our base year data?*

You must tell us ASAP so that we can get the target adjusted.

*... we had problems with our electricity supply?*

You must tell us ASAP so that we can look at the impact it had and get the target adjusted (this would have to be agreed with the EA before 31<sup>st</sup> January 2019).

*... the responsible person or admin contact has changed?*

You must tell us ASAP so that we can update the records.

*... we find an error with our target period data after we have submitted it?*

You must tell us and we will correct the data and hence the result. If you fail by more then you will need to pay further buy-out costs. You could incur a penalty.

*... we have joined EU ETS since we signed our CCA?*

You must tell us ASAP so that we can get the target adjusted.

## How to complete the 2017-18 data collection spreadsheet (DCS)

The spreadsheet will open on the 'Navigation' worksheet which looks like this.

Version 2017\_1

### CCA Facility Reporting Spreadsheet

**The purpose of this spreadsheet is to collect 2017 data from each facility in your target unit.**

**To do this, please complete the GREEN cells in the '2017' worksheet.**

Please return this spreadsheet complete with 2017 data to [namb@slrconsulting.com](mailto:namb@slrconsulting.com) by 16th March 2018.

Please do not change the filename.

**Please also read the text below:**

We have also included in this spreadsheet the ability for you to forecast data for future years to see how the target unit may perform in the future (the results are shown in the 'Target Period Results' worksheet); this can be done by entering data into the ORANGE cells of the 2018 to 2020 worksheets. This is an additional feature that we thought would be helpful for your own internal use and we do not require copies of any such information. COMPLETING THIS IS ENTIRELY YOUR CHOICE.

This spreadsheet also contains a 'Target Period Results' worksheet where summary data for the target unit is presented. This worksheet shows the actual targets and FORECAST performance against the targets based on the data entered into this spreadsheet.

Navigation bar tabs: Data Check, Introduction please read, Target Period Results, **2017**, 2018, 2019, 2020, Conversion factors

#### **Data Check**

Our analysis of all the numbers that have been submitted and whether we think they look acceptable.

#### **Target Period Results**

A summary of all the data submitted for the agreement/target unit, the performance at each Target Period including results.

#### **Target Period Data**

Energy and production data for each site during 2017

## How to complete the 2017-18 data collection spreadsheet (DCS) (cont'd)

The 2017 worksheet is where 2017 data for each site, or the whole target unit is entered.

NAMB Climate Change Agreement - 2017 Facility Performance Worksheet						Version	201						
Target Unit Reference						CCA Status	Ce						
Target Unit Company Name						Number of facilities in the Target Unit							
<p>This worksheet is split into four sections where you may enter facility level information relating to:</p> <ol style="list-style-type: none"> <li>1. 70/30 Status</li> <li>2. Production Information</li> <li>3. Imported Energy from Utility Companies (not covered by EU ETS)</li> <li>4. Free form comments box to make any comments about the data presented</li> </ol> <p>The final section (5) shows a summary of the CCA performance of each site.</p>													
Facility Reference Number													
Current Facility Status													
Facility Name													
<p><b>1. 70/30 Status</b></p> <p>You are required to undertake an annual review of your 70/30 status and keep records of this assessment in case of an audit by the Environment Agency or HMRC.</p> <p>Please state the 70/30 status of the facility during the period</p> <table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>													
<p><b>2. Production Information</b></p> <p>You are required to report annual production volumes (to at least 5 significant figures) using consistent methods across each product type (i.e. based on sales data, including/excluding...)</p> <p>Please state the total production of the site during the period (kg)</p> <table border="1"> <tr> <td>(tonnes)</td> <td>(tonnes)</td> <td>(tonnes)</td> <td>(tonnes)</td> <td>(tonnes)</td> <td></td> </tr> </table>								(tonnes)	(tonnes)	(tonnes)	(tonnes)	(tonnes)	
(tonnes)	(tonnes)	(tonnes)	(tonnes)	(tonnes)									
<p><b>3. Energy Use</b></p> <p>You are required to report annual energy consumption. Please report your consumption of all energy supplied to the site (except road fuel). If unusual types of fuel are being purchased 'other' category to specify the fuel type. Units must be in kWh (not converted into primary energy) - please refer to the 'Conversion Factors' worksheet. You must keep records of how values have been calculated. If any energy is covered by EU ETS then it <u>must not</u> be included.</p>													

There are four sections to this worksheet as described.

Data for should be entered into the **green cells**.

Once all the data has been entered, click on the **'Target Period Results'** worksheet to view the forecast result.

***For further information please contact SLR's CBA/NAMB CCA helpdesk:***

+44 (0)844 800 1880

[NAMB@slrconsulting.com](mailto:NAMB@slrconsulting.com)

or visit [www.slrconsulting.com/NAMB](http://www.slrconsulting.com/NAMB)

The full suite of CBA/NAMB CCA Guidance Notes are listed below and can be accessed via contacting the helpdesk or visiting the website.

Guidance Note	Title
1	What is a CCA
2	Applying for a CCA
3	NAMB CCA Administration Charges
4	Completing HMRC PP10 and PP11 Forms
5	Timetable of NAMB CCA Activities
6	Obligations under your CCA including audits
7	Reporting data at each Target Period
8	How CCAs interact with other schemes
9	Glossary and Abbreviations
10	What happens if...
11	Stringency tests on targets