

Customer guidance for the waiver of charges for mothballed activities

Background

SEPA occasionally receives requests from customers to have their charges reduced or waived for a limited period because they plan to suspend (mothball) the authorised activity. This guidance confirms the process for applying for the waiver of charges, and how we will deal with applications.

A table detailing the schemes and potential reduction in charges is attached at Appendix 1. The table includes all of the activities for which an application for a reduction in subsistence charges will be considered. If an activity is not included in the table then it is not possible to apply for a reduction in subsistence charges for that activity.

The temporary waiver of charges has been in operation for several years for:

- abstraction for irrigation using mobile plant, and
- abstraction and discharge at fallow fish farms

The waiver of charges for these two activities is not amended or replaced by this general waiver policy. Further details about these two waivers are on our website at http://www.sepa.org.uk/water/water_regulation/charging_scheme/temporary_exemptions.aspx

The removal or reduction of charges is related directly to the environmental risk, impact and regulatory effort associated with the activity. In cases where the activity is mothballed completely and all wastes, chemicals etc associated with that activity are removed then it may be possible to reduce SEPA inspections and monitoring to zero and therefore the charges may also be reduced to zero e.g. water abstractions and discharges. However, there will be cases where the site continues to store chemicals or maintain process equipment which would allow SEPA to reduce its inspection frequency to a minimal level (but not zero).

In all cases customers must submit an application for waiver and it must be checked and approved by Operations and Finance staff.

When will a waiver be granted?

The waiver of charges will only be considered in the following circumstances:

- a) where a “mothballing” arrangement has been made by the current authorisation¹ holder; or
- b) authorisations are in place but no activity or no activity capable of causing an environmental impact has started.
- c) All outstanding balances have been paid in full

Invoicing errors will continue to be rectified through the normal billing process.

¹ Authorisation is used in this guidance to include licence, permit, authorisation and registration.

² In the event that annual subsistence charges are normally less than £1,000 the subsistence charge will remain the same

When will a reduction be granted?

Where a site continues to store chemicals or maintain process equipment which would allow SEPA to reduce its inspection frequency to a minimal level (but not zero) the annual subsistence charge will be reduced to £1,000².

For PPC sites which retain Part B processes when mothballing Part A processes, the fixed charge (£1000) will cover the costs of continued regulatory activity.

Please note, that this procedure does not remove the operator's obligation to comply with the conditions imposed under an authorisation issued by SEPA. The authorisation remains in force albeit at a reduced fee and any reporting requirements for annual or quarterly reporting or monitoring must continue to be complied with - even where these returns are zero.

Period of waiver or reduction

The waiver or reduction of subsistence charges is limited to a maximum of two years in total for any authorisation. This is to ensure that mothballing or temporary cessation of an activity is not used as an alternative to the surrender of the authorisation. Charges for each authorisation will only be reduced for a single year per application. An application for a second successive and final year's reduction in charges should be made 21 days prior to the expiry of the initial application to allow SEPA sufficient time to process the application. It is the responsibility of the applicant to submit a further application.

Activities may recommence before the end of the waiver period and will be charged on a pro rata basis provided that SEPA are notified, in writing, prior to their recommencement. Activities recommencing without SEPA being notified in writing will become liable for the full subsistence charge for the year when it recommenced. Further waiver or reduction will not be granted to any authorisation holder operating any activity during an approved waiver period if they did not inform SEPA that they have recommenced activities.

Any part year waiver or reductions will represent one full years waiver or reduction when calculating the two year maximum period.

How to apply

Applications for the waiver or reduction in charges can be made by completing Part A of the appropriate form which can be found on SEPA's website – <http://www.sepa.org.uk> . Once you have completed the application form it should be e-mailed to invoice@sepa.org.uk. The address is also on the application form.

We will process your application and confirm our decision within 21 days of receipt.

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Appendix 1

TABLE OF ZERO AND REDUCED CHARGES

Scheme	Reduced charge available (Y/N)	Reduced charge
PPC Part A* Equipment and chemicals remain on site	Y	£1,000
PPC Part A* Equipment and chemicals removed from site	Y	Nil
PPC Part B** Equipment and chemicals removed from site	Y	Nil
PPC Part B** Activity reduced below threshold values	Y	£1,000
WML	Y	Nil
Water	Y	Nil
Unused licenses	Y	Nil

** including APC Permits

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