SCOTTISH ENVIRONMENT PROTECTION AGENCY

Water Environment Charging Scheme Guidance

Water Environment (Controlled Activities) Fees and Charges (Scotland) Scheme 2015

1 Introduction

1.1 Purpose of this guidance

This guidance explains how SEPA will interpret the Water Environment Charging Scheme (the Legal Scheme). While every attempt has been made to ensure that it covers the different scenarios to which this scheme may apply, the guidance will be subject to further development as SEPA's experience of applying the scheme develops.

This guidance should be considered a 'Supplementary provision' under clause 14.9 of the Legal Scheme.

The scheme covers the following activities:

- point source discharges;
- disposal to land;
- abstractions;
- impoundments;
- engineering activities affecting rivers, lochs and wetlands.

The charges for these activities will depend upon the level of authorisation imposed. The Water Environment (**C**ontrolled **A**ctivities) (Scotland) **R**egulations 2011 (CAR) allow for activities to be authorised at three levels:

- General Binding Rules (GBRs)
- Registration
- Licence.

In addition, the Scottish Government's Policy Statement, which accompanies the Regulations, explains that SEPA will issue simple licences and complex licences.

1.2 Overview of charges

The scheme allows for two types of charges:

- **Application fees** – one-off charges that cover SEPA's costs for processing an application made by an operator;

- **Subsistence charges** – annual charges imposed by SEPA to recover the costs of protecting and improving the water environment.

The levels of authorisation are subject to different fees and charges.

- General Binding Rules – no application or subsistence charges
- Registrations (except disposal to land) – application charges only
- Registrations (disposal to land) – application and subsistence charges
- Licences – application charges and in many cases subsistence charges

Other sources of information:

- Scottish Government Policy Statement
- SEPA's CAR Practical Guide[1]

[1] The Water Environment (Controlled Activities) (Scotland) Regulations 2011 – A Practical Guide. SEPA,

- the Legal Scheme
- Application forms
- Water Environment Charge Calculator 2015-16

Printed copies of these documents, the guidance and any other information required to calculate the charges are available from SEPA on request.

1.3 Future development of the charging scheme

The charging scheme came into use in April 2006. Information and feedback from the stakeholder group used in setting up the scheme and carrying out the subsequent review, is available on our website at Stakeholder group and meeting papers

The intention of the scheme was to focus charges upon those activities which cause harm to the water environment or have the potential to harm the water environment. This is where SEPA's resources will be directed in order to protect and improve the water environment.

In 2006 the development of the scheme was constrained by the limited information available to SEPA on the number and type of activities that would be brought into the CAR regime. Since then our experience and the information available to us, has improved substantially and it became clear that some simplification would be beneficial and in October 2009, following a further consultation, application fees, engineering charges and point source charges were amended.

2 Overview of this guidance

2.1 Activities covered

The guidance covers the following types of activities, which will be subject to charges if they are authorised by registration or by simple or complex licences.

(i) **Point source discharges** of effluent to the water environment or land from a fixed installation, pipe or outlet, which is liable to cause pollution of the water environment. Such activities include the discharge to the water environment of:

- sewage and other organic effluent;
- inorganic/other trade and thermal effluent from factories, mines and quarries;
- effluent from fish farms;
- surface water drainage

(ii) **Disposal to land** of substances listed in Schedule II of the Water Environment and Water Services Act (Scotland) 2003 or substances that are liable to cause pollution of groundwater. Typically, this will include activities that previously would have been authorised under the Groundwater Regulations 1998 such as the disposal of spent sheep dip. It does not cover discharges of sewage, the majority of trade effluents (which are licensed as point source discharges) or activities licensed under the Waste Management Licensing Regulations.

(iii) **Abstractions** – removal or diversion of water from surface and underground waters by well, borehole, water intake or any mechanical means, pipe or engineered construction. These may be for agricultural, industrial or drinking water supply purposes. This does not include the use of water from the mains supplied by Scottish Water.

(iv) **Impoundments –** construction, alteration or operation of impoundment works in surface waters or wetlands including dams, weirs or other works by which water is impounded (e.g. hydropower schemes).

(v) **Building or engineering works** in rivers, lochs and wetlands. This includes activities such as bank reinforcement, straightening or diversion of rivers and the removal of gravels from rivers and lochs. Controls will also apply to such activities near rivers, lochs and wetlands where they could have an adverse impact. This would include activities such as the construction of flood defence structures next to rivers.

2.2 Application fees

Section 3 describes how to calculate application fees. Application fees recover the costs of processing an application; they are **one-off** charges and will apply to all applications for registrations and licences.

The approach to calculating application fees is very similar for all activity types.

2.3 Subsistence charges

Section 4 describes how subsistence charges are calculated. Subsistence charges are annual charges that will recover the bulk of the costs required for SEPA operations. They will apply to most types of licence.

Registrations will only be subject to subsistence charges where they authorise disposal to land (e.g. disposal of sheep dip).

The subsistence section describes how to calculate the charges for each type of activity. The approach to defining charges differs between the types of activity.

3 Application fees

This section describes the range of application fees included within the scheme. The fees for the different types of application that an operator may make are presented below.

3.1 Types of application fees

An application may refer to a single activity (e.g. an abstraction from a borehole) or may cover large numbers of associated different activities (e.g. 100 abstractions and 5 dams or an abstraction and discharge from a manufacturing site).

When several applications are made for associated activities, SEPA can process such applications together and we make some savings in time and effort. Therefore we reduce the charges for second and subsequent applications (see Table 1).

The following types of applications will be subject to fees:

(i) **Application for registration or licence** (charge applies to each activity);

(ii) **Imposition of a registration or licence** (charge applies to each activity);

(iii) **Technical variation of a licence** (charge applies to each activity);

(iv) **Administrative variation of a registration or licence** (charge applies to whole licence or registration except where the application refers to adding points to a mobile plant licence where the fee refers to each abstraction location added);

(v) **Transfer of a licence to another person** (charge applies to whole licence);

(vi) **Information is commercially confidential** (charge applies to whole licence or registration).

Exceptions and reductions available for application fees are detailed in Annex I.

There is no application fee associated with applications for full or partial surrender of an authorisation or any SEPA initiated variations.

3.2 Application fee for a registration or licence

This sub-section describes clause 3 of the Legal Scheme. The application fee will vary according to the level of authorisation.

An explanation of which activities fall into registration, simple licences and complex licences is provided in *The Water Environment (Controlled Activities) (Scotland) Regulations 2011 – A Practical Guide*. This guide can be found on our website at WE Practical Guide

When assessing an application, SEPA may consider that the environmental risks posed by the activity justify moving it up a level of authorisation. Consequently, activities that would normally be covered by a General Binding Rule could be authorised as a registration or licence. Similarly activities normally authorised as a registration could be authorised as a licence. Under these circumstances, the applicant would pay only the application fee for the level of authorisation specified in the *CAR Practical Guide*.

Application fees for point source discharges, disposal to land, abstractions, impoundments and engineering activities
Application fees are the same across all regimes (see Table 1).

There are reduced fees for on-line applications for registration (see Table 1).

The application fee is applied per activity. For applications for associated activities (see definition of ‘associated’ in box below), the fee is reduced for the second and subsequent activities.

Applicants will pay the full application fee for the most expensive activity (see Table 1). A thirty percent discount will then be given to associated activities, applied for at the same time.

Table 1 Application fees (per activity) for authorisation of controlled activities

Type of authorisation	Application fees per activity Cost of 1st	Cost of 2nd and subsequent
All regimes		
Online registration	£82	£58
Registration	£111	£78
Simple licence	£639	£448
Complex licence	£3,013	£2,109

These discounts apply to all applications including applications for variations, subject to the conditions in the Box1 below.

Box 1: Definition of Associated Activities

This represents the guidance referred to under the definition of "associated" activity in Clause 2.1 of the Legal Scheme.

Registrations
Multiple registration activities applied for by the same applicant and at the same time are considered associated and therefore are subject to the discounts.

Registrations, simple & complex licences
To be considered as associated activities and to benefit from discounted application fees, the following conditions must apply. They will be managed and operated as a single scheme or project for example:

- all activities associated with a major civil engineering project; flood management scheme; fish farm, sewage treatment works, distillery, hydropower scheme etc.
- This also includes a number of mobile plants operated by one person or by one company.
- Where the number of activities have a wide geographical spread (particularly if this affects different catchments), SEPA may divide the activities so that they are covered by separate licences. This will ensure that the licences are defined at a scale that allows SEPA to regulate effectively. This will be at the discretion of SEPA who will discuss with you how it intends to structure the licence(s). In this case, reductions for associated activities will only apply within individual licences.

3.3 Imposition of a licence or registration

SEPA will impose a licence or a registration where an operator refuses to apply for an authorisation. The operator will be charged the **appropriate application fee together with a 30% supplement charge** to reflect the additional administrative and legal work involved in imposing a licence.

3.4 Application fees for technical variations

A technical variation is an application for variation of a licence, made, by an operator, which will require SEPA to undertake an environmental assessment of the potential impact. It may lead to SEPA modifying the licence conditions or adding new licence conditions, as necessary, to mitigate the impact. Examples of technical variations would include adding an additional activity to a licence, a request to increase the volume abstracted or to change the composition of a discharge.

Such technical variations will apply only to licences, as all variations of registrations will be considered an administrative variation (see also section 3.7).

A technical variation fee will apply where an operator applies to vary the conditions of a licence which will require an environmental assessment to be carried out and will **increase** the impact, or risk of impact, upon the water environment or will not contribute to improvements to the water environment.

The work involved in determining such a technical variation will be similar to that required for determining a new application for authorisation. Consequently, the **fees for such technical variations will be 75%** of the appropriate application fee specified in Table 1, for example if a simple licence activity is added into an existing complex licence then the charge will be 75% of the simple licence application fee whereas if a complex licence activity is added then the charge will be 75% of the complex licence application fee.

The fees will apply to water resources, pollution control and engineering activities. The fees will be based upon the number of activities within a licence that are being changed. For example, if a licence authorises six controlled activities and an operator submits an application to modify two of these, the fee will be calculated on the basis of these two activities.

If the proposed changes move an activity up to a different level of authorisation, then the fee will be calculated on the basis of the new level of authorisation. For example, if an operator applies to increase the volume abstracted and this takes the abstraction from a simple licence to a complex licence, then the fee will be based upon the complex licence application fee.

For the avoidance of doubt, in the case of licence-level groundwater abstractions, the fee for a technical variation will be 75% of the appropriate Simple or Complex Licence application fee specified in Table 1 and not 75% of the Registration fee (which is the reduction applied to all licence-level groundwater applications - see Annex I section 3.4).

Reduced fees for certain technical variations:
Applications for technical variations which, require SEPA to carry out an environmental assessment and will result in a **reduction in the impact, or risk of impact,** on the environment will be charged an administrative variation fee. This includes applications made as part of the SEPA/ Scottish Water Quality and Standards Program (Q&S).

3.5 Administrative variation fee for Licences

An administrative variation is a variation which does not require SEPA to carry out an environmental assessment as the proposed change will either not have environmental implications or it will reduce the impact of the activity on the environment.

SEPA will require a fee of **£87** where an operator applies to amend a licence where only an administrative variation is required. This fee will cover variations to the whole licence irrespective of the number of activities that the licence covers.

The fees will apply to water resources, pollution control and engineering activities.

Minor changes such as changes to address details are not considered administrative variations and SEPA will undertake these types of changes free of charge.

Variation fees: special cases:
Applications for variations arising from the SEPA /Scottish Water Quality and Standards program (Q&S) will be subject to an administrative variation fee.

Adding a location to a mobile plant licence will be subject to an administrative variation fee.

However, if an operator wishes to increase the volume abstracted by a mobile plant, then this will be considered as a technical variation and the fee would be 75% of the normal application fee as detailed above.

3.6 SEPA initiated variations:

SEPA will not charge a fee when it initiates a variation of an authorisation intended to change licence conditions so as to deliver an environmental improvement. Note: Q&S related applications are not SEPA initiated.

However, if a variation needs to be advertised because SEPA considers that an exemption (derogation) is appropriate, then the operator will be required to cover the costs of the advertisement.

3.7 Surrender of an authorisation

The termination of an activity which leads to the surrender of an authorisation or part of an authorisation removes an environmental risk. Consequently, there will be no charge for such surrenders. This exemption from charges includes the:

- partial surrender of an authorisation where an activity is removed from a licence;
- full surrender of an authorisation where all the activities covered by an authorisation cease.

3.8 Application fee to transfer a licence to another person

An application to transfer responsibility for a licence (in whole or in part) will be subject to a fee of £87 for each licence (clause 11 of the Legal scheme).

Registrations are not specific to a person and do not need to be transferred.

3.9 Application fee for commercially confidential determination

The information supporting an application is normally made publicly available to allow interested parties to make representations concerning the application. However, an operator may consider such information to be commercially confidential. Under these circumstances, SEPA will decide whether the request to withhold the information from the public register is justified.

A request for commercial confidentiality will be charged an additional **£767** in addition to the normal application fee (clause 12 of the Legal Scheme).

The payment of this additional fee does not guarantee the confirmation of a request for commercial confidentiality. The regulations provide for appeal provisions should SEPA refuse an application for commercial confidentiality.

4 Subsistence charges

This section is based on clause 5 of the Legal Scheme and describes how to calculate annual subsistence charges.

4.1 What are subsistence charges?

Annual subsistence charges cover the cost to SEPA of undertaking work to deliver environmental protection and improvement in Scotland. This covers environmental monitoring and administering the control regimes.

The charges will be applied to:

- abstraction licences;
- licensed impoundments where the volume impounded exceeds 25 megalitres (ML);
- point source licences on SEPA's monitoring plan;
- activities involving disposal to land that have been deemed as registrations as part of the transfer process or which SEPA has determined as licences;
- engineering licences on SEPA's monitoring plan.

Registrations (other than those covering disposal to land) will not be subject to any annual subsistence charges. There are no charges for activities authorised by General Binding Rules.

Activities which individually would be covered by a registration may be included within a licence together with other licensable activities. When calculating the charge for the overall licence, SEPA will not include the registration-scale activities when assessing in which charge band to place the licence

When assessing an application, SEPA may consider that the environmental risks posed by the activity justify moving it up a level of authorisation. Consequently, activities that would normally be covered by a General Binding Rule could be authorised as a registration or licence. Similarly activities normally authorised as a registration could be authorised as a licence. Under these circumstances, any activity that is moved up to a licence level authorisation and is placed on the annual monitoring plan will incur subsistence charges in accordance with this charging scheme.

4.2 When will subsistence charges start?

SEPA sometimes receives applications for activities which are already operating but where the operator has not applied for a licence.

For such **existing** abstractions, impoundments, point source discharges and disposal to land activities which were operating on 1 October of the current financial year the licence will authorise the activity from 1 October of that year. Thereafter subsistence charges will be backdated to 1 April irrespective of when in that financial year the application was made or when the authorisation was issued (clause 14.4 of the Legal Scheme).

Applications for authorisation may be made several years in advance of the start of a controlled activity. For such **new** abstractions, impoundments, point source discharges, disposal to land and engineering activities, subsistence charges will be applied from the date specified in the authorisation when the activity is to start. Where the licence does not specify the start date, then charges will commence from the date of issue of the authorisation. It should be noted that section 1.3 in Annex II of the guidance allows an operator to notify SEPA in advance that a licensed point source discharge or abstraction will not occur over the calendar year. Under these circumstances, SEPA will not impose a subsistence charge.

Dam construction can take several years to complete and involve complex engineering activities. For such construction activities, the impoundment subsistence charges will start from the date construction begins and will be based on the design criteria for the dam. These charges will cover SEPA's costs relating to the construction phase of the impounding works. Engineering activities that are part of the same scheme but not directly associated with the impoundment (e.g. pipe or road crossings) may require specific engineering authorisations and attract separate charges.

SEPA has developed the following web-based calculator to assist you with calculating the charges: Charge calculator

4.3 Structure of subsistence charging scheme

The charging scheme categorises activities into a series of banded charging factors

Charge factors
Factors have been identified for each regime. These factors represent key attributes of the activity which SEPA considers to have environmental significance and which will, therefore, influence the allocation of our effort.

Charge bands
Each factor is divided into bands reflecting the characteristics of an individual activity. Each band has a factor which is used in the calculation of the charge. The charges are calculated by multiplying together the factors for the relevant bands and a financial factor.

The financial factor is a single monetary amount derived from the total sum which SEPA is obliged to recover in order to deliver the statutory obligations for each regime.

Refunds of subsistence charges (clause 13)
If part-way through a year, a licence is surrendered or reviewed to a registration or to a lower subsistence band, SEPA will provide a pro-rata rebate on subsistence charges that have been paid in advance.

Reduced Subsistence charges
Reductions and exceptions available for subsistence charges are detailed in Annex II.
A subsistence charge reduction factor may apply where two or more subsistence charges are applied. See section 10 for more details.

4.4 Individual regulatory regimes

The details of the subsistence charges for each regime are described in Sections 5–10.

The water resource (abstraction and impoundment) and pollution control (point source discharge and disposal to land) regimes regulate ongoing activities that will be subject to subsistence charges to support continued regulation and environmental monitoring.

In contrast, the engineering regime controls new activities that are undertaken over a defined period. Such subsistence charges will apply over a set period only to those engineering activities that require a period of monitoring and which are placed on the SEPA monitoring plan.

5 Point source discharge subsistence charges

This section is based on clause 5.2 of the Legal Scheme and describes how subsistence charges for point source discharges to the water environment should be calculated.

Point source discharges are those discharges of effluent to the water environment or land from a fixed installation, pipe or outlet which are liable to cause pollution of the water environment. Such activities include:

- the discharge of sewage or other organic effluent to the water environment or to land;
- effluents from trade activities such as factories, mines, quarries and fish farms which are made to the water environment or to land;
- run-off water from large impermeable areas.

It should be noted that charges are determined by section 6 if a discharge **to land** involves the:

- tipping or disposal of spent sheep dips to land;
- disposal of pesticide washings to land.

With the exception of sewer network licence charges, subsistence charges will be applied only to licensed activities included in our monitoring plan or plans operated on our behalf by our SEARS[2] partners. The monitoring plan specifies which discharges SEPA will sample or inspect.

There are some exemptions from charging explained in Annex II.

5.1 Subsistence charge factors

The annual subsistence charge will be calculated by the multiplication of five factors: volume, content, receiving waters, number of activities and financial (Table 2).

Table 2 List of charging factors for point source discharges

	Charging factor	**Definition**
V	Volume	Authorised maximum daily volume that may be discharged
C	Content	Type and nature of the discharge
R	Receiving waters	Type of water that the discharge is made into (groundwater, river, coastal, etc.)
N	No. of activities	Number of point source activities on a single site licence or associated on a single site or on a sewer network licence
F	Financial	
Charge (£) = V × C × R × N x F		

Volume factor (V)
This factor relates to the authorised maximum daily volume of discharge. The factors in the volume bands broadly reflect our regulatory effort (i.e. in most cases, a larger discharge will warrant more frequent discharge sampling and inspection). In addition, the sampling frequencies for discharges above certain sizes are fixed by other legislation such as the Urban Waste Water Treatment (Scotland) Regulations 1994. Table 3 lists the bands and factors for this factor.

[2] SEARS is Scotland's Environmental and Rural Service – A partnership of nine public bodies delivering rural and environmental services for the Scottish Government which aims to provide Scotland's rural land managers with an efficient and effective service.

Table 3 Volume factor – bands and factors

Band	Cubic metres per day	Factor
V1	Up to and including 5	0.3
V2	More than 5 up to and including 20	0.5
V3	More than 20 up to and including 100	1
V4	More than 100 up to and including 1,000	2
V5	More than 1,000 up to and including 10,000	3
V6	More than 10,000 up to and including 50,000	6
V7	More than 50,000 up to and including 150,000	12
V8	More than 150,000	24

Allocating a volume band to sewage treatment works (clause 5.2.5(4))
The calculation of the maximum daily volume of the final effluent from sewage treatment works will depend on available information.

- If the dry weather flow is known, the maximum daily flow is three times this value.
- Where the dry weather flow is not known, the maximum daily volume is 2.4 times the average daily flow.
- Where both the dry weather flow and average daily flow are not known, take the flow to full treatment as the maximum daily volume.

Allocating a volume band where no volume is stated
Where no maximum daily volume or maximum biomass is given in a licence, then the volume band is V3 (factor = 1.0), unless the discharge is:

- made in an emergency;
- surface water (not containing trade effluent);
- permitted by the licence on not more than four days per year;
- sewage from a plant serving less than 25 people.

In such cases, the band is V1 (factor = 0.3).

Allocating a volume band to storm and emergency overflows
Storm and emergency discharges are intermittent and derived maximum daily volumes should **not** be used to allocate a volume band.

For the purposes of charging, the volume band is allocated as follows:

- Storm tank discharges and storm sewer overflows and combined sewer overflows (CSOs) = V3
- Pumping stations and emergency discharges = V1
- Surface water (not including trade effluent) = V1

For effluent from a marine cage fish farm, the volume factor relates to the maximum weight of fish permitted by the authorisation.

In the case of a freshwater cage fish farm, the volume factor relates to the annual production of fish as specified in the authorisation as shown in Table 4.

For any cage fish farm where the licence does not state a biomass, the volume factor is band V2 (factor = 0.5).

Table 4 Volume factor – bands and factors for cage fish farms

Band	Tonnes per year	Factor
V1	Up to and including 200	0.3
V2	More than 200 up to and including 1,000	0.5
V3	More than 1,000	1

Content factor (C)
This factor relates to the type and nature of the substances authorised for discharge. The factors within the bands reflect the relative cost of analysis for these substances. Table 5 lists the bands and factors for this factor.

For example, an effluent containing toxic substances in Bands A or B requires complex, specialised, analytical techniques and equipment, and is significantly more costly to analyse than those which do not. Similarly, the costs of analysing a discharge from a sewage treatment works will be significantly more than that from a cooling water discharge.

The different bands and example discharges are described below.

Table 5 Content factor – bands and factors

Band	Indicative definitions (see Legal Scheme for full definitions)	Factor
A	Toxics – as specified in scheme	14
B	Toxics – as specified in scheme	5
C	Organic effluents – numeric limits	3
D	Sewage effluents – descriptive limits; Other trade effluents	2
E	Combined storm overflows, emergency overflows, quarries, etc.	1
F	Surface water, etc.	0.5
G	Tank fish farms, etc.	0.3

Band A is for discharges of trade or sewage effluent only. The authorised determinands falling in Band A will require more sophisticated and costly analytical techniques than those in other bands. They therefore attract the highest factor of 14.

For Band A to apply, numeric conditions must be stated in the licence.

Examples of Band A discharges include:

- complex chemical trade effluents;
- sewage effluents containing pesticides (e.g. Eulan, synthetic pyrethroids);
- wood preservatives (e.g. HCH – lindane, pentachlorophenol).

Band B
Band B is for discharges of trade or sewage effluent only. It is assumed that the substances in Band B generally require less expensive analytical techniques than those in Band A. They therefore attract a lower factor of 5.0.

For Band B to apply, numeric conditions must be stated in the licence.

Examples of Band B discharges include:

- process waters from the iron & steel and non-ferrous metal industries;
- less complex chemical trade effluents;
- some mine water discharges (containing non-ferrous metals);
- sewage effluents with metal or peracetic acid limits;
- landfill leachate;
- trade effluent from cage fish farms where the licence contains numeric conditions limiting the use of chemical therapeutants for the control of parasites or diseases (e.g. azamethiphos).

Band C

Band C is for discharges of trade or sewage effluent that have numeric conditions on the less complex determinands, i.e. substances not listed in Bands A or B (with the exception of discharges in Bands E, F, G).

Examples of Band C discharges include:

- all sewage effluents with numeric conditions on substances not listed in Bands A or B (e.g. solids, biochemical oxygen demand (BOD), ammoniacal nitrogen) and with a numeric volume condition >5m^3/day;
- trade or sewage effluents with numeric conditions on oil and formaldehyde content;
- food industry effluents;
- abattoir effluent;
- soft drinks manufacturing effluents;
- dairy/creamery effluents;
- farm effluents;
- landfill leachate.
- trade effluent from cage fish farms where the licence does not contain numeric conditions on chemical therapeutants other than hydrogen peroxide.

Band D

Band D applies to trade or sewage effluent only. It applies to sewage effluents with descriptive conditions and acts as a default band for trade effluents that do not fall into other bands. Many trade effluents can be allocated to specific bands due to the inclusion of specific numerically-limited determinands in their licence (A, B or C) or because there are special bands for that type of effluent (E, F or G). Thus Band D is a default band to be used as a last resort.

Examples of Band D discharges include:

- all sewage effluents with descriptive conditions discharging more than 5 m^3/day;
- purges, blow-downs and indirect cooling waters (e.g. from cooling towers, quench waters, non-domestic swimming pool discharges, mineral washwaters).

Although it is trade effluent, contaminated site drainage from trade premises should be allocated to Band E.

Band E

Band E is the first band to apply to all categories of discharge (i.e. to trade and sewage effluent, and to matter other than trade or sewage effluent).

Examples of Band E discharges include:

- site drainage from trade premises (e.g. commercial car park drainage);
- any storm and/or emergency discharges of sewage effluent;
- direct cooling waters with numeric conditions other than volume, temperature, pH and chlorine;

trade effluent to prevent interference with mining and quarrying except those containing only conditions for volume, suspended solids, iron, pH and chlorine

Allocate to Band G those discharges of direct cooling water that have licence conditions that refer only to volume, temperature, pH and chlorine, or have licences with no conditions.

Band F

Band F applies to surface water and trade effluent from mining and fish farming. It is also the default band for any other effluent that cannot be identified elsewhere in the scheme (i.e. discharges of matter other than trade or sewage effluent).

Examples of Band F discharges include:

- all surface water effluents not containing trade effluent;
- trade effluent to prevent interference with mining and quarrying, for which the only conditions are one or more of volume, suspended solids, iron, pH and chlorine.
- discharges from, for example, fish hatcheries that are operated by a club, and are therefore not trade effluent;
- trade effluent from fish farming activity, other than cage fish farming, where the licence contains numeric conditions on determinands other than BOD, solids, ammonia or nutrients. Such fish farms may have numeric conditions on formaldehyde and chloramine T.

Band G
Band G applies to discharges of trade effluent containing only direct cooling water or from tank fish farming.

Examples of Band G discharges include:

- where a direct cooling water has no conditions (inclusion of a numeric oil limit (probably unnecessary for direct cooling water) would push the discharge into Band E);
- trade effluent from tank fish farms that have numeric conditions on BOD, solids, ammonia or nutrients but no other determinands.

Summary of rules
- All sewage effluents must be allocated either Bands A, B, C, D, or E.
- Trade effluent from cage fish farms must be allocated either Bands B or C.
- Trade effluent from tank fish farms must be allocated either Band F or G.
- Discharges of surface water site drainage from trade premises must be allocated Band E.
- All other discharges of surface water must be allocated Band F.

Receiving waters factor (R)
This factor reflects the type of receiving water into which the discharge is made. The factors within the bands reflect the relative cost of carrying out environmental monitoring of the discharge.

For example, environmental monitoring within estuaries (transitional waters) and coastal waters is more costly than that for inland waters due to the use of more expensive boat surveys.

Table 6 lists the bands and factors for this factor.

Table 6 Receiving waters factor – bands and factors

Band		Factor
R1	Groundwater or land	0.5
R2	Coastal waters	1.5
R3	Inland waters	1.0
R4	Transitional waters	1.5

Number of point source activities factor (N)
Efficiency reductions have been estimated for associated point source discharges, similar to those applied to water resource activities. From October 2009 we have added this additional factor for point source discharges (N).

We are able to do this because efficiencies will result where there is more than one activity covered by a single licence. For these efficiencies to be delivered, however, the activities must be ‘associated’ (see Box 1 on page 6)

The total number of discharges will be used to determine which band a particular site or scheme will fall into (Table 7). SEPA will not include discharges which individually would be covered by registrations to calculate the total number of discharges. The Number of Point Source Activities factor is applied to the higher or highest single activity charge on the licence. (Note that Table 7 does not apply to sewer network licences – instead, please refer to Table 8).

Table 7 Number of Point Source Activities factor – bands and factors

Band		**Factor**
1	1	1.0
2	2-5	1.1
3	6-10	1.3
4	>10	1.5

Number of overflows on a sewer network licence Factor (N)
A sewer network licence can have one or more combined sewer overflows and emergency overflows on each licence. They can serve large geographic areas but the impacts may be very local. Monitoring and inspection of overflows is different from other point source work therefore we apply a different number of activities factor for sewer network licences.

Sewer Network Licence charges are calculated according to the number of overflows in a sewer network licence as in Table 8. The factor is applied to the higher or highest single activity charge on the sewer network licence. For clarification, where sewer network licence charges apply, the number of Point Source Activities factor (Table 7) does not apply.

Sewer network charges cannot be applied to point source activities outwith a network licence or subject to other point source charges.

Table 8 Number of sewer network overflows factor

Number of overflows on a Sewer Network Licence	**Factor**
1	1
2-5	1.25
6-10	4
11-25	8
26-50	16
51-100	32
>100	64

Financial factor (F)
From 1 April 2015, the financial factor for point source activities will be £748

5.2 Seasonal discharges (clause 5.2.4)

The annual charge may be proportionally reduced where one of the following circumstances can be demonstrated:

- A licence that specifically states the period of the year during which the discharge will be permitted.
- Another statutory licence that restricts the period during which the discharge is made. SEPA will accept, for instance, planning consent conditions placed on a discharger by a planning authority caravan site licence conditions granted under the Caravan Sites and Control of Development Act 1960.

NB This list is not exhaustive.

A reduction will not apply to cage fish farm sites which are fallow for part of the year. Under these circumstances SEPA may monitor sites during short term fallow periods and will, therefore, need to recover our costs. See Annex II for exemptions from charges for during periods where a cage fish farm site is fallow for a period of a calendar year or more.

6 Disposal to land subsistence charges

This section describes how to calculate subsistence charges for activities involving disposal to land.

The charges will cover activities involving the tipping, disposal and/or discharge of hazardous and non-hazardous substances to land (as defined in Schedule 2 of the Water Environment (Controlled Activities) (Scotland) Regulations 2011 – the CAR regulations (CAR).

The charges under this section do not cover discharges of sewage or the majority of trade effluents to land, as these will be charged under the point source discharge regime. In addition, this section does not cover disposal activities which require licensing under the Waste Management Licensing Regulations.

Activities that were previously authorised under the Groundwater Regulations 1998 have been deemed as registered under CAR. Such activities include:

- the tipping or disposal of spent sheep dips to land;
- the disposal of pesticide washings to land.

These registrations are being transferred progressively to licences as part of the programmed four-yearly reviews. Over 90% of registrations have been transferred and the process should be completed by 2013. To ensure cost recovery, SEPA applies subsistence charges to operators whether the activity is authorised by a licence or temporarily authorised by registration. New applications under this regime will be authorised as licences.

A single subsistence charge will apply if there are multiple disposal activities within land operated by a single person. Common grazing and/or related in-bye land managed by a grazing committee will be treated as being land occupied by the same person.

6.1 Subsistence charge factors

The annual subsistence charge will apply to activities registered or covered by a licence and will be the product of four factors: volume, content, receiving waters and financial (Table 9).

Charges will be levied per authorisation whether this is a registration or licence.

Table 9 List of charging factors for disposal to land control regime

	Charging factor	**Definition**
V	Volume	Authorised maximum daily volume of discharge
C	Content	Nature and content of the substances being discharged
R	Receiving waters	Receiving waters of the discharge, i.e. groundwater
F	Financial	
Charge (£) = V × C × R × F		

Volume factor (V)
This factor relates to the maximum daily volume of discharge permitted by the authorisation. Table 10 lists the bands and factors for this factor.

Where no maximum daily volume is given in an authorisation, the volume factor is 1.0.

Table 10 Volume factor – bands and factors

Band	Volume (cubic metres/day)	Factor
V1	Up to and including 5	0.3
V2	More than 5 up to and including 20	0.5
V3	More than 20	1.0

Contents factor (C)
This factor equates to other trade effluents in contents Band D in the point source charging scheme.

The contents factor is 2.0

Receiving waters factor (R)
This factor equates to the groundwater/land band (R1) in the receiving waters factor of the point source subsistence scheme detailed in Section 5.

The receiving waters factor is 0.5.

Financial factor (Fd)
From 1 April 2015, the financial factor for disposal to land activities will be £417.

7 Abstraction subsistence charges

This section describes how subsistence charges for abstractions from the water environment will be calculated.

Annual subsistence charges will apply to licensed abstractions. There will be no subsistence charges for registration level activities included as part of a water use licence.

The abstraction subsistence charges will be calculated for a licence and not for each individual controlled activity. This is because abstraction licences can include large numbers of activities managed within a single scheme. Monitoring and regulation will be undertaken at the scheme level.

In calculating abstraction charges, operators will only be charged once for the abstraction of water.

7.1 Subsistence charge factors

Abstraction costs will be allocated between activities according to eight factors. These factors are listed in Table 11 and described in detail below.

Table 11 List of charging factors for abstraction control regime

	Charging factor	**Definition**
Va	Volume abstracted	Authorised volume of water that may be abstracted in a single day
Lo	Loss	Proportion of water that is returned relative to the amount abstracted
Le	Length affected	Distance between the abstraction point and where the water is returned
So	Source type	Type of water that is being abstracted (inland surface and groundwater, or estuary/coastal)
Se	Seasonality	Whether the abstraction is only seasonal or may occur throughout the year
Pa	Proportion of flow	Proportion of the natural 95th percentile flow that is abstracted
Na	Number of abstractions	Will apply where several abstractions are operated as, or support, a single operation
Fa	Abstraction financial	Monetary factor in £ set to ensure cost recovery
Charges (£) = Va × Lo × Le × So × Se × Pa × Na × Fa		

The abstraction factors are described in detail below.

Volume abstracted factor (Va)
The cumulative daily volume of all the abstractions covered by the licence will be used to determine which band a particular site or scheme will fall into. When calculating the total volume abstracted the volume abstracted by activities which would have been covered by a registration will not be included.

Further guidance for applying the volume abstracted factor to abstractions at multiple fixed locations is provided in Annex IV

The volume factor for mobile plant will be considered to be the cumulative pump capacity of all the plant included in the licence.

Table 12 lists the volume bands and their associated factors.

Table 12 Volume abstracted factor – bands and factors

Band		Factor
1	>150 ML per day	22.8
2	>50 to 150 ML per day	13.7
3	>10 to 50 ML per day	9.3
4	>2 to 10 ML per day	5.0
5	>100 to 2,000 m^3 per day	1.0
6	>50 to 100 m^3 per day	0.3
7	0 to 50 m^3 per day	0.0

Note: 1,000 litres = 1 cubic metre (m^3); 1,000 cubic metres = 1 megalitre (ML).

Loss factor (Lo)
This factor represents the amount of water lost during use and is closely associated with the environmental impact of an abstraction. The risk of environmental harm is greater if the water is not returned to the water environment. Consequently, the factors for the different bands mean that there will be higher charges if the water is consumed than if the water is entirely or partly returned (Table 13).

If a single licence authorises multiple abstractions, then the total volume returned directly to the water environment should be expressed as a percentage of the total volume abstracted.

Non-consumptive means that typically over 95% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise using site specific data[3], the following activities will be considered non-consumptive:

- hydropower generation;
- amenity pools through flow;
- hydraulic testing;
- fish farms;
- watercress growing;
- non-evaporative cooling.

- **Partially consumptive** means that typically between 10% and 95% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise using site specific data[3], the following activities will be considered partially consumptive:
  - public and private water supply;
  - commercial and industrial purposes not specified elsewhere;
  - use as a means of conveying material;
  - washing;
  - evaporative cooling and other evaporative uses.

- **Consumptive** means that typically less than 10% of the abstracted water is returned directly to the water environment. Unless demonstrated otherwise[3], the following activities will be considered consumptive:
  - where water forms part of the product;
  - irrigation;
  - dust suppression;
  - watering livestock.

[3] The demonstration must prove that the criteria do not apply at a site-specific level. SEPA will not accept generic assessments across sectors or collection of sites.

If a single licence authorises multiple abstractions, then the total volume returned directly to the water environment should be expressed as a percentage of the total volume abstracted.

Table 13 Loss factor – bands and factors

Band		Factor
1	Non consumptive (>95% of the abstraction returned)	0.3
2	Partially consumptive (10–95% of the abstraction returned)	1.0
3	Consumptive (<10% of the abstraction returned)	1.1

Length affected factor (Le)
This factor is associated with the environmental impact of an abstraction. Charges will be determined by the distance between the abstraction point and where the water is returned (Table 14).

The factors for the different bands recognise that SEPA puts more resources into regulating and monitoring abstractions that cause environmental harm. However, these factors also provide an incentive to minimise the distance between abstraction and return, thus reducing the risks of environmental harm.

For rivers, this factor is calculated from the distance along the river bank between the abstraction and the point of return to the river.

Where an abstraction is taken from a river and returned to an estuary or coastal waters, the length is calculated from the distance along the river from the abstraction point to the tidal limit.

For groundwater, this factor is calculated from the distance in a straight line from the abstraction point to the point at which the water is returned to the water environment.

Band 1 will apply for abstractions where the water is abstracted from, and returned to, the sea, estuaries or a single freshwater or sea loch.

If a single licence authorises multiple abstractions that affect different river stretches, then the band that will be used is the one with the highest factor that applies to at least 25% of the total abstraction or 40 ML/day.

Similarly, if a single abstraction is returned to the watercourse at several locations, then the band that will be used is the one with the highest factor that applies to at least 25% of the total abstraction or 40 ML/day.

For example, for public drinking water abstractions, the length affected will typically be determined by the discharge point of the sewage treatment works and not the overflows at the water treatment works.

The examples below indicate the types of use that will fall into two of the categories.

- **Band 1** – where the abstracted water is returned to the water environment within 500 metres. Unless demonstrated otherwise[4], the following activity will be considered to fall into this band:
  - land-based tank fish farms.

- **Band 4** – where the abstracted water is either not returned or returned to the water environment more than 5 km downstream from the point of abstraction. Unless

[4] The demonstration must prove that the criteria do not apply at a site-specific level. SEPA will not accept generic assessments across sectors or collection of sites.

demonstrated otherwise on a site-specific basis[4], the following activities will be considered to fall into this band:

- consumptive use of water (e.g. irrigation);
- public drinking water abstraction;
- hydropower schemes (>5 MW).

Table 14 Length affected factor – bands and factors

Band		Factor
1	Returned <500 m from abstraction	0.2
2	Returned 500 m to <1 km from abstraction	0.9
3	Returned 1 km to 5 km from abstraction	1.3
4	Returned >5 km from abstraction	1.9

Seasonality factor (Se)
An abstraction poses a lower risk of harming the water environment if it occurs only in winter. This factor provides an incentive for abstractors to abstract water during the winter (Table 15).

Reductions for seasonal use will be applied only if the use is constrained by conditions of the licence to specific periods of the year.

The period of water abstraction will be used to determine into which band a particular site or scheme will fall. SEPA will not accept separate applications for winter and summer seasonal licences for a single abstraction that operates all year.

The examples below indicate the types of use that will fall into two of the categories.

- **Band 1 -** abstraction during winter only. Unless demonstrated otherwise[4], the following activities will be considered to fall into this band:
  - abstractions to isolated ponds or off-line impoundments that are filled during the winter. The pond/impoundment should store at least 75% of the water required during the summer.
  - Abstractions from constructed isolated ponds or off-line impoundments that are filled by land drainage/groundwater seepage.

- **Band 2 -** abstraction during summer only. Unless demonstrated otherwise[4], the following activity will be considered to fall into this band:
  - abstractions from rivers for irrigation.
  - abstractions to supplement winter storage for irrigation where <75% storage is provided.

Table 15 Seasonality factor – bands and factors

Band		Factor
1	Winter only (1 October to 31 March)	0.1
2	Summer only (1 April to 31 October)	0.3
3	All year	1.00

Source type factor (So)
This factor is related to the source of water being abstracted.

Coastal waters and estuaries are typically less affected by abstractions. Abstractions from coastal and estuarine waters will typically be registered and will not be charged a subsistence fee. If SEPA considers that such an abstraction is causing an environmental impact, then the activity will be licensed and a Band 1 charge will apply.

If a single licence authorises multiple abstractions from different types of source, then the band that will be used is the highest one that applies to at least 25% of the total abstraction or 40 ML/day. For example, if half the total amount of water that is abstracted is taken from an estuary and the other half from a river, then the charge for the licence will be based on Band 2.

Table 16 Source type factor – bands and factors

Band		Factor
1	Coastal and estuary	0.17
2	Inland water (rivers, lochs, wetlands and groundwater)	1.00

Proportion of flow factor (Pa)
This factor reflects the proportion of the natural flow abstracted. This is closely associated with the environmental risk posed by an abstraction from a river. Table 17 shows the bands and factors to be used.

SEPA will use a river flow model[5] to determine an estimate of the natural 95th percentile flow. This is the river daily rate of flow which is exceeded 95% of the time. If you need to know what the 95th percentile flow is at a specific location please contact your local officer.

If a single licence authorises multiple abstractions from the same river stretch, then the total daily volume abstracted should be compared with the 95th percentile river flow at the abstraction point furthest downstream.

If a licence authorises a number of abstractions from different rivers, then SEPA will calculate the proportion of flow abstracted for each river stretch and allocate this to a band. The band with the highest factor which applies to either more than 25% of the total authorised abstraction or more than 40 ML/day will be used to calculate charges.

The example below indicates the types of use that will fall into one of the categories.

- **Band 3** – where less than 10% of the river volume is abstracted. Unless demonstrated otherwise[4], the following activities will be considered to fall into this band:
  - all abstractions from estuaries together with all abstractions from coastal waters and lochs where the water is returned to the same estuary/loch.
    i) Where the abstraction from a loch is not returned to the loch, the Proportion of flow factor will be calculated as a proportion of the outflow.
    ii) Where the abstraction from an estuary is not returned to the estuary, the Proportion of flow factor will be calculated as a proportion of the freshwater inflow to the estuary.
  - all abstractions that are fed by seepage, groundwater or land-drainage from (1) isolated ponds constructed for the purpose of collecting water or (2) off-line impoundments.
  - all abstractions from groundwater.

Table 17 Proportion of flow factor – bands and factors

Band		Factor
1	>50% of the natural 95th percentile flow abstracted	1.05
2	10–50% of the natural 95th percentile flow abstracted	1.00
3	<10% of the natural 95th percentile flow abstracted	0.95

Number of abstractions factor (Na)

[5] 'Low Flows Enterprise' http://www.hydrosolutions.co.uk/products.asp?categoryID=4780

The total number of abstractions on a licence will be used to determine which band a particular site or scheme will fall into (Table 18). SEPA will not include abstractions which individually would be covered by registrations to calculate the total number of abstractions.

As the number of abstractions on a licence increases the regulatory and monitoring effort also increases however, efficiencies will result where there are multiple activities covered by a single licence. For these efficiencies to be delivered, however, the activities must be 'associated'. SEPA will not be able to deliver efficiencies if the activities are widely spread geographically and are not part of a single scheme. To reflect this, SEPA will not permit widely spread activities under a single licence.

Multiple associated abstractions will be covered by a single licence if they are operated as a single scheme. This is likely to be the case if the abstractions are:

- linked by a common pipe or distribution network and feed, for example, a single factory, treatment works or power station;
- listed in the schedule of a mobile plant licence (e.g. an irrigation pump).

Efficiency reductions have been estimated for multiple abstractions and have been expressed as an additional band for abstractions (Na). The result is a substantial cost reduction compared with charges set on the basis of individual activities. Charges increase only approximately 10-fold where there are more than 100 abstractions. This delivers efficiency reductions of an order of magnitude.

Table 18 Number of abstractions factor – bands and factors

Band		**Factor**
1	1–5	1.00
2	6–25	2.00
3	26–100	3.60
4	>100	9.40

Financial factor (Fa)
From 1 April 2015, the financial factor for abstraction activities will be £1,185.

8 Impoundment subsistence charges

This section describes how subsistence charges for impoundments or impoundments under construction will be calculated.

Annual subsistence charges will apply to licensed impoundments whose maximum design or authorised volume exceeds 25 megalitres.

The volume impounded means the volume retained above the lowest level of the surrounding land (i.e. the maximum volume that could escape in the event of catastrophic failure). It does not include volume within an excavation or the natural pre-impounded volume of a raised loch. This means that only impoundments covered by the Reservoirs Act 1975 will be subject to annual charges under the scheme.

The impoundment subsistence charges will be calculated for a licence and not for each individual controlled activity. This is because impoundment licences can include several impoundments managed within a single scheme. Monitoring and regulation will be undertaken at the scheme level rather than directed at each individual impoundment.

8.1 Subsistence charge factors

Impoundment costs will be allocated between activities according to four factors. These factors are listed in Table 19 and described in detail below.

Table 19 List of charging factors for impoundment control regime

	Charging factor	**Definition**
Vi	Volume impounded	Volume of water that may be impounded by all the structures covered by the licence (design volume)
FP	Fish pass	Presence or absence of
Ni	Number of impoundments	Number of individual impoundments covered by the authorisation
Fi	Impoundment financial	Monetary factor in £ set to ensure cost recovery
Charge (£) = Vi × FP × Ni × Fi		

Volume impounded factor (Vi)
In common with abstractions and discharges, impoundment charges include a scale factor.

The impounded volume will be calculated from the cumulative total volume of all Reservoir Act impoundments covered by the licence. Any reservoirs covered by the licence that are below the 25 megalitre threshold will not be included for the purposes of calculating the charge.

Subsistence charges will apply to dams under construction. Under these circumstances, the impounded volume factor will be derived from the maximum design impounded volume.

Table 20 lists the bands for this factor.

Table 20 Volume impounded factor – bands and factors

Band		**Factor**
1	>100,000 ML	10.7
2	>50,000 to 100,000 ML	8.5
3	>25,000 to 50,000 ML	6.6
4	>1,000 to 25,000 ML	4.5
5	>100 to 1,000 ML	2.5

6	>25 to 100 ML	2.2
7	0 to 25 ML	0.0

Fish pass factor (FP)
This factor is intended to reflect good practice being applied where an operating fish pass is present. Table 21 lists the bands and factors.

A site will be categorised as Band 1 if it has a structure that has been, or will be, expressly designed and installed for the purpose of allowing the free passage of salmon, sea trout or other migratory fish.

- **Band 1 -** where an operating fish pass is present. Unless demonstrated otherwise, the following activities will be considered to fall into this band:
  - fish pass is present at all impoundments in the scheme;
  - where no fish pass is required because there are no naturally migratory salmonids (e.g. because of a natural barrier).

Table 21 Fish pass factor – bands and factors

Band		Factor
1	Operating fish pass present	0.95
2	No fish pass	1.00

Number of impoundments factor (Ni)
The total number of impoundments that individually impound more than 25 megalitres will be used to determine which band a particular site or scheme will fall into. Table 22 lists the bands and factors.

Administrative efficiencies will result where there are multiple activities covered by a single licence. If they are operated as a single scheme (associated), multiple impoundments should be covered by a single licence. This is likely to be the case if they impound either the same watercourse or tributaries within the same catchment or if the impoundments are managed as part of one estate.

Table 22 Number of impoundments factor – bands and factors

Band		Factor
1	1–2	1.00
2	3–5	1.50
3	6–10	2.10
4	>10	3.00

Financial factor (Fi)
From 1 April 2015, the financial factor for impoundment activities will be £940.

9 Engineering subsistence charges

Engineering projects will be subject to subsistence charges when they are added to SEPA's annual monitoring plan. The rules for determining if a project is added to the monitoring plan are contained in SEPA's Dynamic Regulatory Effort Assessment Model (DREAM). Exceptions and reductions for subsistence charges can be seen in Annex II.

A single subsistence charge will be calculated per authorisation, based on the cumulative lengths of all the qualifying licence level activities within that authorisation.

Where a single engineering project is split into several authorisations (this may be done for a variety of reasons such as timescales, ease of administration) a single subsistence charge may be applied to the project (this charge would be applied to one authorisation and would cover the whole project). This would be done where SEPA assess the project as a whole and the project is added to SEPA's monitoring plan.

Subsistence charges for engineering activities will start from the date of commencement of the works as stated in the licence and continue for a period of 1-3 years, depending on the activity length as specified in tables 27 and 28 below.

9.1 Subsistence charge factors

Engineering subsistence costs will be applied to authorisations using the four factors listed in Table 23 and described in detail below.

Table 23 Engineering subsistence charging factors

Charging Factor		Definition
L	Activity length factor	The total length of works affecting inland surface water or wetland.
Bd	Bed factor	The proportion of the total length of works affecting the bed of the inland surface water or wetland.
S	Size factor	The size of affected inland surface water or wetland.
Fe	Financial	Monetary factor in £ set to ensure cost recovery
Charge (£) = L x Bd x S x Fe		

Activity length factor

The Activity Length Factor is based on the total length of all activities within a single authorisation affecting the bed or banks of an inland surface water or wetland. The factors are detailed in Table 24 below. The length factor has been included because length is a good indication of the scale of impact/risk associated with a project, and is therefore a good indication of regulatory effort. Where activities affect a loch bed or wetland, e.g. dredging of a loch outlet, each hectare or part of hectare of that activity will be assessed as equivalent to a kilometre of 'length' affected, e.g. 10.2ha of dredging will equate to 10.2km in the assessment of the length factor.

Table 24 Length factor bands

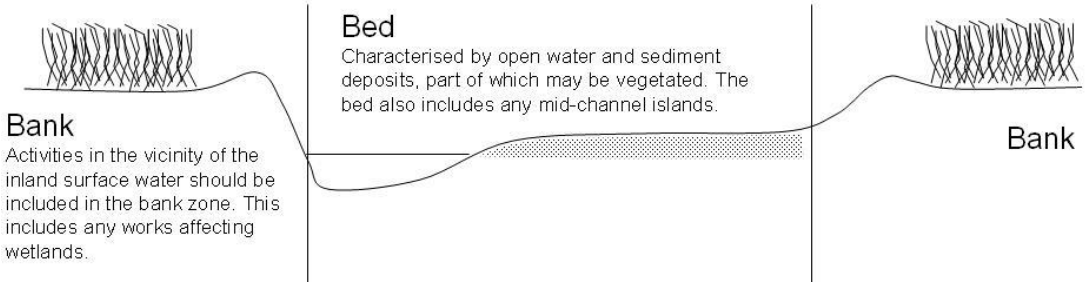
Band	Description	Factor
1	Total length of activities affecting inland surface water or wetland greater than or equal to 250m and less than 500m	1
2	Total length of activities affecting inland surface water or wetland greater than or equal to 500m and less than 1km	1.5
3	Total length of activities affecting inland surface water or wetland greater than or equal to 1km and less than 5km	3
4	Total length of activities affecting inland surface water or wetland greater than or equal to 5km	4

Bed factor
Where works affect river or loch beds, e.g. dredging, channel realignments and culverting, they generally have a higher degree of impact than works that just affect banks and shoreline, and as such our level of effort to assess those impacts is higher. The bed factor is based on the percentage of the total length of works that affect the bed of a river or loch as detailed in Table 25 below. (See figure 1 below for information on defining the bed).

Table 25 Bed factor bands

Band	Description	Factor
1	Percentage of works affecting the bed is less than 50% or works affecting only a wetland.	1
2	The percentage of works affecting the bed is greater than or equal to 50% and less than 80%.	1.5
3	The percentage of works affecting the bed is greater than or equal to 80%.	2

Figure 1 Schematic showing the components of a water body



Size factor
The activity length factor described above does not differentiate between activities occurring on small burns, or large rivers therefore the Size Factor is an additional element for rivers designed to take into account the scale of impact from works. The Size Factor is based on SEPA's Water Body river typology (details of which are available on the UKTAG website[6]). The factor will be 1 for engineering activities except for large river catchment areas of >100 square kilometres as detailed in table 10 below.

Table 26 Size factor bands

Band	Description	Factor
1	Licensed works affecting a river catchment of >10 km2 but less than 100km2, and All licensed works on lochs and wetlands.	1
2	Licensed works affecting a river with catchment area greater than or equal to 100km2.	1.5

Financial factor (Fe)
From 1 April 2015, the financial factor for engineering activities will be £2,155.

Duration of subsistence charging for engineering activities
Subsistence charges for engineering activities will start from the date of commencement of the works as stated in the licence and continue for a period of 1-3 years as specified in Table 27 below.

[6] http://www.wfduk.org/tag_guidance/Article_05/Folder.2004-02-16.5312/view

Table 27 Period on subsistence charging based on the length factor

Length Factor Band (refer to Table 24 above)	Activity Description	Subsistence duration
1	Total Length of activities affecting river, loch or wetland greater than or equal to 250m AND less than 500m	1 year
2	Total Length of activities affecting river, loch or wetland greater than or equal to 500m AND less than 1km	2 years
3 + 4	Total Length of activities affecting river, loch or wetland greater than or equal to 1km	3 years
1 to 4	Dredging activities affecting river, loch or wetland greater than or equal to 250m*	1 year

***** Where dredging activities are carried out with other subsistence charged activities use table 28 below to determine the subsistence duration.

Table 28 Determining length of subsistence duration for dredging activities

Length of activities	Subsistence duration
Dredging activities <250m and other engineering activities <250m, combined total length >250m	1 year
Dredging activities >250 m	1 year
Dredging activities >250m and other engineering activities >250m and <500m	1 year
For dredging activities >250 m and other engineering activities >500m and <1km	2 years
For dredging activities >250m and other engineering activities >1km	3 years

ANNEX I Reductions and exceptions for application fees

The Legal Scheme allows reductions in application fees under certain circumstances. Reductions may be a provision of a specific clause in the Legal Scheme or may be introduced under Clause 14.9.1 which allows SEPA to make other provisions for reductions in certain situations.

Details of the reductions in application fees that are available are explained in this Annex.

1 Reductions for all regimes

1.1 Associated Activities

There are reduced application fees for associated activities (see Table 1 and Box 1 in section 3 for further information). These include applications for technical variations which deliver environmental improvement:

1.2 Environmental service (clause 6)

Clause 6 of the Legal Scheme exempts authorisations from application fees (and subsistence charges) where they deliver an environmental service (see Annex III for guidance on the definition of environmental service). If you consider that your activity meets the criteria listed in Annex III you must tick the environmental service box on the application form and provide additional justification as requested on the form. Justification should explain how the activity fits within one of the environmental service categories in Annex III. The appropriate (registration, simple or complex licence) application fee should be included. If the request for environmental service is accepted then the application fee will be refunded.

1.3 Applications for Surrender (Full or partial)

The termination of an activity which leads to the surrender of an authorisation or part of an authorisation removes an environmental risk. Consequently, there will be no charge for such surrenders. This exemption from charges includes the:

- partial surrender of an authorisation where an activity is removed from a licence;
- full surrender of an authorisation where all the activities covered by an authorisation cease.

2 Reductions for point source activities

2.1 Disposal of waste sheep dip or waste pesticides to land

For the disposal to land of waste sheep dip, or waste pesticides, on more than one site within land operated by a single person, a single fee will apply. Common grazing and/or related in-bye land managed by a grazing committee will also be treated in this way.

2.2 Outfall structures required for a point source discharge

Outfall structures required for a point source discharge are classed as a dependant activity. Dependant activities which are required for the integrity/functioning of the primary activity will not be subject to application fees. The dependent activity will still be subject to authorisation (as part of the primary activity) to ensure good practice and minimise impact on the water environment.

3 Reductions for abstraction and impoundment activities

3.1 Mobile abstraction plant (clause 5.4.2.1)

Where an abstraction activity is mobile and moves from location to location (e.g. irrigation pump), an application may be made for a mobile plant licence.

In order to apply for a mobile plant licence, you will need to specify the maximum daily volume which the pump(s) can abstract and list the sites where the plant will be used.

The locations must be specified however the application fee is based on the total volume of water to be abstracted not on the number of locations where the plant is used. (Note: subsistence charges do vary with the number of locations on the licence (Section 7, Table 18)

The licence will authorise the abstraction of a specified volume of water from one or more locations.

Points to note:
A site can be a stretch of river with a broadly consistent flow.
Adding more than five sites to your licence will double the cost of your annual subsistence charge (see section 7).
Adding more than 25 sites will increase your annual subsistence charges by 3.6 times (see section 7).

If new sites need to be added to your mobile plant licence then you must apply to SEPA to vary your licence. This will be subject to an administrative variation charge of £87 per application. As the number of sites listed in a licence will affect the subsistence charge (see section 7) it is important that sites which are no longer used are removed from the licence. No charge will be made for the removal of sites that are no longer used.

The mobile plant licence will not refer to a specific piece of equipment. You will not therefore have to apply for a new licence when you renew the equipment. Instead the licence allows for the use of one piece of equipment capable of pumping a defined volume.

If you upgrade the equipment (e.g. so that larger daily volumes are abstracted), then a technical variation of authorisation would be required.

3.2 Lades (Clause 5.4.10.2)
Clause 5.4.10.2 explains how charges will be applied to lades. SEPA considers that the volume of water abstracted from the water environment into a lade should not be used to calculate application fees (or subsistence charges) where only part of that volume is subject to use.

However, the abstraction from the river into the lade will be subject to regulatory controls and will be authorised. Therefore, mitigation measures may also be required to reduce the impact of the lade abstraction.

The following examples are intended to illustrate how this rule will be applied:

If there is a lade serving a paper mill or a distillery, then the volume subject to application fees and subsistence charges will be that which is abstracted from the lade for cooling, process water or other purposes.

If there is a lade serving a fish farm, then the volume subject to application fees and subsistence charges will be the volume used by the fish farm processes. If the full volume of the lade is used by the process, then the lade volume will be used to calculate the application fees and subsistence charges.

If there is a lade serving a canal, then the volume subject to application fees and subsistence charges is that which passes into the canal.

If there is a lade providing water for hydropower, then the volume subject to application fees and subsistence charges is that which passes through the turbine.

3.3 Sustainable energy generation

SEPA recognises the importance of promoting the development of renewable energy generation as a contribution to reducing global warming. It is important that our charging scheme does not act as a disincentive for small-scale energy generation.

3.3.1 Hydropower

SEPA will offer reduced application fees (and subsistence charges) for schemes below defined installed generating capacity thresholds. However, the generating capacity will be calculated at the scheme level and not on the basis of individual components of a scheme.

Small hydropower schemes primarily serving domestic properties or small communities and installed generating capacity less than 100 kW of power will be subject to a simple licence application fee.

New schemes with installed generating capacity more than 100 kW will be subject to the normal application fees (for reductions in subsistence charges see Annex II).

3.3.2 Thermal heat pumps

For thermal heat pumps which return water immediately adjacent to the abstraction a registration fee will apply to the abstracted water. No fee is payable for the discharge. (No subsistence charges will be levied.)

3.4 Groundwater Abstraction, Borehole construction and test pumping

Licence-level groundwater abstraction applications of <200m depth will be subject to a registration fee. The application will include the construction and testing of any borehole which does not fall within GBR3 or GBR4.

Because of the higher risk that deep boreholes pose to groundwater a CAR licence will be required to allow the construction of a borehole which will be or is intended to be >200m in depth and a complex licence fee will apply excepting for when such a deep borehole is to be fully backfilled and de-commissioned within 7 days of being constructed, in which cases a simple licence fee will apply.

NB: Full subsistence charges apply when a borehole abstraction is in operation.

3.5 Diversion of water for flood management

Where flood water is diverted from a river (for example into an off-line flood storage or a flood relief channel) both engineering and abstraction elements will be authorised. However the application fee will be determined under the engineering regime (see the practical guide for information on level of information) (SEPA will not impose a subsistence charge for such abstractions).

3.6 On-line flood management impoundments (intermittent storage)

Some flood relief schemes will involve the construction of on-line flood storage reservoirs. These will not hold back the flow of water under normal circumstances, however, during a flood event the water will back up behind the structure. Such flood storage impoundments will be liable to an impoundment application fee (however, they will not be liable for impoundment subsistence charges [following completion of the construction work]).

3.7 Use of impoundments to support fish migration

No application fees will apply for impoundments where they:

- are less than the Reservoir Act 25 megalitres threshold;
- were constructed prior to 1 April 2006; and
- are solely used to support fish migration.

This exemption will not apply if the impoundment has been constructed as part of a mitigation measure introduced as a result of a wider water resource scheme.

3.8 Intake structures (not defined as impoundments) required for an abstraction

Intake structures (that are not defined as impoundments) required for an abstraction are classed as a dependent activity. Dependent activities which are required for the integrity/functioning of the primary activity will not be subject to application fees. The dependent activity will still be subject to authorisation (as part of the primary activity) to ensure good practice and minimise impact on the water environment.

4 Reductions for engineering activities

4.1 Dependent engineering activities

Engineering activities are classed as dependent where, in the opinion of SEPA, they are required for the structural integrity of the primary activity. This includes for example bed or bank reinforcement required for a bridge or an impoundment, construction of an outfall structure required for a discharge, construction of an intake structure required for an abstraction. The dependent activity which is required for the integrity/functioning of the main activity will not be subject to application fees. The dependent activity will still be subject to authorisation (as part of the primary activity) to ensure good practice. This rule will only apply to the following types of activities:

Primary activity	Dependent activities
Discharge or abstraction	Outfall or intake construction Bank re-profiling Green and grey bank reinforcement Bed reinforcement
Bridge or bridging culvert	Bank re-profiling Green and Grey bank reinforcement Bed reinforcement
Pipeline/cable crossings	Bank re-profiling Green and Grey bank reinforcement Bed reinforcement
Channel realignment	Green bank reinforcement Bank re-profiling
Primary activity that requires compensatory flood storage e.g. embankments/floodwalls/land raising	Compensatory flood storage

4.2 Removal of structures

Removal of structures will not attract any application fees or subsistence charges. However, the activity will still require to be authorised under the relevant activity category in accordance with the levels of authorisation table.

4.3 Engineering activities with planning permission prior 1 April 2006

For engineering activities that obtained planning permission before 1 April 2006 but where planned work will start after that date, there will be limited additional requirement for pre-submission discussions or a risk assessment.

Operators will, however, be required to apply for a CAR authorisation. In these cases, simple licence application charges will be reduced to a registration fee and complex licence application charges will be reduced by 45%. Subsistence charges will not be affected.

4.4 Modification or replacement of an engineering complex licence level structure

Where a structure that falls within a complex licence category in The CAR Practical Guide is being replaced, or modified to an extent that requires authorisation (i.e. does not fall within the definition of ‘maintenance’ within the Practical Guide), then a simple licence application fee will apply.

ANNEX II Reductions and exceptions for subsistence charges

The Legal Scheme allows reductions in subsistence charges under certain circumstances. Reductions may be a provision of a specific clause in the Legal Scheme or may be introduced under Clause 14.9.1 which allows SEPA to make other provisions for reductions in certain situations.

Details of the reductions in application fees that are available are explained in this Annex.

1 Reductions for all regimes

1.1 Environmental service (clause 6)

Clause 6 of the Legal Scheme exempts authorisations from subsistence charges (and application fees) where they deliver an environmental service (see Annex III for guidance on the definition of environmental service). If you consider that your activity meets the criteria listed in Annex III you must tick the environmental service box on the application form and provide additional justification as requested on the form. Justification should explain how the activity fits within one of the environmental service categories in Annex III.

1.2 Subsistence charge reduction factor

Where:

- a single licence attracts two or more subsistence charges; or
- two or more licences, covering activities at a single site or scheme, which attract two or more subsistence charges

namely;

1. point source,
2. disposal to land,
3. engineering, and
4. abstraction or impoundment (water resource)[7]

then the total subsistence charge, for that single licence, site or scheme, shall be reduced by ten percent (10%) overall.

This reflects the efficiencies available to SEPA when sampling, auditing and monitoring compliance and the environmental impacts of associated activities. This reduction is in addition to the number of activities factor applied to point source and water resource activities.

1.3 Temporary cessation of an abstraction or a point source discharge

There will be no subsistence charge for the period of one year, if an operator notifies SEPA in writing between 1 December and the last day of February that no abstraction or discharge will be made over the coming year. A 'year' must be specified as either a calendar or financial year.

An operator of an abstraction ceases to be exempt from subsistence charges if they subsequently make an abstraction during the year. Under these circumstances the full subsistence charge will apply.

[7] Abstractions and impoundments are not subject to the reduction because the cost efficiencies of regulating and monitoring associated abstractions and impoundments were taken into account when setting the subsistence charges.

An operator of a discharge ceases to be exempt if they subsequently make a discharge during the year. Under these circumstances the full subsistence charge will apply.

Examples of exemptions from charges
Where a farmer has decided not to grow crops that may require irrigation in a particular year, then they can notify SEPA in writing of their intention not to abstract water in that growing season. SEPA will then exempt the farmer from a subsistence charge that year only.

Where a fish farmer knows that a site will be fallow during a particular year then they must notify SEPA in writing of their intent not to produce fish at that site for the year. SEPA will then exempt the operator from subsistence charges that year only.

It should be noted that the exemption from charging lasts for one year only. The operator must reapply in writing in the subsequent year if they wish to avoid charges again.

It should be noted that this notification has serious implications, since the licence holder is explicitly renouncing the opportunity to abstract water or to discharge. Clause 14.7 of the Legal Scheme specifies that it is a condition of an authorisation that the prescribed fees and charges are paid. If an abstraction or a discharge is made following notification that there is to be no abstraction/discharge, this would be a breach of the licence and an offence under regulation 40 of CAR and appropriate enforcement action may be taken.

A further consequence of the notification is that SEPA may allow another operator to use the available environmental capacity for that year. Once the notification is made to SEPA, there is no going back. For example, it does not provide the flexibility for farmers to change their mind over what crops they will be growing or whether to irrigate or not. Therefore, if a crop is planted that **may** require irrigation, farmers should not apply for such exemption from the annual subsistence charge.

Seasonality
The annual charge for point source activities may be proportionally reduced where one of the following circumstances can be demonstrated:

- A licence that specifically states the period of the year during which the discharge will be permitted.
- Another statutory licence that restricts the period during which the discharge is made. SEPA will accept, for instance, planning consent conditions placed on a discharger by a planning authority caravan site licence conditions granted under the Caravan Sites and Control of Development Act 1960.

NB This list is not exhaustive.

A reduction may not apply to cage fish farm sites which are fallow for part of the year. Under these circumstances SEPA may monitor sites during short term fallow periods and will, therefore, need to recover our costs.

2 Reductions for abstraction and impoundment activities

2.1 Lades (Clause 5.4.10.2)
Clause 5.4.10.2 explains how subsistence charges will be applied to lades. SEPA considers that the volume of water abstracted from the water environment into a lade should not be used to calculate subsistence charges (or application fees) where only part of that volume is subject to use.

However, the abstraction from the river into the lade will be subject to regulatory controls and will be authorised. Therefore, mitigation measures may also be required to reduce the impact of the lade abstraction.

The following examples are intended to illustrate how this rule will be applied:

- If there is a lade serving a paper mill or a distillery, then the volume subject to application fees and subsistence charges will be that which is abstracted from the lade for cooling, process water or other purposes.
- If there is a lade serving a fish farm, then the volume subject to application fees and subsistence charges will be the volume used by the fish farm processes. If the full volume of the lade is used by the process, then the lade volume will be used to calculate the application fees and subsistence charges.
- If there is a lade serving a canal, then the volume subject to application fees and subsistence charges is that which passes into the canal.
- If there is a lade providing water for hydropower, then the volume subject to application fees and subsistence charges is that which passes through the turbine.
- SEPA will not impose subsistence charges for a lade used only to power a water wheel which is not used for the generation of electricity.

2.2 Sustainable energy generation
SEPA recognises the importance of promoting the development of renewable energy generation as a contribution to reducing global warming. It is important that our charging scheme does not act as a disincentive for small-scale energy generation.

2.2.1 Hydropower
SEPA will offer reduced subsistence charges (and application fees) for schemes below defined installed generating capacity thresholds. However, the generating capacity will be calculated at the scheme level and not on the basis of individual components of a scheme. (see Annex I for info on application fees)

Subsistence charges
Small hydropower schemes with installed generating capacity less than 2 MW will be exempt from subsistence charges.

Hydropower schemes with installed generating capacity between 2 MW and less than 5 MW will be subject to a single flat subsistence charge of £1,181per year for the first abstraction and £1,181 per year for the first impoundment in each hydropower scheme licence. Other abstractions and impoundments included in the licence will not be charged.

Hydropower schemes with installed generating capacity of 5 MW or more will be subject to the normal subsistence charges.

2.2.2 Thermal heat pumps
There will be no subsistence charge for these activities provided the return of water is immediately adjacent to the abstraction.

2.3 Borehole construction and test pumping
No subsistence charges will be levied for borehole construction and test pumping activities. This includes deep borehole construction. Full subsistence charges apply if abstraction is in operation.

2.4 Reduced abstraction charges for non-use of metered abstractions
Abstraction subsistence charges for irrigation will be reduced by 25% subject to proof of non-abstraction during any year. Proof will be dependent on the provision of an appropriate and approved water meter and timely and comprehensive reporting of meter readings confirming that no abstraction occurred. Reductions will apply during the following year.

2.5 Diversion of Water for flood management
There will be no abstraction subsistence charge applied to the diverted flood water. (The application fee will be determined under the engineering regime).Where flood water is

diverted from a river (for example into an off-line flood storage or a flood relief channel) both engineering and abstraction elements will be authorised,

2.6 On-line flood management impoundments (intermittent storage)

These structures will not be liable for impoundment subsistence charges [following completion of the construction work] (such flood storage impoundments will be liable to the normal impoundment application fee).Some flood relief schemes will involve the construction of on-line flood storage reservoirs. These will not hold back the flow of water under normal circumstances, however, during a flood event the water will back up behind the structure.

2.7 Commercial/amenity use of reservoirs

The following water uses will not be liable for impoundment subsistence charges as long as they do not manage the flow from the dam in order to support the maintenance of the activity:

- cage fish farms;
- amenity uses such as fishing and sailing.

SEPA will not impose subsistence charges for abstractions solely to fill or maintain any off-line pond or reservoir that may have amenity uses (e.g. fishing and sailing).

3 Reductions for engineering activities

3.1 Removal of structures

Removal of structures will not attract any subsistence charges (or application fees). However, the activity will still require to be authorised under the relevant activity category in accordance with the levels of authorisation table.

ANNEX III Environmental service

Introduction

Clause 6 of the Legal Scheme exempts authorisations from application fees and subsistence charges where they deliver an environmental service.

Definition of environmental service in the Legal Scheme (Clause 2.1)

'Environmental service' means the carrying out, operation or maintenance of any activity which is, in the view of SEPA, solely for the benefit of the environment, not being for commercial purposes or in implementation of a statutory duty or condition of an authorisation. SEPA Guidance, updated from time to time, is available via the website or on request.

This annex provides the SEPA guidance referred to in the Legal Scheme's definition of environmental service (clause 2.1). This annex should be considered a 'supplemental provision' under clause 14.10 of the Legal Scheme.

Exemption from charges for environmental service
Environmental service should not be confused with mitigation measures, which are intended to reduce the impact of a controlled activity. For example, the following activities will not be considered as an environmental service:

- a sewage treatment works that removes pollutants so that a discharge can be made to the water environment;
- a reservoir that maintains flows in a downstream river to compensate for upstream abstractions.

There may be situations where, as part of a programme, an activity may be eligible for consideration as an environmental service. For example, if during the construction of a housing estate, a builder opens up a culvert and engineers a more natural river profile then this component of the work will be considered as an environmental service. Similarly, if a flood defence project includes the restoration of a flood plain, then the removal of flood defences will be considered as an environmental service.

If you consider that your activity meets the criteria listed in Annex I you must tick the environmental service box on the application form and provide additional justification as requested on the form. The appropriate (registration, simple or complex) application fee should be included. If the request for environmental service is accepted then the fee will be refunded.

Environmental service activities can be grouped under the following three headings:

1. Abstractions associated with the control of historic causes of pollution

- Abstraction from mines that are no longer operational and where the abstraction is intended solely to control the breakout of polluted groundwater.
- Abstraction of groundwater associated with contaminated land solely for the purpose of the remediation of that contaminated land.

In both situations, there will be no application fees or subsistence charges associated with such abstractions. However, there will be application fees and potentially subsistence charges for the discharge element associated with the abandoned mine or the remediation of the contaminated land.

2. Structures and abstractions to maintain or improve the existing water environment

- An ex-water supply reservoir that is no longer intended as a drinking water source and is maintained solely to support the ecology which has developed within the reservoir.
- A canal that is no longer used for navigation and is maintained solely to support the ecology which has developed within the canal.
- A wetland or pond, fed by an abstraction, which is intended solely to maintain or enhance the biodiversity of the water environment.

Abstractions and impoundments that are solely associated with the delivery of the environmental service will not be subject to charges.

3. Habitat enhancement and restoration

This is engineering work intended to restore the environment to a more natural state or to enhance the biodiversity of the water environment or wider environment. It covers:

- the restoration of a canalised or culverted watercourse to a more natural condition;
- the removal of flood defences in order to restore a flood plain, or other such restoration measures undertaken for the purposes of sustainable flood management;
- the creation of wetlands and ponds to enhance biodiversity;
- the removal of engineering structures and other modifications from the water environment; including the removal of hard (grey) bank protection measures and subsequent restoration of a natural bank and riparian zone.

There will be no fees or charges associated with the engineering work, abstractions or impoundments associated solely with the restoration work.

This definition does not include:

- fishery improvement work that modifies an already good quality river in order to improve fishing opportunity;

4. Maintenance of native fish populations

No abstraction or discharges fees or charges will apply if a fish hatchery:

- is a non-commercial operation;
- only rears juvenile fish up to parr stage; and
- the fish reared are returned to the same river of origin for use in restocking programmes.

ANNEX IV Applying the volume abstracted factor (Va) at multiple (fixed) abstraction locations

In calculating abstraction charges, operators will only be charged once for the abstraction of water. The examples below explain how the volume abstracted factor is applied in different scenarios.

In some cases it is the initial abstraction volume which is subject to charging (Example 2, farm ponds). However for river transfer schemes this may not be the case as the second abstraction can take advantage of the increased catchment upstream (Example 6) in which case the charge is based on the second abstraction volume.

The following examples demonstrate that in a complex scheme, the net volume utilised by the operator may *increase* with subsequent re- abstractions (Example 1, Hydro Power Cascades), or it may *decrease*:

- due to spill, and compensation releases , the net volume may be significantly *less* than the sum of individual abstractions (Example 4, public water supply,)
- similarly, lade abstractions take only a proportion of the water diverted into the lade (Example 3)

Example 1: Hydropower system with multiple sites, single licence

Abstractions:

A1,A2,A3,A4,A5
A1,A2,A3,A4 all contribute to A5
multiple re-abstractions
A1 and A2 are re-abstracted at A3, A5
A3 and A4 are re-abstracted at A5
volume abstracted increases downstream
all water passing HEP3 is used by operator

Charge:

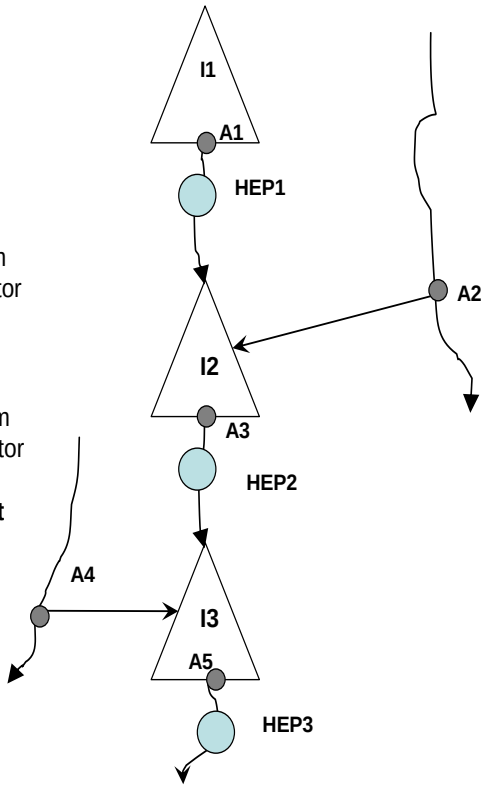
Only charge once for each Ml abstracted
Volume abstracted increases downstream
All water passing HEP3 is used by operator

➔Charge volume band is based on abstraction at A5 ONLY

KEY

Ix impoundment **Ay** abstraction

River Transfer



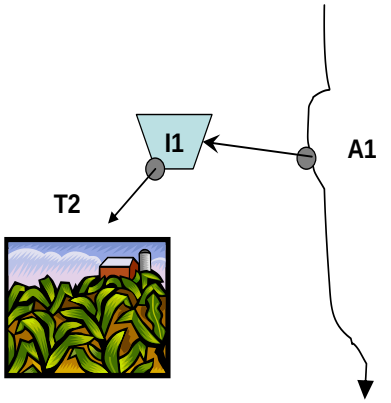
Example 2: Farm ponds / offline storage

Abstraction:

A1 to fill off-line storage
T2 from storage at time of irrigation

Charge:

Charge once only for each Ml
Water all used
T2 NOT a regulated abstraction
Assess volume band at A1



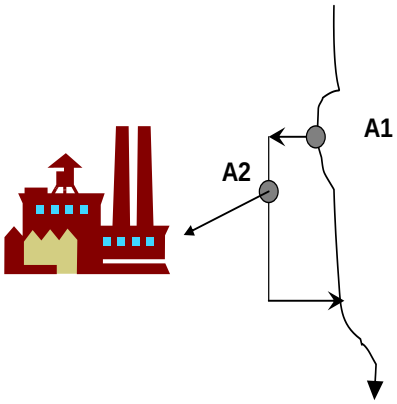
Example 3: Lades

Abstraction:

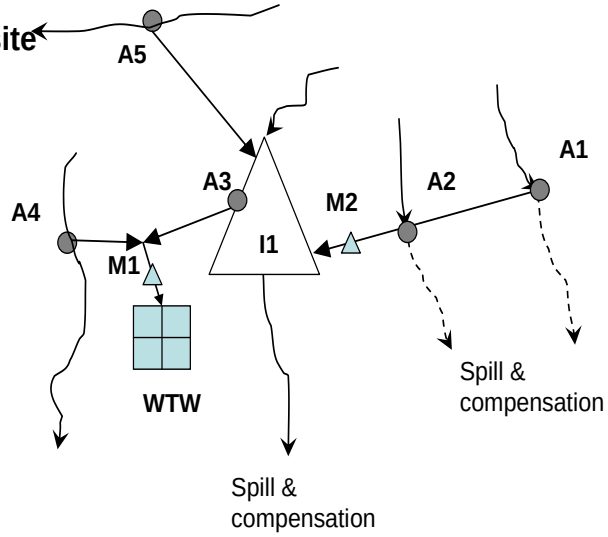
A1 from river into lade
A2 from lade for process use
A2<A1

Charge:

Only a proportion of A1 used
Assess volume band at A2



Example 4: Public water supply multi-site System, single licence



Measured at M1, M2

Abstraction:

A1,A2,A3,A4,A5
water abstracted at A1,A2,A5 may spill
M2 < A1+A2
A3< A1+A2+A5
much of A3 is re-abstraction
M1= A4+A3

KEY - as examples above plus

△ **Mx** Monitoring point

Charging;

Only charge once for each Ml
Much of abstracted water can be compensation, spill
Only M1= A3 + A4 is used by operator.
Assess volume band as M1

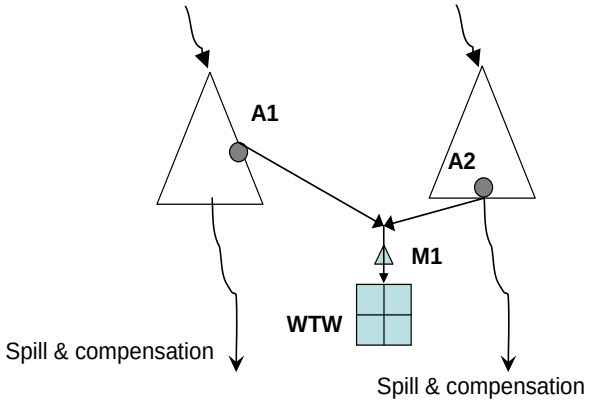
Example 5: Public water supply 2 reservoirs, single licence

Abstraction:

A1, A2
Total = A1+A2

Charging:

Only charge once for each Ml
Assess volume band as (A1 +A2)



Example 6: Public water supply river transfer

Abstraction:

A2 may =A1, is unlikely to be less but may well be significantly greater

Charging:

Volume band based on A2