

Transfer of Ownership – Application Documents

As detailed in *Note 02 - Transferring Ownership of a CCA*, there are a number of documents that will need to be prepared for your application to the CCA register:

Document	Format	File Type to submit
CCA Eligibility Application Form	Excel workbook	Excel
Process Description	Written document	pdf
Eligible Process Description	Written document	pdf
Description of Directly Associated Activities	Written document	pdf
Process Flow Map	Diagram	pdf
Annotated Site Plan	Diagram/CAD drawing/modified GPS image	pdf
70/30 evaluation	Excel spreadsheet with relevant calculations	Excel

This note aims to provide guidance on how the Environment Agency will expect the documents to look, detailing aspects that they will check when making a decision on whether to approve the application.

CCA Eligibility Application Form

This is an excel spreadsheet to gather information about the company and the site that is required to be entered onto the Environment Agency's CCA register. Most of the form is self explanatory but some points to note are:

Target Unit Name:

This must be the name of the defined legal entity operating the facility. In the case of sites holding a permit, this would be the permit holder. The considerations below will help determine who is the operator:

Does the proposed operator have the authority and ability to:

- Manage site operations through having day-to-day control of plant operations, including the manner and rate of operation
- Ensure that permit conditions are effectively complied with
- Decide who holds key staff positions and have incompetent staff removed
- Make investment and/or other financial decisions affecting the performance of the facility
- Ensure that regulated activities are suitably controlled in an emergency.

Responsible Person:

The Responsible Person must have sufficient authority to be able into an agreement on behalf of the company and have a UK address to which any notices may be served. They need to be able to receive notices on behalf of the company but this does not include personal liability, liability remains with the legal entity named in the agreement.

Administrative Contact:

This is the contact for day to day communications regarding the CCA, which will include requests for data submission, invoices, updates on changes, etc. This can be the same person as the Responsible Person and should be an employee of the operator but it is important that they are contactable as often communications will involve deadlines that need to be met to remain compliant with the terms of your agreement.

Variation on an Existing CCA:

If you already have one or more facilities in an existing Target Unit and are applying to transfer ownership of a facility into your company name, as long as the same legal entity is the operator for both old and new facilities, then you may choose for the new facility to join the existing target unit. This is known as 'bubbling'. If you wish to bubble please enter the receiving target unit ID into this field.

Sections 3, 4 and 5: Please complete all fields in these sections – frequently forms are returned due to permitting and other information being incomplete.

Eligible Energy, Directly Associated Activities and Ineligible Energy

All energy consumed on site will fall into one of three categories:

Eligible:

This is energy used in the eligible process, i.e. activities that meet the sector definition – for FDF this is *‘A facility belongs to the food and drink sector if it is a facility which treats and processes materials intended for the production of food products. For this purpose ‘food’ includes drink, articles and substances of no nutritional value which are used for human consumption and articles and substances used as ingredients in the preparation of food. At an installation or site where refined salt for use in food products or supplements is prepared or processed from minerals.’*

Guidance on interpretation of the eligible process is provided in Appendix 1, Section 6.8 of the Environmental Permitting Regulations [Regulatory Guidance Series No RGN 2](#)

An example of an eligible process could be cooking of ingredients.

Directly Associated Activity (DAA):

This is energy used in activities that are integral to serving the eligible process, that could not take place away from site and without which the eligible process would cease. Activities include support services, and can also include those physically linked to the eligible process and such that disruption to these activities would disrupt the eligible process.

Examples of DAAs could be weighing product, cooling product, primary packing of product.

Ineligible:

Energy which is unrelated to the eligible process is ineligible.

Examples include energy used in offices, warehouses, R&D and production lines making products that do not meet the eligible process definition.

Why is this important?

The supporting documents need to evidence that all energy has been accounted for correctly. The Environment Agency will expect to be able to cross refer an area or process across the documents, i.e. that the classification of a process or energy use in a written document matches the classification in the process flow map and likewise the site plan. They will need to satisfy themselves that the amount of energy included in the CCA is correct and therefore that the % of discount that can be claimed is correct.

It is important to note that although a DAA is not ‘eligible process’ energy, it is also not ‘ineligible’ in terms of completing the 70/30 evaluation. It is possible that only 20% of energy on site is used in eligible processes but the site still passes the 70/30 as 70% of energy is used in DAAs. This would mean the site is 90% ‘eligible’ in terms of the 70/30 evaluation.

Process Description (Manufacturing Process Description or MPD)

This is a written document describing the manufacturing process conducted at the site from receipt of raw materials to dispatch of final product.

It should be of sufficient detail to allow an unambiguous interpretation of the extent of your process(es). The narrative should also describe the product or range of products being produced.

The MPD may include description of DAAs and ineligible processes to provide a comprehensive description of what happens on site.

Example MPD:

The activity at xxx facility is the processing and preparation of ready meals for the retail market. Raw meat and vegetables are cooked, steamed or chargrilled and blended with a variety of seasonings and sauces to create ready meals for sale through retail outlets.

Raw materials are sourced and delivered into our intake building and transferred to refrigerators prior to processing.

The raw materials are then fed into the weighers. For products being marinated prior to cooking, these are discharged by conveyor into mixing hoppers where seasonings/marinades are introduced. For products not being pre-seasoned, the raw meats are transported direct to the ovens and raw vegetables direct to steamers or chargrillers, for cooking.

Cooked products are then transported to the packing hall for combining into ready meal portions. Some products will have addition of sauces at this stage, fed by hoppers into the packing trays.

Once packed, the meals are sent to the blast freezer and maintained in the cold store area until dispatch.

Along with electricity for the cooling activities and ovens, gas is used in the chargrill process and compressed air is used throughout the factory.

Any ineligible activities are detailed in the 70/30 spreadsheet and these include offices, staff facilities, canteen, goods in, dispatch and research and development activities.

Eligible Process Description (or EPD)

This is a written document describing just the eligible process. It should evidence how the process meets the sector definition to be eligible and should not include information about DAAs or ineligible activities/areas.

Example EPD:

The facility belongs to the Food and Drink sector as a facility in which the predominant activity is the treatment and processing of raw materials to create ready meals.

Raw meat and vegetables are cooked or chargrilled and blended with a variety of seasonings and sauces to create ready meals for sale through retail outlets.

Description of Directly Associated Activities (or DAA)

This is a written document describing all directly associated activities that you are claiming in support of the eligible process. An activity should be listed in this document if you can evidence that it is essential to the process and is not to be counted as ineligible in terms of the 70/30.

Example DAA:

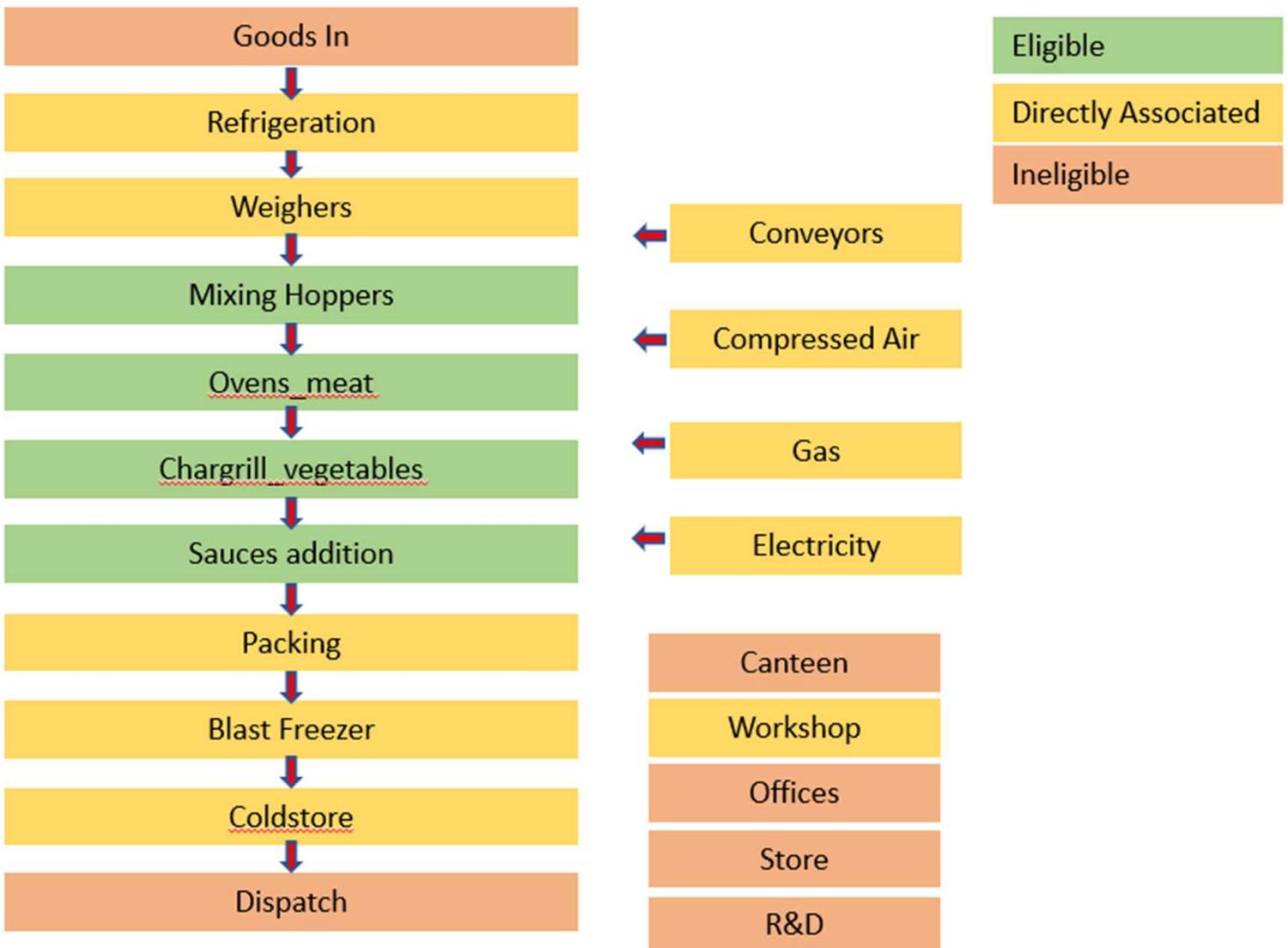
The below activities are being claimed as directly associated as essential to support the eligible process:

- Conveyors for moving raw materials and product throughout the process
- Refrigeration of raw products for food safety
- Weighers
- Packing Hall
- Intermediate storage between processes
- Blast Freezer to maintain integrity of finished product
- Cold store to maintain controlled temperature prior to dispatch
- Cooling with compressed air
- Boiler Room, gas for steam
- Workshop for 24 essential maintenance of production plant and equipment.

Process Flow Map (PFM)

This is a diagram showing the manufacturing process with activities under each relevant energy classification. The map should be colour coded with a map key.

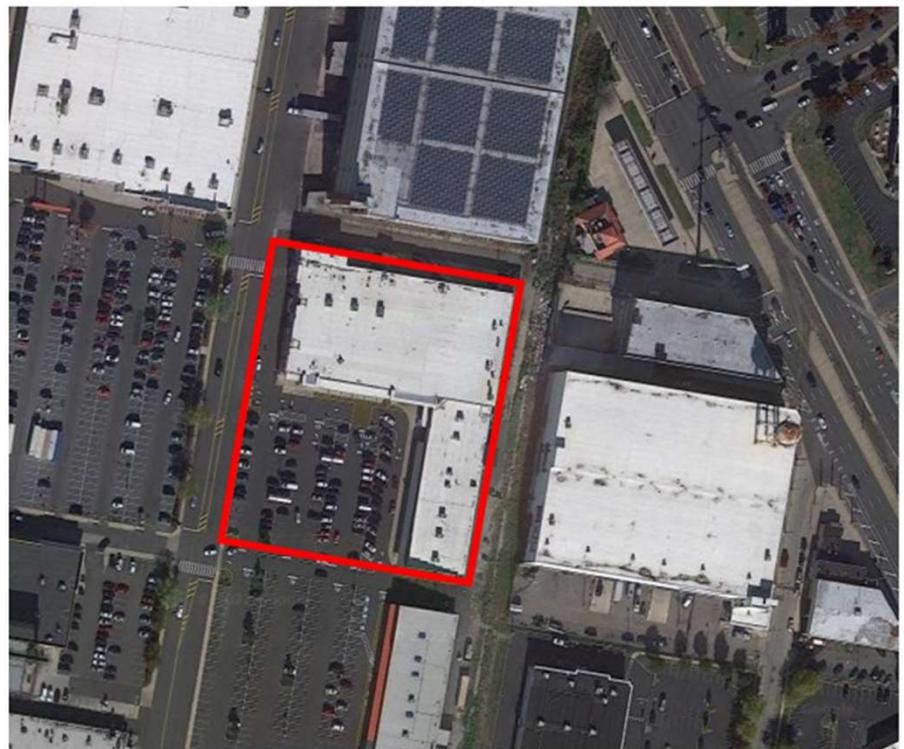
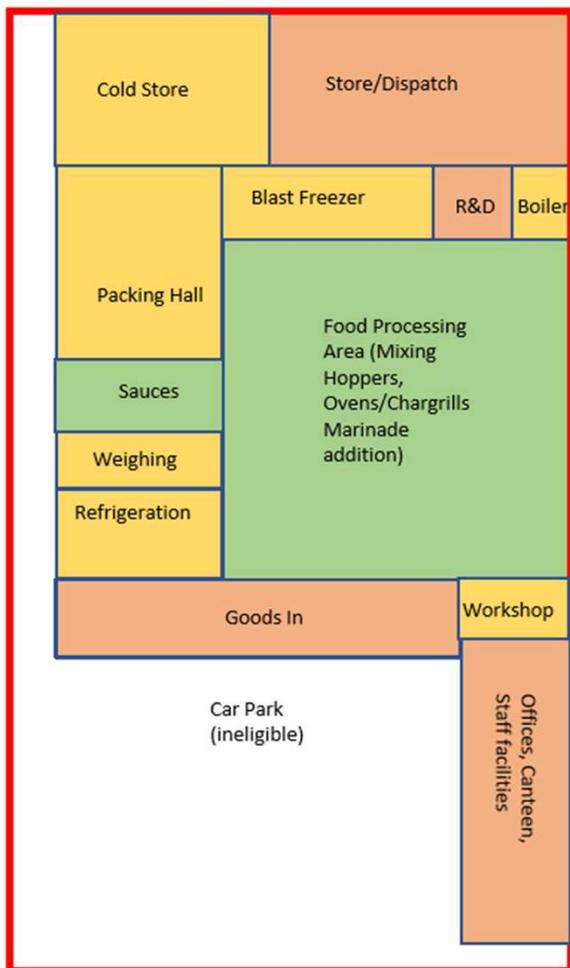
Example PFM:



Annotated Site Plan (ASP)

This is a plan showing the whole site and colour coded and annotated to show where each process/area is on site. It should contain all the elements referred to in the other documents and requires a map key to show the colour coding and boundary line. The boundary line should include all areas consuming energy on site. A satellite image is often asked for to verify the extent of the site to be included in the CCA. Some items, such as compressed air would be difficult to depict so it is acceptable to exclude this detail from the plan.

Example ASP:



70/30 Evaluation

This establishes the percentage of energy for which CCL relief may be claimed. All ineligible energy use should be accounted for, either by use of submeter readings or by estimates of appliance energy usage.

Total Energy to Site (cells C10-C13) should be in kWh delivered for a recent 12 month period, with the end date being no more than 6 months old.

The spreadsheet can be amended to add/delete rows however please check that sub-totals in column L calculate correctly. The eligible % will be shown in the final cell in column D.

If the eligible % is 70% or higher, then CCL relief can be claimed on 100% of energy consumed on site. If under 70% relief can only be claimed for the % of energy that is eligible, plus up to 3/7ths additional sub-metered energy (please contact the helpdesk for further detail if this applies).

Example 70/30 using appliance estimates:

70/30 Evaluation for:-		Date review carried out:	01/04/2022							
Site Name: A Food Products		Origin of Data Supplied:	Estimates							
You will need to provide data, eg from Permanent sub-metering or spot metering, or estimates.										
Unique Facility No:		Period for which data is supplied: 01/03/2021 - 28/02/2022								
Site Address: Address, Postcode		NIE: This must be a recent 12 month period								
Site Details		Delivered energy (kWh)	Primary energy (kWh)							
Total site electricity used	1,234,567	3,209,874								
Total site gas used	342,585	342,585								
Total gas oil used		0								
Other Fuel - Kerosene	1,234,567	1,234,567								
Total site energy used	2,811,719	4,787,026								
The spreadsheet should be amended to cover all the details of the site. The green cells contain formulas and should be edited with caution. Please provide the basis of any estimates by adding further working sheets to this workbook (eg sub-metering data)										
Area	Appliance	Energy type	Wattage (W)	kW (wattage/1000)	No of Appliances	Hours of use per day	No of Days per week	No of weeks per year	Total Energy used (kWh)	Primary energy factor x 2.6 (kWh)
Office	Lighting	Electricity	58	0.058	20	8	5	50	2,320.00	6,032.00
Office	PC	Electricity	180	0.18	12	8	5	50	4,320.00	11,232.00
Office	Printer	Electricity	14	0.014	2	4	2.5	50	14.00	36.40
Office	Photocopier	Electricity	1000	1	1	4	2.5	50	500.00	1,300.00
Office	IP Phone	Electricity	6	0.006	7	24	7	52	366.31	953.37
Office	Display Screen	Electricity	120	0.12	2	8	5	50	480.00	1,248.00
Ladies Toilets	Lighting	Electricity	50	0.05	2	8	5	50	200.00	520.00
Ladies Toilets	Water heater	Electricity	500	0.5	1	4	5	50	500.00	1,300.00
Gents Toilets	Lighting	Electricity	50	0.05	2	8	5	50	200.00	520.00
Gents Toilets	Water heater	Electricity	500	0.5	1	4	5	50	500.00	1,300.00
Meeting - office block	combi boiler	Gas			1				25,685.00	66,781.00
Total Energy used in Offices									50,127.37	130,331.16
Canteen	Lighting	Electricity	58	0.058	10	8	5	50	1,160.00	3,016.00
Canteen	Chilled water	Electricity	200	0.2	1	24	7	52	1,747.20	4,542.72
Canteen	Vending Machine	Electricity	1500	1.5	1	24	7	52	13,104.00	34,070.40
Canteen	Microwave	Electricity	800	0.8	1	1.5	7	52	436.80	1,135.68
Total Energy used in Canteen									41,629.12	108,764.80
Goods In	Lighting	Electricity	113	0.113	10	16	5	50	4,520.00	11,752.00
Goods In	Roller shutter door	Electricity	350	0.35	4	1	7	50	490.00	1,274.00
Total Energy used in Goods In									13,026.00	33,726.00
Despatch/Store	Lighting	Electricity	113	0.113	10	16	5	50	4,520.00	11,752.00
Despatch/Store	Roller shutter door	Electricity	350	0.35	4	1	7	50	490.00	1,274.00
Total Energy used in Despatch/Store									13,026.00	33,726.00
R&D	Lighting	Electricity	70	0.07	8	8	5	50	1,120.00	2,912.00
R&D	Oven	Electricity	3500	3.5	2	2	5	50	3,500.00	9,100.00
R&D	Fridge	Electricity	80	0.08	3	24	7	52	2,036.64	5,451.26
R&D	Griddle	Gas							6,500.00	16,900.00
Total Energy used in R&D									23,963.26	61,363.26
Car Park	Lighting	Electricity	100	0.1	5	6	7	52	1,092.00	2,839.20
Total Energy used in ineligible areas									144,610.96	375,954.36
Total Energy used at the site (Primary kWh)			4,787,026.20							
Total Energy used in non eligible areas (primary kWh)			144,610.96							
Total Energy used in eligible areas (primary kWh)			4,642,415.24							
Non-eligible percentage			3.02%							
Eligible percentage			96.98%							

For further information please contact SLR’s FDF CCA helpdesk:

+44 (0)844 800 1880

fdcca@slrconsulting.com

or visit <https://www.fdf.org.uk/fdf/what-we-do/environmental-sustainability/climate-change-agreements/>

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

Guidance Note	Title
1	What is a CCA
2	Transferring Ownership of a CCA
3	FDF CCA Administration Charges
4	Completing HMRC PP10 and PP11 Forms
5	Timetable of FDF CCA Activities
6	Obligations under your CCA including audits
7	Reporting data at each Target Period
8	How CCAs interact with other schemes
9	Glossary and Abbreviations
10	What happens if...
11	NOVEM targets
12	NOVEM Calculation Spreadsheet
13	State Aid Transparency reporting
14	Penalties for non compliance
15	Application Documentation