CLIMATE CHANGE ACT 2008

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 3: Trading Schemes

Other supplementary provisions

Schedule 4: Trading schemes: powers to require information

- 237. Schedule 4 contains powers that could be contained in regulations made under Part 3 of the Act. The intention behind providing these specific powers on the face of the Act is to allow information to be gathered for the establishment of the Carbon Reduction Commitment, a new trading scheme, within a relatively short time-scale.
- 238. Schedule 4 makes provision about who is able to exercise the information gathering powers; these are the national authorities, the Environment Agency and the Scottish Environment Protection Agency, collectively referred to as the "environmental authorities" (paragraph 1).
- 239. It provides that the environmental authorities can seek information, for the purposes of enabling a trading scheme to be established, from electricity suppliers and distributors (*paragraph 2*) and from the potential participants in a trading scheme (*paragraph 3*). The information that may be collected includes, among other things, information about contact details, electricity meters, levels of electricity consumption and any climate change agreements (within the meaning of Schedule 6 to the Finance Act 2000 (c.17)) that have been entered into.
- 240. If an environmental authority requests information (in writing) from a person under this Schedule, and the person does not comply with the request within 28 days, the authority may issue a formal notice requesting the information. *Paragraph 4* sets out the requirements relating to such formal notices. A person who fails, without reasonable excuse, to comply with a notice, or who provides false or misleading information (either knowingly, or suspecting that it is false or misleading) is guilty of a summary offence and liable to a fine not exceeding level 5 on the standard scale (currently £5000). (*paragraph 5*).
- 241. *Paragraph 6* allows information collected using the powers in Schedule 4 to be shared with the other environmental authorities or with the administrator of the trading scheme. This is the only paragraph in the Schedule which is not subject to the sunset provision in section 50(2).