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For immediate release



chpa

Bringing Energy
Together

Combined Heat & Power
Sustainable Energy Services
District Heating & Cooling

Tax reforms must not compromise cost-effective carbon savings

In the budget statement published today the Chancellor made a point of repeating the Prime Ministers' pledge to make this the greenest government ever.

Responding to today's statement, Graham Meek, Director of the CHPA, called for clarity over proposals to reform the Climate Change Levy: "We welcome today's Budget statement and the Chancellor's commitment to provide greater certainty, in particular in relation to its proposals for reform of the Climate Change Levy. Exemptions from the Levy have been instrumental in supporting the supply of low carbon heat and power from CHP plant, saving millions of tonnes of CO₂ each year.

"The CHP industry is poised to deliver a major contribution towards the CO₂ cuts that Government is looking for from its own buildings and operations, and can play a major role in boosting the competitiveness of UK manufacturing as we emerge from recession. But without the value that these CCL exemptions provide, there is a real risk that development of CHP in the UK could go into reverse. It is vital that the Government gives early certainty that the value of these incentives is retained.

"This Government has made it clear that wants to be the greenest government ever. It must take care to ensure that its efforts to reform the taxation regime do not undermine the market for CHP, which is one of the most cost-effective means of delivering this goal."

- Ends -

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About the CHPA:

The Combined Heat and Power Association (CHPA) is the leading advocate of an integrated approach to delivering energy services using combined heat and power and district heating. The Association has over 100 members active across a range of technologies and markets and is widely recognised as one of the leading industry bodies in the sustainable energy sector. For more information about the CHPA see: www.chpa.co.uk.