

## THE ENERGY INTENSIVE INDUSTRIES (EII) EXEMPTION SCHEME

### WHAT IS THE ENERGY INTENSIVE INDUSTRIES (EII) EXEMPTION SCHEME?

The EII exemption scheme was introduced by the government to assist businesses in certain industries with proportionally high energy consumption (**measured as 20% of total site running costs, including staff and income**) with their energy costs. Industries eligible for the exemption are primarily in the manufacturing and mining sectors.

The scheme was designed to assist British manufacturers to become more competitive with the same industries abroad in light of the increasing cost of energy.

There is currently a policy review underway that is looking to lower the energy usage threshold from 20% of total running costs to potentially as low as 10%.

To find out if your business is classified as being in an eligible industry, see the “Industries that qualify for the EII exemption scheme” table.

### HOW DOES THE EXEMPTION WORK?

Previously, businesses that qualified for the EII exemption could apply for and receive a rebate on up to 85% of what they already had paid towards the CfD (Contracts for Difference) and the RO (Renewable Obligation) schemes.

Going forward, qualifying businesses will have the exemption taken directly off their energy bills, so they will not have to pay costs upfront and apply for a rebate.



## MY BUSINESS IS ELIGIBLE FOR THE EII EXEMPTION SCHEME. WHAT DO I DO NEXT?

You will need to apply to the Department for Business, Energy and Industrial Strategy (BEIS) for an exemption certificate, which must then be presented to your energy supplier before exemptions can be reflected in your bill.

Advantage Utilities is here to help you complete this application process and arrange for your exemption certificate to be presented to your supplier.

Call us on **0207 371 5360** or speak to your Account Manager today to find out how we can help you take the hassle out of reducing your energy costs.

## WHAT HAPPENS IF MY ORGANISATION DOES NOT QUALIFY FOR THE EII EXEMPTION SCHEME?

Most businesses will not qualify for the scheme, and will experience a slight increase in the price they pay for their energy which goes towards paying for the scheme.

However, if your business is not eligible for EII exemption but has fixed CfD FiT and RO rates, you will see no changes to the cost of your energy in relation to the EII exemption scheme.

We offer a variety of services that can assist you to mitigate your non-energy costs (such as tariffs and regulatory charges), and help you to reclaim money that you may have been previously charged in error. Get in touch with us on **0207 371 5360** to find out more.



## INDUSTRIES THAT QUALIFY FOR THE EII EXEMPTION SCHEME.

Below is a table of all classified industries that can apply for the EII exemption scheme, determined by your organisation's NACE Rev. 2 code.

| Description of activity  | NACE Rev. 2<br>(European sector<br>classification) code. |
|--|--|
| Mining of hard coal  | 05.10  |
| Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate                       | 08.11  |
| Operation of gravel and sand pits; mining of clays and kaolin  | 08.12  |
| Other mining and quarrying not elsewhere classified  | 08.99  |
| Processing and preserving of poultry meat  | 10.12  |
| Manufacture of prepared feeds for farm animals   | 10.91  |
| Manufacture of malt  | 11.06  |
| Preparation and spinning of textile fibres   | 13.10  |
| Weaving of textiles  | 13.20  |
| Manufacture of knitted and crocheted fabrics   | 13.91  |
| Manufacture of carpets and rugs  | 13.93  |
| Manufacture of non-wovens and articles made from non-wovens, except apparel                          | 13.95  |
| Manufacture of other technical and industrial textiles   | 13.96  |
| Manufacture of other textiles not elsewhere classified   | 13.99  |
| Manufacture of other wearing apparel and accessories   | 14.19  |
| Manufacture of knitted and crocheted hosiery   | 14.31  |
| Manufacture of other knitted and crocheted apparel   | 14.39  |
| Tanning and dressing of leather; dressing and dyeing of fur  | 15.11  |
| Sawmilling and planing of wood   | 16.10  |
| Manufacture of veneer sheets and wood-based panels   | 16.21  |
| Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials | 16.29  |
| Manufacture of paper and paperboard  | 17.12  |
| Manufacture of corrugated paper and paperboard and of containers of paper and paperboard             | 17.21  |
| Manufacture of household and sanitary goods and of toilet requisites                                 | 17.22  |
| Manufacture of wallpaper   | 17.24  |
| Manufacture of refined petroleum products  | 19.20  |
| Manufacture of industrial gases  | 20.11  |
| Manufacture of other inorganic basic chemicals   | 20.13  |
| Manufacture of other organic basic chemicals   | 20.14  |
| Manufacture of fertilisers and nitrogen compounds  | 20.15  |
| Manufacture of plastics in primary forms   | 20.16  |

| Description of activity  | NACE Rev. 2<br>(European sector classification) code. |
|--|---|
| Manufacture of synthetic rubber in primary forms                                 | 20.17   |
| Manufacture of man-made fibres   | 20.60   |
| Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres | 22.11   |
| Manufacture of other rubber products   | 22.19   |
| Manufacture of plastic plates, sheets, tubes and profiles                        | 22.21   |
| Manufacture of plastic packing goods   | 22.22   |
| Manufacture of other plastic products  | 22.29 9   |
| Manufacture of flat glass  | 23.11   |
| Manufacture of hollow glass  | 23.13   |
| Manufacture of glass fibres  | 23.14   |
| Manufacture and processing of other glass, including technical glassware         | 23.19   |
| Manufacture of refractory products   | 23.20   |
| Manufacture of ceramic tiles and flags   | 23.31   |
| Manufacture of bricks, tiles and construction products, in baked clay            | 23.32   |
| Manufacture of other technical ceramic products                                  | 23.44   |
| Manufacture of other ceramic products  | 23.49   |
| Manufacture of cement  | 23.51   |
| Manufacture of lime and plaster  | 23.52   |
| Manufacture of plaster products for construction purposes                        | 23.62   |
| Manufacture of fibre cement  | 23.65   |
| Manufacture of other non-metallic mineral products not elsewhere classified      | 23.99   |
| Manufacture of basic iron and steel and of ferro-alloys                          | 24.10   |
| Manufacture of tubes, pipes, hollow profiles and related fittings of steel       | 24.20   |
| Cold drawing of bars   | 24.31   |
| Cold rolling of narrow strip   | 24.32   |
| Cold drawing of wire   | 24.34   |
| Aluminium production   | 24.42   |
| Lead, zinc and tin production  | 24.43   |
| Copper production  | 24.44   |
| Other non-ferrous metal production   | 24.45   |
| Casting of iron  | 24.51   |
| Casting of steel   | 24.52   |
| Casting of light metals  | 24.53   |
| Casting of other non-ferrous metals  | 24.54   |
| Manufacture of light metal packaging   | 25.92   |
| Manufacture of electronic components   | 26.11   |
| Manufacture of batteries and accumulators  | 27.20   |
| Manufacture of other electronic and electric wires and cables                    | 27.32   |
| Manufacture of machinery for metallurgy  | 28.91 10  |