



The **Energy Technology List**

Supporting the energy efficiency Enhanced Capital Allowance Scheme

Over 4,000 products that can
save you energy and money





So, what is the ETL?

The Energy Technology List (ETL) details the energy-saving technologies and products that qualify for the ECA scheme and can save money on long-term operating costs. Currently featuring over 4,000 products, it continues to grow on a monthly and annual basis.

As the ETL lists technologies and products that can save energy, organisations that do not pay tax can also find it helpful when considering purchasing equipment. The Government set up the ECA scheme to help encourage more effective energy use by UK businesses and to reduce harm to the environment by reducing CO₂ emissions. All products featured on the ETL meet published energy saving criteria. The following technology groups are included on the ETL:

Automatic monitoring & targeting equipment

Boilers & boiler add ons

Combined heat and power

Compressed air equipment

Heat pumps for space heating

Lighting

Refrigeration equipment including refrigeration display cabinets & compressors

Motors

Pipe insulation

Solar thermal systems

Thermal screens

Variable speed drives

Warm air and radiant heaters

What is the Carbon Trust?



The Carbon Trust is a Government-backed organisation that provides UK businesses, industry and the public sector with advice on reducing carbon emissions. It is a business-led organisation with the emphasis on providing programmes to encourage the adoption of low carbon technologies and energy efficient practices.

The Carbon Trust administers the Enhanced Capital Allowance (ECA) scheme for energy-saving equipment as detailed in the Energy Technology List (ETL). The Carbon Trust also promotes Action Energy which provides free and impartial information and advice on energy efficiency, as well as services and products such as energy surveys and interest-free loans.

The symbol of efficiency

This symbol verifies that the product was independently assessed and qualifies for the ECA scheme, an upfront tax relief enabling businesses that invest in energy-saving equipment to claim 100% first-year capital allowances against their taxable profits. Businesses with products on the Energy Technology List can now use this symbol to demonstrate their products meet energy saving criteria.



The ETL is regularly updated to reflect market demands and continuing technology developments. For the latest update visit www.eca.gov.uk. Only manufacturers featured there may use the ETL symbol on qualified products. To simplify your search, an easy to navigate on-line Energy Technology Exhibition provides information, by technology, on qualifying products as well as manufacturer contact details. It's also a good place for getting more information from Action Energy, who help businesses and public sector organisations to use energy more efficiently, thus cutting costs and improving profitability.

The Enhanced Capital Allowance

The ECA scheme provides 100% first-year allowances (FYAs) for spending on qualifying energy-saving equipment. FYA is the name given to specially increased rates of allowances. FYAs allow a greater proportion of the cost of an investment to qualify for tax relief against a business's profits of the period during which the investment is made.

Capital allowances allow the costs of capital assets to be written off against a business's taxable profits. They take the place of depreciation charged in the commercial accounts, which is not allowed for tax. The main rates of allowances for spending on plant and machinery are:

25% a year on the reducing balance basis for general spending on plant and machinery.

6% a year on the reducing balance basis for plant and machinery with a useful economic life when new of more than 25 years (long-life assets).

Cash flow boost & shorter payback

The upfront costs of buying equipment that meets the energy-saving criteria on the ETL may be greater, but businesses can claim 100% FYAs on their spending. This can deliver a helpful cashflow boost and a shortened payback period. For example, £10,000 expenditure on a product on the ETL can reduce your business's taxable profit by the full £10,000, making the first-year saving from the ECA £3,000 (assumed tax rate of 30%) plus cost savings in reduced energy bills. Investing in energy-saving technologies (whether included on the ETL or not) can also reduce costs, Climate Change Levy payments and climate change impact. To see how all this could work for your business visit: www.eca.gov.uk/clarity/clarity_how.html

How to claim an ECA

- Identify equipment that appears on the Energy Technology List by visiting www.eca.gov.uk or calling **0800 58 57 94**
- Look for the Energy Technology List symbol which signifies that the product is on the Energy Technology List, enabling purchasers to claim ECAs against the costs of the product
- Purchase the qualifying product and obtain documentation for your records (i.e. supplier's invoice)
- Fill in the ECA box on your business' tax return



Action Energy Loans

If you're a small to medium sized enterprise looking to upgrade or replace existing equipment but lacking sufficient funds for energy efficient products, you could apply for an interest-free Action Energy Loan. That way you can buy the kind of equipment that saves so much money, it could even pay for itself - or more! Action Energy and the Loan Scheme also provide advice and support for a wide range of energy-saving projects and products, not just those on the ETL. For more information call the helpline on **0800 58 57 94** or visit www.actionenergy.org.uk.

For more information

The Energy Technology List is full of products that could substantially reduce your energy bills. For more information on the ETL, the Enhanced Capital Allowance or Action Energy Loans, call the helpline on **0800 58 57 94** or visit www.eca.gov.uk and www.actionenergy.org.uk.



There is also a scheme for water efficient technologies. If you are interested in buying products or applying for inclusion on the Water Technology List, visit www.eca-water.gov.uk

Action Energy is a Carbon Trust programme. Carbon Trust is a company limited by guarantee. Registered in England and Wales Number 4190230. Registered at: 9th Floor, 3 Clement's Inn, London WC2A 2AZ © Carbon Trust, 2002. All Rights Reserved. Capital expenditure incurred on equipment that is (a) on the Energy Technology List and Energy Technology Product List; and (b) which comprises plant and machinery for the purposes of Capital Allowances (Tax), can qualify for 100 per cent Enhanced Capital Allowances (ECAs). If you are in any doubt about whether expenditure can qualify, you must consult your tax adviser. To qualify for the Energy Technology List and be allowed to use the Energy Technology List symbol, products and technologies must comply with energy efficiency criteria set by Government but any person makes use of the products and technologies on the list at its own risk. Neither Carbon Trust nor the Government make any warranties or representations or, to the extent permitted by law, accept any liability of any kind in relation to such products or technologies.