



# Gas and Electricity Act 1968

## CHAPTER 39

### ARRANGEMENT OF SECTIONS

Section

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ELIZABETH II



1968 CHAPTER 39

An Act to increase the statutory limits on the amounts outstanding in respect of borrowings by the Gas Council and Area Gas Boards; to provide for the borrowing by the Electricity Council, the Scottish Electricity Boards and the Gas Council of money in foreign currency; to enable the said Councils and Boards and other electricity authorities to furnish overseas aid; to increase the number of members of the Gas Council; and for connected purposes.

[3rd July 1968]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) In section 42(3) of the Gas Act 1948 (which limits the aggregate of the amounts outstanding in respect of any loans raised by the Gas Council or any Area Gas Board) for the words “£900 million or such greater sum, not exceeding £1,200 million, as the Minister may by order specify”, there shall be substituted the words

Extension of borrowing powers of Gas Council and Area Gas Boards.  
1948 c. 67.

“£1,600 million, or such greater sum, not exceeding £2,400 million, as the Minister may by order specify”.

(2) No order shall be made under the said section 42(3) as amended by this section unless a draft of the order has been laid before the Commons House of Parliament and has been approved by a resolution of that House; and so much of section 71(3) of the Gas Act 1948 as provides that orders under that Act shall be subject to annulment in pursuance of a resolution of either House of Parliament shall not apply to an order under the said section 42(3).

(3) In consequence of subsection (1) above—

- 1965 c. 60. (a) the Gas (Borrowing Powers) Act 1965 shall cease to have effect, and
- 1963 c. 59. (b) in section 2(2) of the Electricity and Gas Act 1963 (which specifies enactments which limit the amount of the Government advances authorised to be made to the Gas Council and other bodies under that section) for the words “or the Gas (Borrowing Powers) Act 1965”, there shall be substituted the words “or the Gas and Electricity Act 1968”.

Power of Electricity Council to borrow foreign currency by issue of securities.  
1957 c. 48.

2.—(1) Subject to the provisions of this section, the Electricity Council may borrow, from such persons and on such terms as the Minister may, with the approval of the Treasury, from time to time specify, any sums of foreign currency by the issue of stock, bonds, or other securities under this section for all or any of the purposes mentioned in section 15(2) of the Electricity Act 1957 and the redemption of securities previously issued under this section, and they may create and issue securities required for the purpose of borrowing money in manner aforesaid.

(2) The amount outstanding in respect of the principal of any securities issued under this section shall be included in the aggregate of the amounts outstanding in respect of loans raised by the Electricity Council and Electricity Boards in England and Wales which is subject to the limit imposed by section 15(5) of the Electricity Act 1957; but this subsection shall not prevent the Electricity Council from borrowing in excess of the said limit for the purpose of redeeming any securities issued under this section which they are required or entitled to redeem.

(3) Section 17 (Treasury guarantees), 18(1) to (3) (estimates of Boards' requirements and allocations to them of liabilities in respect of British Electricity Stock) and 19 (central guarantee fund) of the Electricity Act 1957 shall have effect as if references to British Electricity Stock included references to securities issued under this section.

(4) The prohibition contained in subsection (6) of section 15 of the Electricity Act 1957 of borrowing except in accordance with the provisions of that section shall not apply to borrowing under this section.

1946 c. 58.  
1947 c. 14. (5) Nothing in this section shall be taken as exempting the Electricity Council from the provisions of any order under section 1 of the Borrowing (Control and Guarantees) Act 1946 or from the provisions of the Exchange Control Act 1947.

3.—(1) Subject to the provisions of this section, the Scottish Electricity Boards may borrow, from such persons and on such terms as the Secretary of State may, with the approval of the Treasury, from time to time specify, any sums of foreign currency by the issue of stock, bonds or other securities under this section for all or any of the purposes mentioned in section 12(2) of the Hydro-Electric Development (Scotland) Act 1943 and the redemption of securities previously issued under this section, and they may create and issue securities required for the purpose of borrowing money in manner aforesaid.

Power of Scottish Electricity Boards to borrow foreign currency by issue of securities.  
1943 c. 32.

(2) The amount outstanding in respect of the principal of any securities issued under this section shall be included in the aggregate of the amounts outstanding in respect of loans raised by the Scottish Electricity Boards which is subject to the limit imposed by section 47(7) of the Electricity Act 1947; but this subsection shall not prevent the Scottish Electricity Boards from borrowing in excess of the said limit for the purpose of redeeming any securities issued under this section which they are required or entitled to redeem.

1947 c. 54.

(3) Section 14 of the Hydro-Electric Development (Scotland) Act 1943 (power of Treasury to guarantee loans to Scottish Electricity Boards) shall apply to any loan proposed to be raised by the Scottish Electricity Boards under this section.

(4) Nothing in this section shall be taken as exempting the Scottish Electricity Boards from the provisions of any order under section 1 of the Borrowing (Control and Guarantees) Act 1946 or from the provisions of the Exchange Control Act 1947.

1946 c. 58.

1947 c. 14.

(5) In this section “the Scottish Electricity Boards” means the North of Scotland Hydro-Electric Board and the South of Scotland Electricity Board.

4.—(1) Subject to the provisions of this section, the Gas Council may borrow, from such persons and on such terms as the Minister may, with the approval of the Treasury, from time to time specify, any sums of foreign currency by the issue of stock, bonds or other securities under this section for all or any of the purposes mentioned in section 42(2) of the Gas Act 1948 and the redemption of securities previously issued under this section, and they may create and issue securities required for the purpose of borrowing money in manner aforesaid.

Power of Gas Council to borrow foreign currency by issue of securities.  
1948 c. 67.

(2) The amount outstanding in respect of the principal of any securities issued under this section shall be included in the aggregate of amounts outstanding in respect of loans raised by the Gas Council and Area Gas Boards which is subject to the limit imposed by section 42(3) of the Gas Act 1948; but this

subsection shall not prevent the Gas Council from borrowing in excess of the said limit for the purpose of redeeming any securities issued under this section which they are required or entitled to redeem.

1948 c. 67.

(3) Section 45 of the Gas Act 1948 (Treasury guarantees) shall have effect as if the reference to British Gas Stock, other than that issued for the purpose of satisfying a right to compensation which under that Act is expressly required to be satisfied by the issue of stock, included a reference to securities issued under this section, and section 44(1) to (3) (estimates of Area Boards' requirements and allocation to them of liabilities in respect of British Gas Stock) and section 46 (central guarantee fund) of that Act shall have effect as if references to British Gas Stock included references to securities so issued.

(4) The prohibition contained in subsection (4) of section 42 of the Gas Act 1948 of borrowing save as provided by that section shall not apply to borrowing under this section.

1946 c. 58.

1947 c. 14.

(5) Nothing in this section shall be taken as exempting the Gas Council from the provisions of any order under section 1 of the Borrowing (Control and Guarantees) Act 1946 or from the provisions of the Exchange Control Act 1947.

Furnishing of  
overseas aid  
by electricity  
and gas  
authorities.

1966 c. 21.

5. Each of the following bodies, namely, the Electricity Council, the Central Electricity Generating Board, an Area Electricity Board in England and Wales, the Gas Council and an Area Gas Board shall have power, with the consent of the Minister, and the North of Scotland Hydro-Electric Board and the South of Scotland Electricity Board shall have power, with the consent of the Secretary of State, to enter into and carry out agreements with the Minister of Overseas Development whereunder the body acts, at the expense of that Minister, as the instrument by means whereof technical assistance is furnished by him in exercise of the power conferred on him by section 1(1) of the Overseas Aid Act 1966.

Power to  
appoint  
further  
additional  
members of  
Gas Council.  
1965 c. 60.

6. Section 2 of the Gas Act 1965 (which entitles the Minister to appoint, from amongst persons appearing to him to be qualified as mentioned in paragraph (a) of section 5(4) of the Gas Act 1948 (constitution of Gas Council) not more than three persons to be additional members of that Council) shall have effect with the substitution, for the words "three persons", of the words "five persons".

Interpretation.

7.—(1) In this Act, except where the context otherwise requires—

“the Minister” means the Minister of Power; and

“foreign currency” means any currency other than sterling.

(2) Except where the context otherwise requires, any reference in this Act to any other enactment is a reference to that enactment as amended by any subsequent enactment, and includes a reference to it as applied by any subsequent enactment.

8. This Act may be cited as the Gas and Electricity Act 1968. Short title.

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