



Electricity Act 1989

1989 CHAPTER 29

PART I

ELECTRICITY SUPPLY

Supply by public electricity suppliers

16 Duty to supply on request

- (1) Subject to the following provisions of this Part and any regulations made under those provisions, a public electricity supplier shall, upon being required to do so by the owner or occupier of any premises—
 - (a) give a supply of electricity to those premises; and
 - (b) so far as may be necessary for that purpose, provide electric lines or electrical plant or both.
- (2) Where any person requires a supply of electricity in pursuance of subsection (1) above, he shall give to the public electricity supplier a notice specifying—
 - (a) the premises in respect of which the supply is required;
 - (b) the day on which the supply is required to commence;
 - (c) the maximum power which may be required at any time; and
 - (d) the minimum period for which the supply is required to be given.
- (3) Where a public electricity supplier receives from any person a notice under subsection (2) above requiring him to give a supply of electricity to any premises and—
 - (a) he has not previously given a supply of electricity to those premises; or
 - (b) the giving of the supply requires the provision of electric lines or electrical plant or both; or
 - (c) other circumstances exist which make it necessary or expedient for him to do so,

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the supplier shall, as soon as practicable after receiving that notice, give to that person a notice under subsection (4) below.

- (4) A notice under this subsection shall—
- (a) state the extent to which the proposals specified in the other person's notice under subsection (2) above are acceptable to the supplier and specify any counter proposals made by the supplier;
 - (b) state whether the prices to be charged by the supplier will be determined by a tariff under section 18(1) below, or a special agreement under section 22(1) below, and specify the tariff or the proposed terms of the agreement;
 - (c) specify any payment which that person will be required to make under subsection (1) of section 19 below, or under regulations made under subsection (2) of that section;
 - (d) specify any security which that person will be required to give under section 20 below;
 - (e) specify any other terms which that person will be required to accept under section 21 below; and
 - (f) state the effect of section 23 below.
- (5) In this section and sections 17 to 23 below—
- (a) any reference to giving a supply of electricity includes a reference to continuing to give such a supply;
 - (b) any reference to requiring a supply of electricity includes a reference to requiring such a supply to continue to be given; and
 - (c) any reference to the provision of an electric line or an item of electrical plant is a reference to the provision of such a line or item either by the installation of a new one or by the modification of an existing one.

17 Exceptions from duty to supply

- (1) Nothing in section 16(1) above shall be taken as requiring a public electricity supplier to give a supply of electricity to any premises if—
- (a) such a supply is being given to the premises by a private electricity supplier; and
 - (b) that supply is given (wholly or partly) through the public electricity supplier's electric lines and electrical plant;
- and in this Part “private electricity supplier” means a person, other than a public electricity supplier, who is authorised by a licence or exemption to supply electricity.
- (2) Nothing in section 16(1) above shall be taken as requiring a public electricity supplier to give a supply of electricity to any premises if and to the extent that—
- (a) he is prevented from doing so by circumstances not within his control; or
 - (b) circumstances exist by reason of which his doing so would or might involve his being in breach of regulations under section 29 below, and he has taken all such steps as it was reasonable to take both to prevent the circumstances from occurring and to prevent them from having that effect; or
 - (c) it is not reasonable in all the circumstances for him to be required to do so.
- (3) Paragraph (c) of subsection (2) above shall not apply in relation to a supply of electricity which is being given to any premises unless the public electricity supplier gives to the occupier, or to the owner if the premises are not occupied, not less than

seven working days' notice of his intention to discontinue the supply in pursuance of that paragraph.

18 Power to recover charges

- (1) Subject to the following provisions of this section, the prices to be charged by a public electricity supplier for the supply of electricity by him in pursuance of section 16(1) above shall be in accordance with such tariffs (which, subject to any condition included in his licence, may relate to the supply of electricity in different areas, cases and circumstances) as may be fixed from time to time by him.
- (2) A tariff fixed by a public electricity supplier under subsection (1) above —
 - (a) shall be so framed as to show the methods by which and the principles on which the charges are to be made as well as the prices which are to be charged; and
 - (b) shall be published in such manner as in the opinion of the supplier will secure adequate publicity for it.
- (3) A tariff fixed by a public electricity supplier under subsection (1) above may include—
 - (a) a standing charge in addition to the charge for the actual electricity supplied;
 - (b) a charge in respect of the availability of a supply of electricity; and
 - (c) a rent or other charge in respect of any electricity meter or electrical plant provided by the supplier;and such a charge as is mentioned in paragraph (b) above may vary according to the extent to which the supply is taken up.
- (4) In fixing tariffs under subsection (1) above, a public electricity supplier shall not show undue preference to any person or class of persons, and shall not exercise any undue discrimination against any person or class of persons.

19 Power to recover expenditure

- (1) Where any electric line or electrical plant is provided by a public electricity supplier in pursuance of section 16(1) above, the supplier may require any expenses reasonably incurred in providing it to be defrayed by the person requiring the supply of electricity to such extent as is reasonable in all the circumstances.
- (2) The Secretary of State may, after consultation with the Director, make provision by regulations for entitling a public electricity supplier to require a person requiring a supply of electricity in pursuance of section 16(1) above to pay to the supplier, in respect of any expenses reasonably incurred in providing any electric line or electrical plant used for the purpose of giving that supply, such amount as may be reasonable in all the circumstances if—
 - (a) the supply is required within the prescribed period after the provision of the line or plant; and
 - (b) a person for the purpose of supplying whom the line or plant was provided (“the initial contributor”) has made a payment to the supplier in respect of those expenses.
- (3) Regulations under subsection (2) above may require a public electricity supplier who, in pursuance of this section or the regulations, has recovered any amount in respect of expenses reasonably incurred in providing any electric line or electrical plant—
 - (a) to exercise his rights under the regulations in respect of those expenses; and

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(b) to apply any payments received by him in the exercise of those rights in making such payments as may be appropriate towards reimbursing the initial contributor and any persons previously required to make payments under the regulations.

(4) Any reference in this section to any expenses reasonably incurred in providing an electric line or electrical plant includes a reference to the capitalised value of any expenses likely to be so incurred in maintaining it, in so far as they will not be recoverable by the supplier as part of the charges made by him for the supply.

20 Power to require security

(1) Subject to the following provisions of this section, a public electricity supplier may require any person who requires a supply of electricity in pursuance of subsection (1) of section 16 above to give him reasonable security for the payment to him of all money which may become due to him—

- (a) in respect of the supply; or
- (b) where any electric line or electrical plant falls to be provided in pursuance of that subsection, in respect of the provision of the line or plant;

and if that person fails to give such security, the supplier may if he thinks fit refuse to give the supply, or to provide the line or plant, for so long as the failure continues.

(2) Where any person has not given such security as is mentioned in subsection (1) above, or the security given by any person has become invalid or insufficient—

- (a) the public electricity supplier may by notice require that person, within seven days after the service of the notice, to give him reasonable security for the payment of all money which may become due to him in respect of the supply; and
- (b) if that person fails to give such security, the supplier may if he thinks fit discontinue the supply for so long as the failure continues;

and any notice under paragraph (a) above shall state the effect of section 23 below.

(3) Where any money is deposited with a public electricity supplier by way of security in pursuance of this section, the supplier shall pay interest, at such rate as may from time to time be fixed by the supplier with the approval of the Director, on every sum of 50p so deposited for every three months during which it remains in the hands of the supplier.

(4) A public electricity supplier shall not be entitled to require security in pursuance of subsection (1)(a) above if—

- (a) the person requiring the supply is prepared to take the supply through a pre-payment meter; and
- (b) it is reasonably practicable in all the circumstances (including in particular the risk of loss or damage) for the supplier to provide such a meter.

21 Additional terms of supply

A public electricity supplier may require any person who requires a supply of electricity in pursuance of section 16(1) above to accept in respect of the supply—

- (a) any restrictions which must be imposed for the purpose of enabling the supplier to comply with regulations under section 29 below; and

- (b) any terms restricting any liability of the supplier for economic loss resulting from negligence which it is reasonable in all the circumstances for that person to be required to accept.

22 Special agreements with respect to supply

- (1) Notwithstanding anything in sections 16 to 21 above, a person who requires a supply of electricity in pursuance of section 16(1) above—
 - (a) may enter into a special agreement with the public electricity supplier for the supply on such terms as may be specified in the agreement; and
 - (b) shall enter into such an agreement in any case where—
 - (i) the maximum power to be made available at any time exceeds 10 megawatts; or
 - (ii) it is otherwise reasonable in all the circumstances for such an agreement to be entered into.
- (2) The Secretary of State may by order provide that subsection (1) above shall have effect as if for the wattage mentioned in paragraph (b) there were substituted such other wattage as may be specified in the order; but before making such an order, he shall consult with public electricity suppliers and with persons or bodies appearing to him to be representative of persons likely to be affected.
- (3) So long as any such agreement as is mentioned in subsection (1) above is effective, the rights and liabilities of the parties to the agreement shall be those arising under the agreement and not those provided for by sections 16 to 21 above; but nothing in this subsection shall prejudice the giving of a notice under section 16(2) above specifying as the day on which the supply is required to commence the day on which such an agreement ceases to be effective.
- (4) In this Part “tariff customer” means a person who requires a supply of electricity in pursuance of section 16(1) above and is supplied by the public electricity supplier otherwise than on the terms specified in such an agreement as is mentioned in subsection (1) above.

23 Determination of disputes

- (1) Any dispute arising under sections 16 to 22 above between a public electricity supplier and a person requiring a supply of electricity—
 - (a) may be referred to the Director by either party; and
 - (b) on such a reference, shall be determined by order made either by the Director or, if he thinks fit, by an arbitrator, or in Scotland arbiter, appointed by him; and the practice and procedure to be followed in connection with any such determination shall be such as the Director may consider appropriate.
- (2) Where any dispute arising under sections 16 to 22 above between a public electricity supplier and a person requiring a supply of electricity to continue to be given falls to be determined under this section, the Director may give directions as to the circumstances in which, and the terms on which, the supplier is to continue to give the supply pending the determination of the dispute.
- (3) Where any dispute arising under section 20(1) above falls to be determined under this section, the Director may give directions as to the security (if any) to be given pending the determination of the dispute.

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- (4) Directions under subsection (2) or (3) above may apply either in cases of particular descriptions or in particular cases.
- (5) An order under this section—
 - (a) may include such incidental, supplemental and consequential provision (including provision requiring either party to pay a sum in respect of the costs or expenses incurred by the person making the order) as that person considers appropriate; and
 - (b) shall be final and—
 - (i) in England and Wales, shall be enforceable, in so far as it includes such provision as to costs or expenses, as if it were a judgment of the county court;
 - (ii) in Scotland, shall be enforceable as if it were an extract registered decree arbitral bearing a warrant for execution issued by the sheriff.
- (6) In including in an order under this section any such provision as to costs or expenses as is mentioned in subsection (5) above, the person making the order shall have regard to the conduct and means of the parties and any other relevant circumstances.

24 The public electricity supply code

The provisions of Schedule 6 to this Act (which relate to the supply of electricity by public electricity suppliers) shall have effect.