

ENERGY ACT 2004

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Chapter 3: Special Administration Regime for Energy Licensees

Section 154: Energy administration orders

370. This section provides that a court may make an energy administration order appointing an energy administrator in relation to a protected energy company i.e. a company which holds a gas transportation licence or an electricity transmission or distribution licence.
371. Subsections (1), (2) and (3) explain the terms “energy administration order” and “energy administrator” and how the energy administrator is to perform his duty.
372. Subsection (4) establishes that an energy administration order can only apply to the affairs and business of a non-GB company (i.e. a company incorporated outside Great Britain and including a Northern Ireland company) which are carried out in Great Britain and to its property in Great Britain.
373. Subsection (5) sets out which licence holders may be subject to an energy administration order. These are all regulated natural monopolies.