



Energy Act 2004

2004 CHAPTER 20

PART 1

THE CIVIL NUCLEAR INDUSTRY

CHAPTER 1

NUCLEAR DECOMMISSIONING

Financial provisions

21 Financial responsibilities of NDA

- (1) The NDA's responsibility for securing—
 - (a) the decommissioning or operation of an installation or facility to which this section applies, or
 - (b) the cleaning-up of a site to which this section applies, or of a related site,includes the financial responsibility for the decommissioning or operation of the installation or facility, or for the cleaning-up.
- (2) This section applies to an installation, site or facility which becomes a designated installation, site or facility at a time when the person with control of it is—
 - (a) a Crown appointee;
 - (b) the UKAEA;
 - (c) a wholly-owned subsidiary of the UKAEA;
 - (d) any other publicly owned company which was so owned on 4th July 2002; or
 - (e) a wholly-owned subsidiary of such a company.
- (3) Where—
 - (a) the NDA has financial responsibility for decommissioning, operating or cleaning up an installation, site or facility, and

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- (b) a person other than the NDA is the person with control of it, that other person is not to be, or to be capable of becoming, liable to meet any of the costs of doing the things that are required to be secured by the NDA in the discharge of its responsibilities in relation to that installation, site or facility.
- (4) Accordingly, where the NDA has the financial responsibility in the case of an installation, site or facility—
- (a) it must not impose charges on the person with control of the installation, site or facility in respect of anything mentioned in subsection (3);
 - (b) it must meet the costs of the doing by that person of anything that he is authorised or required to do by virtue of section 17;
 - (c) it must also meet the costs of the performance by him of his duty to comply with directions under section 18; and
 - (d) that person is not to be required for any purpose to make, or to continue to make, financial provision for meeting costs which fall, by virtue of its financial responsibility, to be met by the NDA.
- (5) Nothing in so much of this section as—
- (a) restricts the extent to which a person is, or may become, liable to meet any costs in relation to a site, installation or facility, or
 - (b) requires any costs in relation to an installation, site or facility to be reimbursed or otherwise met by the NDA,
- is to be construed as restricting the extent to which the person with control of the installation, site or facility may be or become subject, in relation to a person other than the NDA, to the liability or obligation in respect of which the costs arise.
- (6) It shall be the duty of the NDA for the purpose of discharging its financial responsibilities to make all such arrangements as it thinks fit for securing that the person with control of the installation, site or facility is able to meet, as they become due, all his liabilities to persons other than the NDA in respect of matters for which the NDA has financial responsibility or that those liabilities are otherwise discharged.
- (7) It shall also be the duty of the NDA to make all such arrangements as it thinks fit for securing that amounts paid under this section to that person include such sums (if any) as the NDA considers it appropriate to pay by way of incentives to that person to discharge his duty to comply with directions under section 18 in the manner that the NDA thinks most effective.
- (8) The NDA is to be taken to have discharged its responsibility for meeting costs under this section if it is satisfied that those costs—
- (a) have been met by another person directly or indirectly out of money provided by Parliament; or
 - (b) are to be so met.
- (9) The preceding provisions of this section have effect in relation to an installation, site or facility subject to the terms of—
- (a) any agreement between the NDA and the person with control of the installation, site or facility; or
 - (b) any agreement between the NDA and a body corporate of which that person is a subsidiary.
- (10) The NDA's financial responsibilities under this section are in addition to its financial responsibilities apart from this section.

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(11) In this section “related site” has the same meaning as in section 18.

Commencement Information

II S. 21 in force at 5.10.2004 by S.I. 2004/2575, art. 2(1), Sch. 1

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 137(3)(c)-(e) inserted by [2011 c. 16 s. 117\(b\)](#)
- s. 173(2C) inserted by [2023 c. 52 Sch. 14 para. 10](#)
- Sch. 22 para. 4(1A) inserted by [2023 c. 52 Sch. 14 para. 11\(2\)\(b\)](#)