

CLIMATE CHANGE AND SUSTAINABLE ENERGY ACT 2006

EXPLANATORY NOTES

SUMMARY

3. [Section 1](#) states that the principal purpose of the Act is to enhance the UK's contribution to combating climate change. It is also aimed at alleviating fuel poverty and securing diverse and long-term energy supplies for the UK. This purpose does not have a substantive effect in its own right, but requires the provisions of the Act to be read in light of it.
4. The Act incorporates a wide variety of measures covering the role of local authorities and parish councils, microgeneration, energy efficiency, Building Regulations, dynamic demand technologies, community energy schemes and renewable heat, and electricity from renewable sources. It also imposes a number of reporting requirements on the Government in relation to greenhouse gas emissions, progress towards our energy efficiency target, progress on implementing the microgeneration strategy and steps taken to promote community energy projects and renewable heat.

Local authorities and parish councils

5. The Act places a duty on local authorities, when exercising their functions, to have regard to a report published by the Secretary of State on ways in which they might improve energy efficiency, increase microgeneration, reduce greenhouse gas emissions and alleviate fuel poverty. It also empowers parish councils in England and community councils in Wales to encourage or promote microgeneration and energy-saving measures and the production and use of biomass and fuels derived from biomass in their area.

Microgeneration

6. Microgeneration is the small-scale production of heat and/or electricity from a low carbon source. The suite of technologies caught by this definition includes solar (photovoltaics (PV) to provide electricity and thermal to heat water), micro-wind, micro-hydro, heat pumps, micro Combined Heat and Power (CHP) and small-scale fuel cells. The technologies can provide heat and electricity to homes, communities and small commercial premises.
7. Under this Act, the Government is required to assess whether microgeneration targets are appropriate and if so designate them, to report on steps taken in meeting the targets and implementing the microgeneration strategy published under the Energy Act 2004, and review the current regime governing planning permission requirements for the installation of microgeneration technologies. The Act also empowers the Secretary of State within a specified period to make modifications to electricity supply and distribution licences requiring the holders of those licences to acquire electricity that their customers generate from microgeneration. The Act also makes changes to the Renewables Obligation to allow the Government to bring forward secondary

legislation that will make it easier for microgenerators to access Renewable Obligation Certificates.

Energy Efficiency

8. The Act requires the Government to report on progress made in achieving the energy efficiency target that is in the Housing Act 2004.
9. Under the Gas Act 1986 and Electricity Act 1989, the Secretary of State may impose an obligation on gas transporters and suppliers, and electricity distributors and suppliers, to achieve energy efficiency targets. The Act alters this to enable the Secretary of State instead to impose an obligation on these companies to achieve carbon emissions reduction targets.

Building Regulations

10. The Act allows the Secretary of State to make building regulations in relation to microgeneration. It also extends the time limits within which summary proceedings for breach of building regulations relating to the conservation of fuel and power can be commenced. In addition there is a new duty on the Secretary of State to report to Parliament on measures taken to secure greater compliance with these building Regulations.

Dynamic Demand Technologies

11. The Act requires the Secretary of State to publish a report into the potential for dynamic demand technologies to reduce greenhouse gas emissions.

Community Energy Schemes and Renewable Heat

12. The Act gives the Secretary of State duties to promote community energy projects and also the use of heat from renewable sources (renewable heat), and to report on steps taken for the purpose of promoting those matters.