

ENERGY ACT 2011

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Energy Efficiency

Chapter 1: Green Deal

Modifying energy licences etc

Section 17: Power to modify energy licences in connection with green deal payments

66. *Subsection (1)* provides the Secretary of State with a power to modify gas transporter, shipper and supply licences and electricity distribution and supply licences, including standard conditions incorporated in licences and documents maintained in accordance with the conditions of licences (such as industry codes) or agreements that give effect to those documents.
67. *Subsection (2)* limits the power in subsection (1) so that it may only be exercised for the purposes of: preventing the holder of the licence from permanently disconnecting the supply of gas or electricity to a green deal property (insofar as the power relates to licences under section 7 of the Gas Act 1986 and section 6(1)(c) of the Electricity Act 1989); and requiring or enabling licence holders to take, or not to take, specified action in connection with green deal payments.
68. *Subsection (3)* provides that the provision which may be made in connection with green deal payments may include: allowing a specified licence holder to opt-in or opt-out of the following requirements; requiring a licence holder to collect green deal payments through energy bills and pass them to a green deal provider; making provision for cases where a licence holder is required to make payment to a green deal provider but green deal payments which are due have not been made by the bill payer; provision in connection with the cancellation and suspension of green deal payments; and requiring or enabling payments to be made by or to a licence holder with respect to their obligation in connection with green deal payments.
72. *Subsection (4)* provides that licence modifications can include provision that where a bill payer has failed to pay a sum under an energy bill, the holder of the licence will be required to remit a proportion of any payment received to a green deal provider.
73. *Subsection (7)* defines payments as green deal payments if they are made under a green deal plan. It also defines a green deal property as a property where there is a green deal plan and payments are still to be made under that plan. References to the green deal provider in this section include references to someone acting on the green deal provider's behalf or nominated by a green deal provider.