

## Energy Act 2011

## **2011 CHAPTER 16**

#### PART 1

### **ENERGY EFFICIENCY**

### **CHAPTER 4**

#### REDUCING CARBON EMISSIONS AND HOME-HEATING COSTS

# 67 Promotion of reductions in carbon emissions: electricity generators, distributors and suppliers

- (1) Section 41A of the Electricity Act 1989 (promotion of reductions in carbon emissions: electricity generators, distributors and suppliers) is amended as follows.
- (2) In subsection (1) (power by order to impose an obligation to achieve a carbon emissions reduction target) for "the Authority" substitute "the Administrator".
- (3) After subsection (2) insert—
  - "(2A) In this section "the Administrator" means—
    - (a) the Authority; or
    - (b) if the order so provides, the Secretary of State or a specified body other than the Authority."
- (4) In subsection (3) for "the Authority" substitute "the Administrator".
- (5) In subsection (4) for "the Authority" substitute "(subject to any directions given under subsection (9B)) the Administrator".
- (6) In subsection (5) (general provision that may be included in an order imposing an obligation to achieve a carbon emissions reduction target)—
  - (a) for paragraphs (ba) and (c) substitute—

- "(ba) requiring part of a carbon emissions reduction target to be met by action of a specified description;
- (bb) requiring the whole or any part of a carbon emissions reduction target to be met by action relating to—
  - (i) individuals of a specified description,
  - (ii) property of a specified description,
  - (iii) specified areas or areas of a specified description, or
  - (iv) individuals or property of a specified description in specified areas or areas of a specified description;
- (bc) enabling the Administrator to direct a distributor or supplier to meet part of a carbon emissions reduction target by action relating to an individual named in the direction;
- (bd) preventing action from qualifying for the purpose of meeting the whole or any part of a carbon emissions reduction target unless such persons as are specified in, or determined in accordance with, the order—
  - (i) have been consulted about the action;
  - (ii) have consented to the action;
- (be) requiring action which qualifies for the purpose of meeting both a carbon emissions reduction target and a home-heating cost reduction target to be treated as qualifying only for the purpose of meeting such one of those targets as the distributor or supplier concerned elects;
  - (c) determining, or specifying the method for determining, the contribution that any action makes towards meeting a carbon emissions reduction target;";
- (b) in paragraph (d) for "the Authority" substitute "the Administrator";
- (c) in paragraph (e)—
  - (i) for "the Authority" substitute "the Administrator";
  - (ii) for sub-paragraph (ii) substitute—
    - "(ii) if so, what contribution the proposed action (or any result of that action specified in the determination) is to make towards achieving the carbon emissions reduction target;";
- (d) in paragraph (f) for "the Authority" substitute "the Administrator";
- (e) after paragraph (f) insert "; and
  - (g) requiring the Administrator or a specified body to offer services of a specified kind and authorising a specified fee to be charged to those who take up the offer."
- (7) After subsection (5) insert—
  - "(5A) If the order makes provision by virtue of subsection (5)(bc) enabling the Administrator to direct a distributor or supplier to meet part of a carbon emissions reduction target by action relating to an individual named in the direction the order may also make provision—
    - (a) authorising the Administrator to require specified persons to provide it with information for the purpose of enabling it to identify and select individuals who are to be the subject of a direction;

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- (b) specifying criteria in accordance with which the Administrator is to select individuals who are to be the subject of a direction;
- (c) determining, or specifying the method for determining, which distributor or supplier is to be given a direction in relation to any particular individual selected in accordance with provision made under paragraph (b);
- (d) authorising the Administrator, if it gives a direction to a distributor or supplier, to provide the distributor or supplier with information relating to the individual concerned for the purpose of assisting the distributor or supplier to comply with the direction;
- (e) as to the times at which a direction may be given;
- (f) as to the circumstances in which a direction need not be complied with
- (5B) Provision made by virtue of subsection (5)(c) may in particular provide for an action to be treated as making a greater contribution than it would otherwise do if the action relates to—
  - (a) an individual of a specified description,
  - (b) a property of a specified description, or
  - (c) both an individual of a specified description and a property of a specified description."
- (8) In subsection (6) for "the Authority" substitute "the Administrator".
- (9) After subsection (7) insert—
  - "(7A) The order may—
    - (a) make provision for any specified requirement contained in it to be treated as a relevant requirement for the purposes of this Part; or
    - (b) if it provides for the Administrator to be a person other than the Authority, make provision for and in connection with enabling the Administrator to enforce any requirement imposed by the order.
  - (7B) Provision made by virtue of paragraph (b) of subsection (7A) may, in particular, include provision corresponding to or applying (with or without modifications) any of sections 25 to 28."
- (10) In subsection (8) omit paragraph (b).
- (11) After subsection (9) insert—
  - "(9A) The order may make provision requiring the Administrator to give guidance to distributors or suppliers concerning such matters relating to the order as are specified.
  - (9B) The Administrator shall carry out its functions under this section in accordance with any general or specific directions given to it by the Secretary of State."
- (12) For subsection (10A) substitute—
  - "(10A) The Secretary of State must obtain the consent of the Scottish Ministers before making an order under this section which contains provision that—
    - (a) is included by virtue of subsection (2)(b),

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- (b) extends to Scotland, and
- (c) would be within the legislative competence of the Scottish Parliament if contained in an Act of that Parliament."
- (13) After subsection (12) insert—
  - "(12A) Subsection (12) does not apply to an order under this section made only for the purpose of amending an earlier order under this section so as to alter the provision included in the earlier order by virtue of any of paragraphs (b), (ba) or (c) of subsection (5). But such an order shall be subject to annulment in pursuance of a resolution of either House of Parliament.
  - (12B) If an order under this section provides for the Administrator to be a body other than the Authority, the Secretary of State may make payments to the body of such amounts as the Secretary of State considers appropriate."
- (14) In subsection (13) before the definition of "microgeneration" insert—
  - ""home-heating cost reduction target" has the meaning given by section 41B(2)(a);".
- (15) The reference in subsection (12A) of section 41A of the Electricity Act 1989 to paragraph (c) of subsection (5) of that section includes a reference to paragraph (c) of subsection (5) of that section before its substitution by subsection (6) of this section.
- (16) The power to make orders under section 41A of the Electricity Act 1989 may not be exercised so as to impose an obligation on an electricity generator that has effect after 31 December 2012.

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