

Energy Prices Bill

EXPLANATORY NOTES

Explanatory notes to the Bill, prepared by the Department for Business, Energy and Industrial Strategy, have been ordered to be published as HL Bill 59 – EN.

EUROPEAN CONVENTION ON HUMAN RIGHTS

Lord Callanan has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Energy Prices Bill are compatible with the Convention rights.

Energy Prices Bill

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Make provision for controlling energy prices; to encourage the efficient use and supply of energy; and for other purposes connected to the energy crisis.

BE IT ENACTED by the King’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Reduction of domestic energy bills in England, Wales and Scotland

1 Domestic energy price reduction schemes for Great Britain

- (1) The Secretary of State may establish a domestic electricity price reduction scheme for Great Britain.
- (2) A “domestic electricity price reduction scheme for Great Britain” is a scheme (including any other related arrangements) that makes provision for and in connection with—
- (a) reducing the amount that would otherwise be charged for GB domestic electricity supply by licensed electricity suppliers who are parties to the scheme, and
 - (b) making payments to those suppliers in respect of those reductions in charges.
- (3) The Secretary of State may establish a domestic gas price reduction scheme for Great Britain.
- (4) A “domestic gas price reduction scheme for Great Britain” is a scheme (including any other related arrangements) that makes provision for and in connection with—
- (a) reducing the amount that would otherwise be charged for GB domestic gas supply by licensed gas suppliers who are parties to the scheme, and
 - (b) making payments to those suppliers in respect of those reductions in charges.
- (5) A domestic electricity or gas price reduction scheme for Great Britain may, in particular, provide for the amount charged to be reduced by an amount calculated by reference to the difference between—

- (a) charges that would be made if the scheme were not applicable, and
 - (b) an amount specified in, or in accordance with, the scheme.
- (6) The Secretary of State may modify or revoke a domestic electricity or gas price reduction scheme for Great Britain.
- (7) But if the scheme includes provision about modification or revocation of the scheme, the Secretary of State’s power to modify or revoke it is subject to that provision. 5
- (8) Any such provision of the scheme does not prevent the Secretary of State from modifying the scheme if –
- (a) the Secretary of State considers that a licensed electricity supplier or licensed gas supplier may make, or has made, arrangements whose primary purpose is to increase payments to the supplier under the scheme, and 10
 - (b) the purpose of the modification of the scheme is to prevent the increased payments or require repayment of increased payments. 15
- (9) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6.

2 GB electricity scheme: supplementary provision

- (1) This section –
- (a) applies in relation to a domestic electricity price reduction scheme for Great Britain that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and 20
 - (b) applies in relation to the designated scheme as it has effect from time to time. 25
- (2) A licensed electricity supplier who provides GB domestic electricity supply –
- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable;
 - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme; 30
 - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it.
- (3) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so. 35
- (4) The provision made by paragraph 6(g) of Schedule 6A to the Electricity Act 1989 (enforcement by GEMA) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract).
- (5) The Secretary of State is not liable in the law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme. 40
- (6) A domestic electricity price reduction scheme for Great Britain that was established before section 1(1) came into force otherwise than in accordance 45

with that section (a “pre-commencement scheme”) may be designated for the purposes of this section.

- (7) But no action may be taken in reliance on paragraph 6(g) of Schedule 6A to the Electricity Act 1989 in relation to non-compliance with a pre-commencement scheme that is designated if or to the extent that the non-compliance occurred before the scheme is designated. 5
- (8) Regulations under this section are subject to the negative procedure.

3 GB gas scheme: supplementary provision

- (1) This section –
- (a) applies in relation to a domestic gas price reduction scheme for Great Britain that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and 10
 - (b) applies in relation to the designated scheme as it has effect from time to time.
- (2) A licensed gas supplier who provides GB domestic gas supply – 15
- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable;
 - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme; 20
 - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it.
- (3) A gas shipper must apply to become a party to the designated scheme if –
- (a) that gas shipper receives from another party to the designated scheme a written request to become a party, and 25
 - (b) the designated scheme would not operate effectively if that gas shipper was not a party;
- and the gas shipper must make that application as soon as reasonably practicable after receiving the request.
- (4) A gas shipper – 30
- (a) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme;
 - (b) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it. 35
- (5) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so.
- (6) The provision made by paragraph 4(f) of Schedule 4B to the Gas Act 1986 (enforcement by GEMA) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract). 40
- (7) The Secretary of State is not liable in the law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme. 45

- (8) A domestic gas price reduction scheme for Great Britain that was established before section 1(3) came into force otherwise than in accordance with that section (a “pre-commencement scheme”) may be designated for the purposes of this section.
- (9) But no action may be taken in reliance on paragraph 4(f) of Schedule 4B to the Gas Act 1986 in relation to non-compliance with a pre-commencement scheme that is designated if or to the extent that the non-compliance occurred before the scheme is designated. 5
- (10) Regulations under this section are subject to the negative procedure.
- 4 Interpretation of sections 1 to 3** 10
- (1) This section applies for the purposes of sections 1 to 3 and this section.
- Expressions relating to electricity*
- (2) A “licensed electricity supplier” is a person who holds an electricity supply licence.
- (3) An “electricity supply licence” is a licence granted under section 6(1)(d) of the Electricity Act 1989. 15
- (4) “GB domestic electricity supply” is the supply of electricity to premises that are domestic premises for the purposes of the relevant standard conditions (as they have effect from time to time).
- (5) In subsection (4) “relevant standard conditions” are the conditions which are, by virtue of section 33(1) of the Utilities Act 2000, the standard conditions for the purposes of electricity supply licences. 20
- Expressions relating to gas*
- (6) A “licensed gas supplier” is a person who holds a gas supply licence.
- (7) A “gas supply licence” is a licence granted under section 7A(1) of the Gas Act 1986. 25
- (8) “Gas shipper” has the same meaning as in Part 1 of the Gas Act 1986 (see section 7A(11) of that Act).
- (9) “GB domestic gas supply” is the supply of gas to premises that are domestic premises for the purposes of the relevant standard conditions (as they have effect from time to time). 30
- (10) In subsection (9) “relevant standard conditions” are the conditions which are, by virtue of section 81(2) of the Utilities Act 2000, the standard conditions for the purposes of gas supply licences.
- Other expressions* 35
- (11) A reference to a charge for GB domestic electricity supply or GB domestic gas supply includes a reference to a charge that does not relate to electricity or gas supplied (such as a standing charge).

*Reduction of domestic energy bills in Northern Ireland***5 Domestic energy price reduction schemes for Northern Ireland**

- (1) The Secretary of State may establish a domestic electricity price reduction scheme for Northern Ireland.
- (2) A “domestic electricity price reduction scheme for Northern Ireland” is a scheme (including any other related arrangements) that makes provision for and in connection with—
- (a) reducing the amount that would otherwise be charged for NI domestic electricity supply by licensed electricity suppliers who are parties to the scheme, and
 - (b) making payments to those suppliers in respect of those reductions in charges.
- (3) The Secretary of State may establish a domestic gas price reduction scheme for Northern Ireland.
- (4) A “domestic gas price reduction scheme for Northern Ireland” is a scheme (including any other related arrangements) that makes provision for and in connection with—
- (a) reducing the amount that would otherwise be charged for NI domestic gas supply by licensed gas suppliers who are parties to the scheme, and
 - (b) making payments to those suppliers in respect of those reductions in charges.
- (5) The Secretary of State may modify or revoke a domestic electricity or gas price reduction scheme for Northern Ireland.
- (6) But if the scheme includes provision about modification or revocation of the scheme, the Secretary of State’s power to modify or revoke it is subject to that provision.
- (7) Any such provision of the scheme does not prevent the Secretary of State from modifying the scheme if—
- (a) the Secretary of State considers that a licensed electricity supplier or licensed gas supplier may make, or has made, arrangements whose primary purpose is to increase payments to the supplier under the scheme, and
 - (b) the purpose of the modification of the scheme is to prevent the increased payments or require repayment of increased payments.
- (8) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6.

6 NI electricity scheme: supplementary provision

- (1) This section—
- (a) applies in relation to a domestic electricity price reduction scheme for Northern Ireland that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and
 - (b) applies in relation to the designated scheme as it has effect from time to time.

- (2) A licensed electricity supplier who provides NI domestic electricity supply –
- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable;
 - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme; 5
 - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it.
- (3) The Northern Ireland Regulator may give an NI domestic electricity supplier directions in relation to the supplier’s performance of the terms of the designated scheme. 10
- (4) An NI domestic electricity supplier must comply with any direction given to it under subsection (3).
- (5) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so. 15
- (6) The provision made by Article 41A(4)(l) of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) (enforcement by the Northern Ireland Regulator) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract). 20
- (7) The Secretary of State is not liable under law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme.
- (8) Regulations under this section are subject to the negative procedure. 25

7 NI gas scheme: supplementary provision

- (1) This section –
- (a) applies in relation to a domestic gas price reduction scheme for Northern Ireland that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and 30
 - (b) applies in relation to the designated scheme as it has effect from time to time.
- (2) A licensed gas supplier who provides NI domestic gas supply –
- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable; 35
 - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme;
 - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it. 40
- (3) The Northern Ireland Regulator may give an NI domestic gas supplier directions in relation to the supplier’s performance of the terms of the designated scheme.
- (4) An NI domestic gas supplier must comply with any direction given to it under subsection (3). 45

- (5) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so.
- (6) The provision made by Article 41B(3)(k) of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) (enforcement by the Northern Ireland Regulator) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract). 5
- (7) The Secretary of State is not liable in the law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme. 10
- (8) Regulations under this section are subject to the negative procedure.

8 Interpretation of sections 5 to 7

- (1) This section applies for the purposes of sections 5 to 7 and this section.
Expressions relating to electricity 15
- (2) A “licensed electricity supplier” is a person who holds an electricity supply licence.
- (3) An “electricity supply licence” is a licence granted under Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)).
- (4) “NI domestic electricity supply” has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure. 20
- Expressions relating to gas*
- (5) A “licensed gas supplier” is a person who holds a gas supply licence.
- (6) A “gas supply licence” is a licence granted under Article 8(1)(c) of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)). 25
- (7) “NI domestic gas supply” has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure.
- Other expressions* 30
- (8) A reference to a charge for NI domestic electricity supply or NI domestic gas supply includes a reference to a charge that does not relate to electricity or gas supplied (such as a standing charge).

Reduction of non-domestic energy bills in England, Wales and Scotland

9 Reduced energy charges for non-domestic customers in Great Britain 35

- (1) The Secretary of State may, by regulations, make provision for and in connection with—
- (a) reducing the amounts that would otherwise be charged for GB non-domestic electricity supply by licensed electricity suppliers, and
- (b) making payments to those suppliers in respect of those reductions. 40

- (2) The Secretary of State may, by regulations, make provision for and in connection with—
- (a) reducing the amounts that would otherwise be charged for GB non-domestic gas supply by licensed gas suppliers, and
 - (b) making payments to those suppliers in respect of those reductions. 5
- (3) Regulations under this section may, in particular, provide for reductions in amounts charged to be calculated by reference to the difference between—
- (a) the wholesale price paid for electricity or gas, as a component of the amounts that would otherwise be charged for the supply of electricity or gas, and 10
 - (b) a notional wholesale price, if it is lower than the wholesale price paid.
- (4) If the regulations make such provision, they may in particular—
- (a) provide for—
 - (i) the wholesale price paid to be the actual wholesale price paid or a wholesale price treated as paid, and 15
 - (ii) that wholesale price to be specified in or under the regulations, or determined in accordance with the regulations;
 - (b) provide for the notional wholesale price to be specified in or under the regulations, or determined in accordance with the regulations.
- (5) The Secretary of State may review the operation of regulations under this section. 20
- (6) Regulations under this section are subject to the affirmative procedure.
- (7) Schedule 1 describes particular kinds of provision that may be made by regulations under this section.
- (8) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6. 25

10 Interpretation of section 9 and Schedule 1

- (1) This section applies for the purposes of section 9, this section and Schedule 1.
- Expressions relating to electricity*
- (2) A “licensed electricity supplier” is a person who holds an electricity supply licence. 30
- (3) An “electricity supply licence” is a licence granted under section 6(1)(d) of the Electricity Act 1989.
- (4) “GB non-domestic electricity supply” is the supply of electricity to premises that are non-domestic premises for the purposes of the relevant standard conditions (as they have effect from time to time). 35
- (5) In subsection (4) “relevant standard conditions” are the conditions which are, by virtue of section 33(1) of the Utilities Act 2000, the standard conditions for the purposes of electricity supply licences.
- Expressions relating to gas* 40
- (6) A “licensed gas supplier” is a person who holds a gas supply licence.

- (7) A “gas supply licence” is a licence granted under section 7A(1) of the Gas Act 1986.
- (8) “GB non-domestic gas supply” is the supply of gas to premises that are non-domestic premises for the purposes of the relevant standard conditions (as they have effect from time to time). 5
- (9) In subsection (8) “relevant standard conditions” are the conditions which are, by virtue of section 81(2) of the Utilities Act 2000, the standard conditions for the purposes of gas supply licences.

Reduction of non-domestic energy bills in Northern Ireland

- 11 Reduced energy charges for non-domestic customers in Northern Ireland** 10
- (1) The Secretary of State may, by regulations, make provision for and in connection with—
- (a) reducing the amounts that would otherwise be charged for NI non-domestic electricity supply by licensed suppliers, and
- (b) making payments to those suppliers in respect of those reductions. 15
- (2) The Secretary of State may, by regulations, make provision for and in connection with—
- (a) reducing the amounts that would otherwise be charged for NI domestic gas supply by licensed suppliers, and
- (b) making payments to those suppliers in respect of those reductions. 20
- (3) Regulations under this section may, in particular, provide for reductions in amounts charged to be calculated by reference to the difference between—
- (a) the wholesale price paid for electricity or gas, as a component of the amounts that would otherwise be charged for the supply of electricity or gas, and
- (b) a notional wholesale price, if it is lower than the wholesale price paid. 25
- (4) If the regulations make such provision, they may in particular—
- (a) provide—
- (i) for the wholesale price paid to be the actual wholesale price paid or a wholesale price treated as paid; 30
- (ii) for that wholesale price to be specified in or under the regulations, or determined in accordance with the regulations;
- (b) provide for the notional wholesale price to be specified in or under the regulations, or determined in accordance with the regulations.
- (5) The Secretary of State may review the operation of regulations under this section. 35
- (6) Regulations under this section are subject to the affirmative procedure.
- (7) Schedule 2 describes particular kinds of provision that may be made by regulations under this section.
- (8) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6. 40

12 Interpretation of section 11 and Schedule 2

- (1) This section applies for the purposes of section 11, this section and Schedule 2.

Expressions relating to electricity

- (2) A “licensed electricity supplier” is a person who holds an electricity supply licence. 5

- (3) An “electricity supply licence” is a licence granted under Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)).

- (4) “NI non-domestic electricity supply” has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure. 10

Expressions relating to gas

- (5) A “licensed gas supplier” is a person who holds a gas supply licence.

- (6) A “gas supply licence” is a licence granted under Article 8(1)(c) of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)).

- (7) “NI non-domestic gas supply” has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure. 15

Other expressions

- (8) A reference to a charge for NI non-domestic electricity supply or NI non-domestic gas supply includes a reference to a charge that does not relate to electricity or gas supplied (such as a standing charge). 20

*Support for meeting energy costs etc***13 Power of the Secretary of State to give support for meeting energy costs etc**

- (1) The Secretary of State may take such steps as the Secretary of State considers appropriate to – 25

- (a) provide support for meeting costs related to the use of energy;
- (b) enable or encourage the efficient use of energy;
- (c) provide support for meeting costs related to the supply of energy;
- (d) enable or encourage the supply of energy.

- (2) The Secretary of State may take such other steps as the Secretary of State considers appropriate in response to the energy crisis. 30

- (3) The steps that may be taken under the powers conferred by subsections (1) and (2) include –

- (a) giving financial assistance (whether directly or indirectly and whether subject to conditions or not); 35
- (b) acquiring, making available or otherwise enabling access to energy or relevant infrastructure (including by entering into contracts);
- (c) steps in respect of particular descriptions of households, persons or premises;

- (d) dealing with any costs or matters incidental to the exercise of those powers (whether those costs or matters fall to the Secretary of State or another).
- (4) In subsection (3)(b) “relevant infrastructure” means infrastructure related to the supply or use of energy. 5
- (5) Steps of a kind –
- (a) described in subsection (1) or (2), and
- (b) taken by the Secretary of State on or after 1 January 2022 but before the coming into force of this section,
- are, to the extent that they are not authorised by a power of the Secretary of State arising under any other legislation, authorised by subsection (1) or (2) (as appropriate). 10
- (6) Nothing in this section limits a power of the Secretary of State arising under any other legislation or otherwise. 5
- (7) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6. 15
- 14 Procedure and reporting in connection with section 13**
- (1) The power conferred by section 13(2) is exercisable only in accordance with subsections (2) to (4).
- (2) Expenditure to be incurred by the Secretary of State – 20
- (a) in consequence of an exercise of the power conferred by section 13(2), and
- (b) in connection with any one project,
- must not exceed £100 million unless the expenditure in excess of that sum is authorised by a resolution of the House of Commons before the power is exercised. 25
- (3) But subsection (2) does not apply if the Secretary of State is satisfied that the exercise of the power is urgent and that it is not reasonably practicable to obtain the approval of the House of Commons for the connected expenditure before doing so. 30
- (4) In such circumstances, the Secretary of State must, as soon as reasonably practicable, lay a statement concerning that expenditure before Parliament.
- (5) As soon as reasonably practicable after the end of any quarter in which a power conferred by section 13 is exercised or expenditure is incurred by the Secretary of State in consequence of the exercise of such a power, the Secretary of State must lay before Parliament a report stating the amount of, and containing such other details as the Secretary of State considers appropriate about – 35
- (a) expenditure incurred by the Secretary of State in that quarter in consequence of the exercise of the powers conferred by section 13,
- (b) expenditure incurred by the Secretary of State in consequence of the exercise of those powers from the time when this Act came into force until the end of that quarter, and 40
- (c) expenditure expected to be incurred by the Secretary of State in the future in consequence of the exercise of those powers, both during that quarter and during previous quarters. 45

- (6) In subsection (5) “quarter” means a period of three months ending at the end of March, June, September or December.

15 Role of other bodies in giving support for meeting energy costs etc

- (1) A designated body may take action in support of a step taken under section 13 (a “relevant step”). 5
- (2) The Secretary of State may, by regulations, make provision about designated bodies taking action in support of relevant steps.
- (3) The regulations may, in particular, make provision in connection with designated bodies – 10
- (a) receiving financial assistance,
 - (b) distributing and otherwise managing financial assistance,
 - (c) monitoring and accounting for financial assistance,
 - (d) recovering and returning financial assistance, and
 - (e) providing information.
- (4) The regulations may – 15
- (a) make provision about how designated bodies are to take action in support of relevant steps, and
 - (b) provide for the giving of guidance about how such actions are to be taken.
- (5) Subsection (1) applies to action taken by a designated body – 20
- (a) on or after 1 January 2022 but before the coming into force of this section, and
 - (b) in support of a step taken by the Secretary of State during that period and of a kind described in section 13(1) or (2),
- as it does to action taken by a designated body (in support of a step taken under section 13) on or after the coming into force of this section. 25
- (6) The power of the Secretary of State to deal with costs or matters incidental to the exercise of the powers conferred by section 13 includes dealing with costs or matters arising under this section.
- (7) A “designated body” is – 30
- (a) a local authority;
 - (b) a person who is a heat supplier within the meaning of the Heat Network (Metering and Billing) Regulations 2014 (S.I. 2014/3120) or who otherwise supplies and charges for the supply of heating, cooling or hot water to a building or persons in a building; 35
 - (c) any other body or person established by or under any primary legislation or subordinate legislation and designated, in regulations made by the Secretary of State, for the purposes of this section.
- (8) Regulations under subsection (2) or (7) are subject to the negative procedure.
- (9) In this section “local authority” means – 40
- (a) a county council in England,
 - (b) a district council for an area in England for which there is no county council,
 - (c) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009, 45

- (d) the Greater London Authority,
- (e) a London borough council,
- (f) the Common Council of the City of London,
- (g) the Council of the Isles of Scilly,
- (h) a county council in Wales, 5
- (i) a county borough council in Wales,
- (j) a corporate joint committee established by regulations made under Part 5 of the Local Government and Elections (Wales) Act 2021,
- (k) a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994, 10
- (l) a community council in Scotland,
- (m) a district council in Northern Ireland.

Reducing the price of electricity

16 Temporary requirement for electricity generators to make payments

- (1) The Secretary of State may, for a purpose mentioned in subsection (2), make regulations for, and in connection with, requiring periodic payments to be made to a payment administrator by— 15
 - (a) specified electricity generators,
 - (b) electricity generators that are of a specified description, or
 - (c) electricity generators that are designated by the Secretary of State in accordance with the regulations. 20
- (2) The purposes are—
 - (a) the purpose of enabling a payment administrator to obtain funds for paying to electricity suppliers in connection with reducing the cost to customers of electricity; 25
 - (b) the purpose of enabling a payment administrator to obtain funds for meeting expenditure incurred or to be incurred by the Secretary of State in reducing the cost to customers of electricity.
- (3) Regulations under this section may include—
 - (a) provision about the method by which the amount of a periodic payment is to be calculated; 30
 - (b) provision for determining the time at which a periodic payment is to be made;
 - (c) provision requiring the making of an advance payment in respect of a potential liability to make a periodic payment and about balancing payments; 35
 - (d) provision about interest on a late payment and penalties for a late payment;
 - (e) provision for a payment, interest or a penalty to be recoverable by a payment administrator as a civil debt; 40
 - (f) provision for amounts received by a payment administrator to be paid by the payment administrator to electricity suppliers or into the Consolidated Fund;
 - (g) provision imposing on an electricity supplier that receives a payment from a payment administrator a requirement to secure that customers of the electricity supplier receive, by a specified time, such benefit from 45

- the payment as may be specified or determined in accordance with the regulations;
- (h) provision for amounts received by a payment administrator to be retained by the payment administrator to meet expenditure incurred by the payment administrator in exercising functions under the regulations; 5
- (i) provision conferring functions in connection with the application, monitoring or enforcement of the regulations on the Secretary of State, a payment administrator, GEMA, the Northern Ireland Regulator or any other person; 10
- (j) provision conferring functions in connection with the application, monitoring or enforcement of the regulations on a person designated by the Secretary of State in accordance with the regulations;
- (k) provision conferring powers on any person to require information for the purpose of exercising their functions under the regulations; 15
- (l) provision for anything which is to be calculated or determined under the regulations to be calculated or determined by such persons, in accordance with such procedure and by reference to such matters and to the opinion of such persons, as may be specified in the regulations;
- (m) provision for an appeal against a calculation, determination or other decision made under the regulations; 20
- (n) provision to deal with the consequences of, or to prohibit or otherwise regulate, transactions or arrangements that undermine the effectiveness of the regulations.
- (4) The provision made by virtue of subsection (3)(a) must require the amount of a periodic payment to be calculated by reference to the quantity of electricity generated during the period in question by the relevant generating station with which the electricity generator is concerned. 25
- (5) The provision made by virtue of subsection (3)(i) may include provision conferring a power on the Secretary of State to direct that an electricity generator specified in, or of a description specified in, the direction is not liable to make further payments under the regulations. 30
- (6) The provision made by virtue of subsection (3)(i) may include provision for requirements imposed on a person by the regulations to be enforceable – 35
- (a) by GEMA –
- (i) as if they were relevant requirements for the purposes of section 25 of the Electricity Act 1989, and
- (ii) as if the person were a regulated person for the purposes of that section (if that is not in fact the case);
- (b) by the Northern Ireland Regulator – 40
- (i) as if they were relevant requirements for the purposes of Article 41A of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)), and
- (ii) as if the person were a regulated person for the purposes of that Article (if that is not in fact the case). 45
- (7) The first regulations under this section are subject to the affirmative procedure.
- (8) Any other regulations under this section are subject to the negative procedure.
- (9) For provision imposing a time limit relevant to the exercise of the powers conferred by this section, see Schedule 6.

- (10) In this section –
- “electricity generator” means a person who owns or has any interest in a relevant generating station; and a reference to the relevant generating station with which an electricity generator is concerned is to be read accordingly; 5
 - “electricity supplier” means a person who is a holder of a licence to supply electricity under –
 - (a) section 6(1)(d) of the Electricity Act 1989, or
 - (b) Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1); 10
 - “generating station” means a station which generates electricity or any part of such a station;
 - “payment administrator” means a person specified as a payment administrator for the purposes of regulations under this section;
 - “relevant generating station” means a generating station – 15
 - (a) in respect of which no contract for difference has effect under Chapter 2 of Part 2 of the Energy Act 2013 (ignoring any contract for difference under which no payments have begun to fall due), and
 - (b) that is not an accredited FIT installation within the meaning of the Feed-in Tariffs Order 2012 (S.I. 2012/2782); 20
 - “specified”, except in subsection (5), means specified in regulations under this section.

17 Power to require information in connection with regulations under section 16

- (1) The Secretary of State may direct an electricity generator to provide the Secretary of State with such specified information as the Secretary of State may reasonably require in connection with the making of regulations under section 16. 25
- (2) A direction under this section must be in writing.
- (3) An electricity generator to whom a direction is given under this section must, so far as reasonably practicable, provide the Secretary of State with the specified information – 30
 - (a) within the specified period, and
 - (b) in the specified form and manner.
- (4) A direction under this section is enforceable by the Secretary of State in civil proceedings – 35
 - (a) for an injunction,
 - (b) for specific performance of a statutory duty under section 45 of the Court of Session Act 1988, or
 - (c) for any other appropriate remedy or relief. 40
- (5) In this section –
 - “electricity generator” has the same meaning as in section 16;
 - “information” includes documents;
 - “specified” means specified in the direction.

18 Contracts for difference

- (1) The Energy Act 2013 is amended as follows.
- (2) In section 6 (power to make regulations about contracts for difference for the purpose of encouraging low carbon electricity generation) –
- (a) after subsection (1) insert – 5
- “(1A) The reference in subsection (1) to encouraging low carbon electricity generation includes encouraging the continuation of, or an increase in, low carbon electricity generation by existing generating stations”, and
- (b) in subsection (8), after paragraph (a) insert – 10
- “(aa) the first regulations made after the passing of the Energy Prices Act 2022 which make provision falling within each of the sections mentioned in paragraph (a);”.
- (3) In section 7 (designation of a CFD counterparty), in subsection (5), omit the words from “, but only” to the end. 15
- (4) In section 17 (payments to electricity suppliers), after subsection (2) insert –
- “(2A) Regulations may make provision imposing on an electricity supplier who receives a payment from a CFD counterparty a requirement to secure that customers of the electricity supplier receive, by a time specified in the regulations, such benefit from the payment as may be specified in or determined in accordance with the regulations.” 20
- (5) In section 19 (information and advice) –
- (a) in subsection (2) –
- (i) in paragraph (c), after “the Northern Ireland system operator” insert “, an electricity supplier”, 25
- (ii) after paragraph (c) insert –
- “(ca) for the Authority to require information to be provided to it by a CFD counterparty or electricity suppliers;
- (cb) for the Northern Ireland Authority for Utility Regulation to require information to be provided to it by a CFD counterparty or electricity suppliers;”, and 30
- (iii) in paragraph (e), after “to it by” insert “the Authority, the Northern Ireland Authority for Utility Regulation,”, and 35
- (b) in subsection (4), at the beginning insert “Except as provided by regulations,”.

Passing on the benefits of reductions and other support

19 Requirement to pass on energy price support to end users

- (1) The Secretary of State may by regulations impose pass-through requirements on persons to whom energy price support is provided (“intermediaries”). 40
- (2) A “pass-through requirement” is a requirement to secure that the benefit of energy price support provided to an intermediary is passed on to end users of the intermediary by a specified time.

- (3) An end user of an intermediary is a person—
- (a) to whom energy is made available by the intermediary, where energy price support has been provided to the intermediary in respect of that energy,
 - (b) to whom heating, cooling, hot water or electricity is made available by the intermediary using energy in respect of which energy price support has been provided to the intermediary, or
 - (c) who makes a qualifying payment to the intermediary. 5
- (4) “Energy price support” means financial assistance provided—
- (a) by way of a payment to a person in connection with energy costs (whether of that person or of others), 10
 - (b) by way of a reduction in the amount to be paid by a person for energy, or
 - (c) otherwise than as mentioned in paragraph (a) or (b), to or in respect of a person under this Act or any scheme established under it, 15
- where the assistance is provided in response to the energy crisis.
- (5) For the purposes of subsection (3)(c), “qualifying payment” means a payment in respect of—
- (a) energy, heating, cooling or hot water made available to the person by another person, or by the intermediary to another person, where (as the case may be)— 20
 - (i) the energy is energy in respect of which energy price support has been provided to the intermediary, or
 - (ii) the heating, cooling or hot water is produced using energy in respect of which energy price support has been provided to the intermediary, 25
 - (b) electricity made available to the person by another person, or by the intermediary to another person, using energy in respect of which energy price support has been provided to the intermediary, or
 - (c) the provision by the intermediary of a service, a product or accommodation, where an identified component of the amount paid relates directly to the use of— 30
 - (i) energy in respect of which energy price support has been provided to the intermediary, or
 - (ii) heating, cooling, hot water or electricity produced using energy in respect of which energy price support has been provided to the intermediary. 35
- (6) Regulations under subsection (1) must—
- (a) specify the benefit to be passed on in accordance with a pass-through requirement, or 40
 - (b) provide for the benefit to be determined in accordance with the regulations.
- (7) Regulations under subsection (1) may also, in particular, make provision—
- (a) about how the benefit is to be passed on;
 - (b) about the allocation of the benefit between two or more persons; 45
 - (c) for the purpose of determining who is an end user of an intermediary.
- (8) A pass-through requirement may apply to intermediaries generally, to intermediaries of a specified description, or to specified intermediaries.

- (9) Regulations under subsection (1) may require intermediaries to provide specified information to end users, to the Secretary of State or to other specified persons.
- (10) Regulations under subsection (1) may make provision—
- (a) for a specified amount, or an amount determined in accordance with the regulations, to be recoverable as a civil debt by a person who does not receive the benefit specified or determined by virtue of subsection (6) by the specified time; 5
 - (b) for the payment of a specified amount, on an application made in accordance with the regulations by a person who is an end user of an intermediary, where the intermediary fails to comply with a requirement by virtue of subsection (9) to provide information to the person; 10
 - (c) about the payment of interest on any amount referred to in paragraph (a) or (b); 15
 - (d) for the making of complaints by end users to a specified person;
 - (e) applying the Heat Network (Metering and Billing) Regulations 2014 (S.I. 2014/3120), with or without modifications, in relation to any requirement by virtue of subsection (9) to provide information to a person within regulation 10 of those Regulations. 20
- (11) Provision made by virtue of subsection (10)(d)—
- (a) must set out the grounds on which a complaint may be made (which must relate to a failure to comply with a requirement imposed by the regulations);
 - (b) may include provision for— 25
 - (i) Part 2 of the Consumers, Estate Agents and Redress Act 2007 (complaints handling and redress schemes) to apply in relation to end users in England, Wales or Scotland as it applies in relation gas or electricity consumers, or
 - (ii) Article 22 of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) and such other provisions of that Order as relate to it to apply in relation to end users in Northern Ireland as they apply in relation to a customer of, or user of electricity or gas supplied by, an authorised supplier, 30

with such modifications as the Secretary of State considers appropriate. 35
- (12) The Secretary of State may by regulations amend this section so as to add to the cases in which a person is an end user of an intermediary.
- (13) Regulations under this section are subject to the affirmative procedure.
- (14) In this section—
- (a) “specified” means specified in regulations under subsection (1); 40
 - (b) references to energy being made available are to its being made available otherwise than in accordance with a licence under—
 - (i) section 7A(1) of the Gas Act 1986 or Article 8(1)(c) of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)) (gas supply licence), or 45
 - (ii) section 6(1)(d) of the Electricity Act 1989 or Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)) (electricity supply licence);

- (c) references to the provision of energy price support are to its provision before, or on or after, the day on which this Act is passed;
- (d) references to a person to whom energy price support is provided include references to a person to whom the benefit of energy price support is provided indirectly (whether in consequence of a pass-through requirement or otherwise). 5

The domestic energy tariff cap

20 Domestic gas and electricity tariff cap

Schedule 3 contains amendments to the Domestic Gas and Electricity (Tariff Cap) Act 2018. 10

Regulation of energy markets

21 Power of the Secretary of State to modify energy licences etc

- (1) The Secretary of State may exercise a power conferred by this section if the Secretary of State considers it appropriate to do so –
 - (a) in response to the energy crisis, or 15
 - (b) in connection with –
 - (i) this Act,
 - (ii) regulations under this Act,
 - (iii) a domestic energy price reduction scheme (including its establishment, modification or revocation), or 20
 - (iv) anything done or proposed to be done under, or given effect by, section 13, any other provision of this Act or regulations under this Act.
- (2) The Secretary of State may modify –
 - (a) an energy licence (including any conditions, standard or otherwise, of a licence); 25
 - (b) a document maintained in accordance with the conditions of any energy licences, or an agreement that gives effect to a document so maintained.
- (3) Subsection (2) has effect in relation to licences whenever granted and agreements whenever entered into. 30
- (4) The power to make modifications under subsection (2) –
 - (a) may be exercised –
 - (i) generally,
 - (ii) only in relation to specified cases, or 35
 - (iii) subject to exceptions;
 - (b) may be exercised differently in different cases;
 - (c) includes a power to make consequential, supplementary, incidental, saving or transitional modifications.
- (5) Without prejudice to the generality of subsection (2), conditions included in an energy licence by virtue of that subsection may do any of the things authorised for licences by – 40

- (a) section 7(1), (3), (3A), (3C)(a), or (4) to (6A) of the Electricity Act 1989;
 - (b) section 7B(4), (4A), (5), (5B)(a), (6) or (7) of the Gas Act 1986;
 - (c) Article 11(2), (3), or (4) to (6B) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1));
 - (d) Article 10(2), (3), or (4) to (6A) of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)). 5
- (6) Nothing in this section affects any other power –
- (a) to modify an energy licence or other document, or
 - (b) to give a direction (including under section 22(1)).
- (7) If the Secretary of State makes or proposes to make modifications under this section, the Secretary of State must publish a notice – 10
- (a) setting out the modifications,
 - (b) explaining the effect of the modifications, and
 - (c) specifying the date from which the modifications have effect (which may not be earlier than the day on which they are published). 15
- (8) Publication under subsection (7) must be in a manner the Secretary of State considers appropriate for bringing the information to the attention of persons likely to be affected by the modifications.
- (9) Subsection (7) applies in respect of a proposed modification only if the Secretary of State considers it appropriate in all the circumstances to publish the notice and (in accordance with subsection (10)) consider representations before making the modification. 20
- (10) Where the duty in subsection (7) applies in respect of a proposed modification, the Secretary of State must (before making the modification) consider any representations made by persons likely to be affected by the modification. 25
- (11) In this section “energy licence” means –
- (a) a licence for the purposes of section 4 of the Electricity Act 1989;
 - (b) a licence for the purposes of section 5 of the Gas Act 1986;
 - (c) a licence granted under article 10 of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1));
 - (d) a licence granted under article 8 of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)). 30

22 Power of Secretary of State to give directions

- (1) The Secretary of State may exercise a power conferred by this section if the Secretary of State considers it appropriate to do so – 35
- (a) in response to the energy crisis, or
 - (b) in connection with –
 - (i) this Act,
 - (ii) regulations under this Act,
 - (iii) a domestic energy price reduction scheme (including its establishment, modification or revocation), or 40
 - (iv) anything done or proposed to be done under, or given effect by, section 13, any other provision of this Act or regulations under this Act.

- (2) The Secretary of State may give a person who is subject to directions under this section –
- (a) a direction of a general character;
 - (b) a direction to do (or not do) a specific thing.
- (3) The following are subject to directions under this section – 5
- (a) the Northern Ireland Regulator;
 - (b) a person who holds an energy licence.
- (4) A direction under this section –
- (a) must be in writing;
 - (b) may be varied or revoked by a subsequent direction given by the Secretary of State. 10
- (5) So far as a direction under this section conflicts with the requirements of an enactment or instrument or with any duty which arises otherwise than under an enactment or instrument the requirements are or the duty is to be disregarded. 15
- (6) In this section “energy licence” means –
- (a) a licence for the purposes of section 4 of the Electricity Act 1989;
 - (b) a licence for the purposes of section 5 of the Gas Act 1986;
 - (c) a licence granted under Article 10 of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1));
 - (d) a licence granted under Article 8 of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)). 20
- 23 Regulation of the Northern Ireland energy market**
- Schedule 4 contains provision about regulation of the Northern Ireland energy market. 25
- Final provisions*
- 24 Concurrent exercise of powers by the Department for the Economy**
- Schedule 5 provides for certain powers of the Secretary of State under this Act to be exercisable concurrently by the Department for the Economy in Northern Ireland. 30
- 25 Time limits on exercise of certain powers under this Act**
- Schedule 6 provides for time limits on the exercise of certain powers conferred by this Act.
- 26 Regulations**
- (1) Regulations made under this Act by the Secretary of State are to be made by statutory instrument. 35
- (2) A power to make regulations under this Act includes power to make –
- (a) different provision for different purposes or cases;
 - (b) incidental, supplementary or consequential provision;

- (c) transitional, transitory or saving provision.
- (3) Where regulations under this Act are subject to the negative procedure, the statutory instrument containing them is subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) Where regulations under this Act – 5
 (a) are subject to the affirmative procedure, and
 (b) are made after the initial period,
 they may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament. 10
- (5) Where regulations under this Act –
 (a) are subject to the affirmative procedure, and
 (b) are made during the initial period,
 the statutory instrument containing them must be laid before Parliament after being made. 15
- (6) Regulations contained in a statutory instrument laid before Parliament under subsection (5) cease to have effect at the end of the period of 28 days beginning with the day on which the instrument is made unless, during that period, the instrument is approved by a resolution of each House of Parliament.
- (7) In calculating the period of 28 days, no account is to be taken of any whole days that fall within a period during which – 20
 (a) Parliament is dissolved or prorogued, or
 (b) either House of Parliament is adjourned for more than four days.
- (8) If regulations cease to have effect as a result of subsection (7), that does not – 25
 (a) affect the validity of anything previously done under the regulations,
 or
 (b) prevent the making of new regulations.
- (9) Any provision that may be included in regulations under this Act subject to the negative procedure may be made by regulations subject to the affirmative procedure. 30
- (10) If a draft of a statutory instrument containing regulations made under this Act by the Secretary of State would, apart from this subsection, be treated for the purposes of the Standing Orders of either House of Parliament as a hybrid instrument, it is to proceed in that House as if were not a hybrid instrument.
- (11) In this section “initial period” means the period of six months beginning with the day on which this Act is passed. 35

27 Consequential provision etc

- (1) The Secretary of State may, by regulations, make provision that is consequential on – 40
 (a) this Act, or
 (b) regulations under this Act.
- (2) The Secretary of State may, by regulations, make any provision which the Secretary of State considers appropriate in connection with –

- (a) a domestic energy price reduction scheme (including its establishment, modification or revocation), or
 - (b) anything done or proposed to be done under, or given effect by, section 13, any other provision of this Act or any regulations under this Act.
- (3) The Secretary of State may, by regulations, make transitional, transitory or saving provision in connection with—
- (a) any provision of this Act ceasing to have effect to any extent, or
 - (b) any power ceasing to be exercisable by the Secretary of State or by the Department for the Economy in Northern Ireland,
- under Schedule 4, 5 or 6.
- (4) Regulations under subsection (3) may, in particular, make provision for the transfer of property, rights and liabilities (whether or not otherwise capable of being transferred), including any acquired or arising after the regulations are made.
- (5) Regulations under subsection (1) or (2) may amend or repeal provision made by primary legislation passed before, or in the same Session as, this Act.
- (6) Regulations under subsection (5) (whether alone or with other provision) are subject to the affirmative procedure.
- (7) Any other regulations under subsection (1) or (2) are subject to the negative procedure.
- (8) Schedule 7 contains amendments of legislation.
- (9) For provision about the modification of energy licences, see section 21.

28 Interpretation

- (1) For the purposes of this Act something is done “in response to the energy crisis” if it is done for the purpose of responding to a relevant change in the price of energy (including responding to a cause or effect, or anticipated cause or effect, of a relevant change).
- (2) A change in the price of energy is a “relevant change” if it—
- (a) occurred on or after 1 January 2022 and before this Act came into force, or
 - (b) occurs after this Act is passed.
- (3) Subsections (1) and (2) do not prevent something from being done in response to the energy crisis that will or may produce a result that is different from the position at a time before 1 January 2022.
- (4) In this Act—
- “affirmative procedure” is to be construed in accordance with section 26(4) to (7);
 - “domestic electricity price reduction scheme for Great Britain” has the meaning given in section 1(2);
 - “domestic electricity price reduction scheme for Northern Ireland” has the meaning given in section 5(2);
 - “domestic gas price reduction scheme for Great Britain” has the meaning given in section 1(4);

“domestic gas price reduction scheme for Northern Ireland” has the meaning given in section 5(4);	
“domestic energy price reduction scheme” means –	
(a) a domestic electricity price reduction scheme for Great Britain,	
(b) a domestic electricity price reduction scheme for Northern Ireland,	5
(c) a domestic gas price reduction scheme for Great Britain, or	
(d) a domestic gas price reduction scheme for Northern Ireland;	
“energy” means –	
(a) natural gas,	10
(b) petroleum (in any form),	
(c) any other substance (whether solid, liquid or gaseous) used as fuel, and	
(d) electricity;	
“GEMA” means the Gas and Electricity Markets Authority;	15
“modify” includes amend, repeal and revoke (and, in particular, a power to modify an agreement includes power to make a person a party to an agreement, or to discharge a party from the party’s obligations under the agreement);	
“negative procedure” is to be construed in accordance with section 26(3);	20
“Northern Ireland Regulator” means the Northern Ireland Authority for Utility Regulation;	
“primary legislation” means –	
(a) an Act,	
(b) an Act or Measure of Senedd Cymru,	25
(c) an Act of the Scottish Parliament, or	
(d) Northern Ireland legislation;	
“subordinate legislation” means an instrument made under primary legislation.	
29 Application to the Crown	30
This Act binds the Crown.	
30 Extent, commencement and short title	
(1) These provisions of this Act extend to England and Wales and Scotland –	
(a) sections 1 to 4;	
(b) sections 9 and 10 and Schedule 1;	35
(c) section 20 and Schedule 3.	
(2) These provisions of this Act extend to Northern Ireland only –	
(a) sections 5 to 8;	
(b) sections 11 and 12 and Schedule 2;	
(c) section 23 and Schedule 4;	40
(d) section 24 and Schedule 5.	
(3) The amendments made by Schedule 7 have the same extent as the legislation amended.	

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- (4) The other provisions of this Act extend to England and Wales, Scotland and Northern Ireland.
 - (5) Section 18 comes into force at the end of the period of two months beginning with the day on which this Act is passed.
 - (6) The other provisions of this Act come into force on the day on which it is passed. 5
 - (7) The Secretary of State may, by regulations, make transitional, transitory or saving provision in connection with the coming into force of any provision of this Act.
 - (8) This Act may be cited as the Energy Prices Act 2022. 10

SCHEDULES

SCHEDULE 1

Section 9

NON-DOMESTIC RELIEF REGULATIONS FOR GREAT BRITAIN

Introduction

- 1 In this Schedule – 5
- “energy supply” means –
- (a) GB non-domestic electricity supply, or
 - (b) GB non-domestic gas supply;
- “licensed supplier” means – 10
- (a) a licensed electricity supplier, or
 - (b) a licensed gas supplier;
- “GB non-domestic relief regulations” means regulations under section 9(1) or (2);
- “support scheme” means provision in GB non-domestic relief regulations for – 15
- (a) reducing the amounts that would otherwise be charged for energy supply by licensed suppliers, and
 - (b) making payments to those suppliers in respect of those reductions.

Application of GB non-domestic relief regulations 20

- 2 (1) GB non-domestic relief regulations may relate to charges for energy supply that took place before section 9 or the regulations came into force (including charges made or paid before that section or the regulations came into force).
- (2) GB non-domestic relief regulations may apply to energy supply to only some descriptions of customers. 25
- (3) GB non-domestic relief regulations may apply to only some descriptions or parts of energy supply.
- (4) The power under section 26(2)(a) for GB non-domestic relief regulations to make different provision for different cases includes power for those regulations to make different provision – 30
- (a) for energy supply to different descriptions of customers,
 - (b) for different descriptions of energy supply, or
 - (c) for different parts of energy supply.
- (5) That includes different provision for reducing the amount that would otherwise be charged for energy supply by licensed suppliers. 35

Delegation

- 3 (1) GB non-domestic relief regulations may provide for functions (including functions involving the exercise of a discretion) to be exercisable by any person (including the Secretary of State).
- (2) In particular, the regulations may confer power – 5
- (a) to make rules or other subordinate legislation (and may provide for them to be made by statutory instrument), or
 - (b) to give directions.

Powers and duties

- 4 (1) GB non-domestic relief regulations may provide for duties to be imposed on, or powers to be conferred on, any person (including the Secretary of State). 10
- (2) That includes powers or duties relating to the provision, or making available, of information.

Modification of contracts

- 5 GB non-domestic relief regulations may modify, or make other provision in relation to, the terms of contracts or other arrangements relating to energy supply. 15

Enforcement

- 6 (1) GB non-domestic relief regulations may provide for civil penalties.
- (2) GB non-domestic relief regulations may provide for obligations under the regulations to be enforceable as, or as if they were, relevant requirements for the purposes of section 25 of the Electricity Act 1989 or section 28 of the Gas Act 1986. 20

Exclusion of liability

- 7 GB non-domestic relief regulations may provide for a person not to be liable in damages for things done or omitted in the exercise or purported exercise of functions under the regulations. 25

Avoidance of abuse or unreasonable reliance on support schemes

- 8 GB non-domestic relief regulations may make provision to deal with the consequences of, or to prohibit or otherwise regulate, transactions or arrangements which the Secretary of State considers manipulate or otherwise abuse – 30
- (a) any support scheme, or
 - (b) the availability of any support scheme.

Financially disadvantaged customers 35

- 9 (1) GB non-domestic relief regulations may make provision about the terms on which licensed suppliers are to provide energy supply to which a support scheme relates to a specified description of customers.
- (2) That includes provision about –

- (a) terms on which the customers must, or must not, be provided with the energy supply;
 - (b) factors which must, or must not, be taken into account in deciding the terms on which the customers are to be provided with the energy supply; 5
 - (c) the way in which factors may be taken into account in deciding the terms on which the customers are to be provided with the energy supply.
- (3) The Secretary of State may specify a description of customers for the purposes of regulations under this paragraph only if the Secretary of State considers that customers within that description are financially disadvantaged. 10
- (4) This paragraph does not limit the provision that may be made under paragraph 5.

SCHEDULE 2

Section 11 15

NON-DOMESTIC RELIEF REGULATIONS FOR NORTHERN IRELAND

Introduction

- 1 In this Schedule –
- “energy supply” means –
 - (a) NI non-domestic electricity supply, or 20
 - (b) NI non-domestic gas supply;
 - “licensed supplier” means –
 - (a) a licensed electricity supplier, or
 - (b) a licensed gas supplier;
 - “NI non-domestic relief regulations” means regulations under section 11(1) or (2); 25
 - “support scheme” means provision in NI non-domestic relief regulations for –
 - (a) reducing the amounts that would otherwise be charged for energy supply by licensed suppliers, and 30
 - (b) making payments to those suppliers in respect of those reductions.

Application of NI non-domestic relief regulations

- 2 (1) NI non-domestic relief regulations may relate to charges for energy supply that took place before section 11 or the regulations came into force (including charges made or paid before that section or the regulations came into force). 35
- (2) NI non-domestic relief regulations may apply to energy supply to only some descriptions of customers.
- (3) NI non-domestic relief regulations may apply to only some descriptions or parts of energy supply. 40

- (4) The power under section 26(2)(a) for non-domestic relief regulations to make different provision for different cases includes power for those regulations to make different provision –
- (a) for energy supply to different descriptions of customers,
 - (b) for different descriptions of energy supply, or
 - (c) for different parts of energy supply.
- (5) That includes different provision for reducing the amount that would otherwise be charged for energy supply by licensed suppliers.

Delegation

- 3 (1) NI non-domestic relief regulations may provide for functions (including functions involving the exercise of a discretion) to be exercisable by any person (including the Secretary of State). 10
- (2) In particular, the regulations may confer power –
- (a) to make rules or other subordinate legislation (and may provide for them to be made by statutory rule), or
 - (b) to give directions.

Powers and duties

- 4 (1) NI non-domestic relief regulations may provide for duties to be imposed on, or powers to be conferred on, any person (including the Secretary of State).
- (2) That includes powers or duties relating to the provision, or making available, of information. 20

Modification of contracts

- 5 NI non-domestic relief regulations may modify, or make other provision in relation to, the terms of contracts or other arrangements relating to energy supply. 25

Enforcement

- 6 (1) NI non-domestic relief regulations may provide for civil penalties.
- (2) NI non-domestic relief regulations may provide for obligations under the regulations to be enforceable as, or as if they were, relevant requirements for the purposes of Article 41A or 41B of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)). 30

Exclusion of liability

- 7 NI non-domestic relief regulations may provide for a person not to be liable in damages for things done or omitted in the exercise or purported exercise of functions under the regulations. 35

Avoidance of abuse or unreasonable reliance on support schemes

- 8 NI non-domestic relief regulations may make provision to deal with the consequences of, or to prohibit or otherwise regulate, transactions or arrangements which the Secretary of State considers manipulate or otherwise abuse – 40

- (a) any support scheme, or
- (b) the availability of any support scheme.

Financially disadvantaged customers

- 9 (1) NI non-domestic relief regulations may make provision about the terms on which licensed suppliers are to provide energy supply to which a support scheme relates to a specified description of customers. 5
- (2) That includes provision about –
- (a) terms on which the customers must, or must not, be provided with the energy supply;
 - (b) factors which must, or must not, be taken into account in deciding the terms on which the customers are to be provided with the energy supply; 10
 - (c) the way in which factors may be taken into account in deciding the terms on which the customers are to be provided with the energy supply. 15
- (3) The Secretary of State may specify a description of customers for the purposes of regulations under this paragraph only if the Secretary of State considers that customers within that description are financially disadvantaged.
- (4) This paragraph does not limit the provision that may be made under paragraph 5. 20

SCHEDULE 3

Section 20

DOMESTIC GAS AND ELECTRICITY (TARIFF CAP) ACT 2018

Amendments to 2018 Act

- 1 The Domestic Gas and Electricity (Tariff Cap) Act 2018 is amended as follows. 25
- 2 (1) Section 1 (cap on standard variable and default rates) is amended as follows.
- (2) After subsection (3) insert –
- “(3A) If tariff cap conditions cease to have effect by virtue of section 8 in the case of supply licences for the supply of gas but continue to have effect in the case of supply licences for the supply of electricity, or vice versa, the reference in subsection (2)(b) to the standard supply licence conditions is to be construed accordingly.” 30
- (3) In subsection (6), after paragraph (d) insert –
- “(e) the need to set the cap at a level that takes account of the impact of the cap on public spending.” 35
- (4) After subsection (6) insert –
- “(6A) In performing the duty under subsection (6)(e), the Authority must have regard to any information provided to it by the Secretary of

- State, or any guidance given by the Secretary of State, in relation to the matter mentioned in that provision.”
- 3 (1) Section 5 (publication and effect of modifications) is amended as follows.
- (2) In subsection (4), for “56 days” substitute “25 working days”.
- (3) After subsection (4) insert – 5
- “(5) In subsection (4), “working day” means a day other than –
- (a) Saturday or Sunday,
- (b) Christmas Day or Good Friday, or
- (c) a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in any part of the United Kingdom.” 10
- 4 (1) Section 6 (review of level at which cap is set) is amended as follows.
- (2) After subsection (1) insert –
- “(1A) As soon as practicable after carrying out a review under subsection (1), the Authority must – 15
- (a) produce a statement stating whether, in consequence of the review, the Authority proposes to change the level at which the cap is set, and
- (b) send a copy of the statement to the Secretary of State.
- (1B) The Authority must publish a statement under subsection (1A) as soon as practicable after complying with that subsection.” 20
- (3) Omit subsection (2).
- 5 Omit section 7.
- 6 For section 8 substitute –
- “8 Termination of tariff cap conditions” 25**
- (1) The Secretary of State may at any time give a notice that tariff cap conditions are to cease to have effect in the case of –
- (a) all supply licences,
- (b) all supply licences for the supply of gas, or
- (c) all supply licences for the supply of electricity. 30
- (2) Where the Secretary of State gives a notice under subsection (1), tariff cap conditions cease to have effect, in the case of licences to which the notice relates, on the date specified in the notice.
- (3) In deciding whether to give a notice under subsection (1), the Secretary of State must have regard to the desirability of ensuring that tariff cap conditions continue to have effect – 35
- (a) in the case of supply licences for the supply of electricity, for so long as a scheme is designated for the purposes of section 2 of the Energy Prices Act 2022 (domestic electricity price reduction scheme for Great Britain); 40
- (b) in the case of supply licences for the supply of gas, for so long as a scheme is designated for the purposes of section 3 of the

Energy Prices Act 2022 (domestic gas price reduction scheme for Great Britain).

- (4) The Secretary of State must publish a notice under subsection (1).
- (5) Where tariff cap conditions cease to have effect as provided by this section in the case of all supply licences, the functions of the Authority under section 1 cease to be exercisable. 5
- (6) Where tariff cap conditions cease to have effect as provided by this section in the case of supply licences for the supply of gas, the functions of the Authority under section 1 cease to be exercisable in relation to such licences. 10
- (7) Where tariff cap conditions cease to have effect as provided by this section in the case of supply licences for the supply of electricity, the functions of the Authority under section 1 cease to be exercisable in relation to such licences.”
- 7 In section 9(1) (protection for domestic customers after termination of tariff cap conditions), for the words from “Before” to “the Authority must” substitute “The Authority must, at such intervals as it considers appropriate,”. 15
- 8 (1) Section 10 (consequential modification of standard supply licence conditions) is amended as follows. 20
- (2) In subsection (1), after “effect” insert “, in the case of all supply licences,”.
- (3) After subsection (1) insert—
- “(1A) The Authority may make such modifications of any standard conditions incorporated in supply licences by virtue of section 8 of the Gas Act 1986 as it considers necessary or expedient in consequence of tariff cap conditions ceasing to have effect as provided by section 8 in the case only of supply licences for the supply of gas. 25
- (1B) The Authority may make such modifications of any standard conditions incorporated in supply licences by virtue of section 8A of the Electricity Act 1989 as it considers necessary or expedient in consequence of tariff cap conditions ceasing to have effect as provided by section 8 in the case only of supply licences for the supply of electricity.” 30
- (4) In subsection (2)(a), for “the modifications” substitute “modifications made under this section. 35
- (5) In subsection (3), after “modification” insert “made under this section”.

Transitional provision

- 9 (1) This paragraph applies if— 40
- (a) paragraph 5 of this Schedule comes into force on or after 1 November 2022, and
- (b) in relation to the review carried out in 2022 under section 7 of the 2018 Act (review of competition for domestic supply contracts), no statement was published in accordance with section 7(6) of that Act.

- (2) In such a case –
- (a) tariff cap conditions continue to have effect, notwithstanding section 8(3) of the 2018 Act, until they cease to have effect in accordance with section 8 of that Act (as substituted by paragraph 6 of this Schedule), and 5
 - (b) section 7(5) and (6) of the 2018 Act (duty to publish statement following review) is to be treated as not having applied in relation to the review.
- (3) In this paragraph –
- “the 2018 Act” means the Domestic Gas and Electricity (Tariff Cap) Act 2018; 10
 - “tariff cap conditions” has the same meaning as in the 2018 Act.

SCHEDULE 4

Section 23

REGULATION OF THE NORTHERN IRELAND ENERGY MARKET

Simplification of procedure for modifying conditions of electricity licences 15

- 1 (1) This paragraph applies to the exercise of the power conferred by Article 14 of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)) (modification of conditions of electricity licences) by the Northern Ireland Regulator in response to the energy crisis.
- (2) These provisions of Article 14 do not apply to the exercise of the power – 20
- (a) paragraphs (2)(d), (3), (5) and (8)(c) (representations with respect to proposed modification);
 - (b) paragraph (10) (56 day standstill period before modification takes effect).
- (3) If, before the Northern Ireland Regulator decides to proceed with the making of a proposed modification by the exercise of the power, the Department directs the Regulator not to make that modification, the Regulator shall comply with the direction. 25
- (4) Article 14(7) has effect subject to sub-paragraph (2).
- (5) An appeal may not be brought under Article 14B in respect of the exercise of the power. 30

Simplification of procedure for modifying conditions of gas licences

- 2 (1) This section applies to the exercise of the power conferred by Article 14 of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)) (modification of conditions of gas licences) by the Northern Ireland Regulator in response to the energy crisis. 35
- (2) These provisions of Article 14 do not apply to the exercise of the power –
- (a) paragraphs (2)(d), (3), (5) and (8)(c) (representations with respect to proposed modification);
 - (b) paragraph (10) (56 day standstill period before modification takes effect). 40

- (3) If, before the Northern Ireland Regulator decides to proceed with the making of a proposed modification by the exercise of the power, the Department directs the Regulator not to make that modification, the Regulator shall comply with the direction.
- (4) Article 14(7) has effect subject to sub-paragraph (2). 5
- (5) An appeal may not be brought under Article 14B in respect of the exercise of the power.

Expiry of this Schedule

- 3 (1) This Schedule ceases to have effect at the end of the relevant period.
- (2) In this paragraph “relevant period” means the first period of 6 months to end after this Act is passed during the whole of which both the First Minister and deputy First Minister in Northern Ireland have held office. 10
- (3) That includes any such period which began before the day on which this Act is passed.
- (4) The Secretary of State may, by regulations, substitute the period of time specified in sub-paragraph (2) (for the purposes of this Schedule or a paragraph of this Schedule). 15
- (5) Regulations under sub-paragraph (4) are subject to the affirmative procedure.

Interpretation 20

- 4 In this Schedule –
- “Department” means the Department for the Economy in Northern Ireland;
- “electricity licence” means a licence granted under Article 10 of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)); 25
- “gas licence” means a licence granted under Article 8 of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)).

SCHEDULE 5

Section 24

POWERS AND EXPIRY OF POWERS IN RESPECT OF NORTHERN IRELAND

Powers exercisable concurrently by the Department for the Economy 30

- 1 (1) A power conferred on the Secretary of State by any of the following provisions of this Act may be exercised concurrently by the Department for the Economy in Northern Ireland (“the Department”) –
- (a) section 5 (domestic energy price reduction: Northern Ireland);
- (b) section 11 (non-domestic energy charges: Northern Ireland); 35
- (c) section 13 (support for meeting energy costs etc.);
- (d) section 15 (role of other bodies in support for meeting energy costs etc.);
- (e) section 19 (passing on energy price support);
- (f) section 21 (modification of energy licences); 40

- (g) section 22 (directions);
 - (h) section 27 (consequential provision).
- (2) Accordingly, for that purpose –
- (a) a reference to the Secretary of State in any of those provisions or any related provision is to be read as a reference to the Department, and 5
 - (b) a reference to the House of Commons or Parliament in any of those provisions or any related provision is to be read as a reference to the Northern Ireland Assembly,
- (but see paragraphs 3 and 4 for additional and alternative provision about section 14 and regulations generally). 10

Limitations on the exercise of particular powers by the Department

- 2 (1) The Department may exercise the power in section 21 only in respect of a licence granted under Article 10 of the Electricity (Northern Ireland) Order 1992 or Article 8 of the Gas (Northern Ireland) Order 1996.
- (2) The Department may exercise the power in section 22 only for the purpose of giving a direction to – 15
- (a) the Northern Ireland Regulator;
 - (b) a person who holds a licence granted under Article 10 of the Electricity (Northern Ireland) Order 1992 or Article 8 of the Gas (Northern Ireland) Order 1996. 20

Application of section 14 to the exercise of powers by the Department

- 3 (1) This paragraph applies in relation to the exercise of the powers in section 13 by the Department.
- (2) If the First Minister or deputy First Minister in Northern Ireland is not holding office at a time when the Department would otherwise – 25
- (a) seek the approval of the Northern Ireland Assembly for particular expenditure in accordance with section 14(2), that expenditure may instead be approved by a resolution of the House of Commons;
 - (b) lay a statement concerning urgent expenditure before the Northern Ireland Assembly in accordance with section 14(4), that statement may instead be laid by the Secretary of State before Parliament; 30
 - (c) lay a report concerning expenditure before the Northern Ireland Assembly in accordance with section 14(5), that report may instead be laid by the Secretary of State before Parliament.

Regulations made by the Department 35

- 4 (1) This paragraph applies where a power conferred by this Act to make regulations is exercisable concurrently by the Department.
- (2) Any provision made by the Department must be within the devolved competence of the Northern Ireland Assembly.
- (3) A provision is within the devolved competence of the Northern Ireland Assembly if – 40
- (a) the provision, if it were contained in a Bill for an Act of the Northern Ireland Assembly –

- (i) would be within the legislative competence of the Assembly, and
 - (ii) would not require the consent of the Secretary of State; or
- (b) the provision –
 - (i) amends or repeals Northern Ireland legislation, and 5
 - (ii) would, if it were contained in a Bill for an Act of the Northern Ireland Assembly, be within the legislative competence of the Assembly and require the consent of the Secretary of State.
- (4) Any power of the Department to make regulations is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)) (and not by statutory instrument). 10
- (5) If regulations made by the Secretary of State under a power in this Act would be subject to –
 - (a) the affirmative procedure, regulations may not be made by the Department under that power unless a draft of the statutory rule containing the regulations has been laid before and approved by a resolution of the Northern Ireland Assembly; 15
 - (b) the negative procedure, a statutory rule containing regulations made by the Department under that power is subject to negative resolution within the meaning given by section 41(6) of the Interpretation Act (Northern Ireland) 1954 (c. 33 (N.I.)). 20

Expiry of the Department's powers

- 5 A power conferred by any of the following provisions of this Act ceases to be exercisable concurrently by the Department at the end of the relevant period (and accordingly the related provision in paragraph 1(1) ceases to have effect) – 25
 - (a) section 5;
 - (b) section 11;
 - (c) section 13;
 - (d) section 15; 30
 - (e) section 19;
 - (f) section 21;
 - (g) section 22;
 - (h) section 27.

Expiry of the Secretary of State's powers in respect of Northern Ireland 35

- 6 A power conferred by any of the following provisions of this Act ceases to be exercisable by the Secretary of State at the end of the relevant period –
 - (a) section 5;
 - (b) section 11.

Meaning of "relevant period" 40

- 7 (1) In this Schedule "relevant period" means the first period of 6 months to end after this Act is passed during the whole of which both the First Minister and deputy First Minister in Northern Ireland have held office.

- (2) That includes any such period which began before the day on which this Act is passed.
- (3) The Secretary of State may, by regulations, substitute the period of time specified in sub-paragraph (1) (for the purposes of paragraph 5, paragraph 6, both of those paragraphs or any sub-paragraph of those paragraphs). 5
- (4) Regulations under sub-paragraph (3) are subject to the affirmative procedure.

Continuity of the Department's powers

- 8 A power exercisable concurrently by the Department by virtue of paragraph 1(1) continues to be so exercisable even if that power has ceased to be exercisable by the Secretary of State. 10

SCHEDULE 6

Section 25

TIME LIMITS ON THE EXERCISE OF CERTAIN POWERS UNDER THIS ACT

Domestic electricity price reduction schemes for Great Britain

- 1 (1) This paragraph applies to a domestic electricity price reduction scheme for Great Britain if that scheme, or any other such scheme, has been designated. 15
- (2) The scheme may not provide for the reduction of the amount charged for domestic electricity supply if that supply takes place after the end of the period of two years beginning with 1 October 2022.
- (3) That period may be extended in accordance with paragraph 9. 20
- (4) In this paragraph “designated” means designated under section 2.

Domestic gas price reduction schemes for Great Britain

- 2 (1) This paragraph applies to a domestic gas price reduction scheme for Great Britain if that scheme, or any other such scheme, has been designated.
- (2) The scheme may not provide for the reduction of the amount charged for domestic gas supply if that supply takes place after the end of the period of two years beginning with 1 October 2022. 25
- (3) That period may be extended in accordance with paragraph 9.
- (4) In this paragraph “designated” means designated under section 3.

Domestic electricity price reduction schemes for Northern Ireland 30

- 3 (1) This paragraph applies to a domestic electricity price reduction scheme for Northern Ireland if that scheme, or any other such scheme, has been designated.
- (2) The scheme may not provide for the reduction of the amount charged for domestic electricity supply if that supply takes place after the end of the period of two years beginning with the operative date of the only or first scheme to be designated. 35

- (3) That period may be extended in accordance with paragraph 9.
- (4) In this paragraph –
 “designated” means designated under section 6;
 “operative date”, in relation to a designated scheme, means the first day
 on which domestic electricity supply takes place at a charge reduced
 in accordance with the scheme. 5

Domestic gas price reduction schemes for Northern Ireland

- 4 (1) This paragraph applies to a domestic gas price reduction scheme for Northern Ireland if that scheme, or any other such scheme, has been designated. 10
- (2) The scheme may not provide for the reduction of the amount charged for domestic gas supply if that supply takes place after the end of the period of two years beginning with the operative date of the only or first scheme to be designated.
- (3) That period may be extended in accordance with paragraph 9. 15
- (4) In this paragraph –
 “designated” means designated under section 7;
 “operative date”, in relation to a designated scheme, means the first day
 on which domestic electricity supply takes place at a charge reduced
 in accordance with the scheme. 20

Reduced energy charges for non-domestic customers in Great Britain

- 5 (1) Regulations under section 9(1) may not provide for the reduction of charges for electricity supply if that supply takes place after the end of the period of two years beginning with the operative date of the first regulations made under section 9(1). 25
- (2) Additionally, regulations under section 9(1) –
 (a) may only provide for the reduction of charges for electricity supply that takes place during a period of six months or less;
 (b) but may provide for the reduction of charge for electricity supply that takes place during up to four such periods; 30
 (c) must, if they provide for the reduction of charges for electricity supply that takes place during more than one such period, provide for each period to begin immediately after the end of a preceding period.
- (3) Regulations under section 9(2) may not provide for the reduction of charges for gas supply if that supply takes place after the end of the period of two years beginning with the operative date of the first regulations made under section 9(2). 35
- (4) Additionally, regulations under section 9(2) –
 (a) may only provide for the reduction of charges for gas supply that takes place during a period of six months or less; 40
 (b) but may provide for the reduction of charges for gas supply that takes place during up to four such periods;

- (c) must, if they provide for the reduction of charges for gas supply that takes place during more than one such period, provide for each period to begin immediately after the end of a preceding period.
- (5) In this paragraph –
 - “operative date”, in relation to regulations under section 9(1) or (2), means the first day on which GB non-domestic electricity supply or gas supply takes place at a charge reduced in accordance with regulations made under that provision; 5
 - “reduction of charges for electricity supply” means reducing the amounts that would otherwise be charged for GB non-domestic electricity supply by licensed electricity suppliers; 10
 - “reduction of charges for gas supply” means reducing the amounts that would otherwise be charged for GB non-domestic gas supply by licensed gas suppliers.

Reduced energy charges for non-domestic customers in Northern Ireland 15

- 6 (1) Regulations under section 11(1) may not provide for the reduction of charges for electricity supply if that supply takes place after the end of the period of two years beginning with the operative date of the first regulations made under section 11(1).
- (2) Additionally, regulations under section 11(1) – 20
 - (a) may only provide for the reduction of charges for electricity supply that takes place during a period of six months or less;
 - (b) but may provide for the reduction of charges for electricity supply that takes place during up to four such periods;
 - (c) must, if they provide for the reduction of charges for electricity supply that takes place during more than one such period, provide for each period to begin immediately after the end of a preceding period. 25
- (3) Regulations under section 11(2) may not provide for the reduction of charges for gas supply if that supply takes place after the end of the period of two years beginning with the operative date of the first regulations made under section 11(2). 30
- (4) Additionally, regulations under section 11(2) –
 - (a) may only provide for the reduction of charges for gas supply that takes place during a period of six months or less; 35
 - (b) but may provide for the reduction of charges for gas supply that takes place during up to four such periods;
 - (c) must, if they provide for the reduction of charges for gas supply that takes place during more than one such period, provide for each period to begin immediately after the end of a preceding period. 40
- (5) In this paragraph –
 - “operative date”, in relation to regulations under section 11(1) or (2), means the first day on which NI non-domestic electricity supply or gas supply takes place at a charge reduced in accordance with regulations made under that provision; 45
 - “reduction of charges for electricity supply” means reducing the amounts that would otherwise be charged for NI non-domestic electricity supply by licensed electricity suppliers;

“reduction of charges for gas supply” means reducing the amounts that would otherwise be charged for NI non-domestic electricity supply by licensed electricity suppliers.

Power of the Secretary of State to give support for meeting energy costs etc

- 7 (1) The powers conferred by section 13 cease to be exercisable at the end of the period of three years and six months beginning with the day on which this Act is passed. 5
- (2) That period may be extended in accordance with paragraph 9.
- (3) Sub-paragraph (1) does not prevent the powers conferred by section 13 from being exercised in a manner that could have an effect (including through the creation of rights, privileges, obligations or liabilities) which continues after the period when the power is exercisable. 10

Temporary requirement for electricity generators to make payments

- 8 (1) Regulations under section 16 may not require an electricity generator to make a periodic payment in respect of a period that expires after the end of the period of 5 years beginning with the day on which this Act is passed. 15
- (2) The Secretary of State may by regulations amend this paragraph so as to substitute a longer period for the period specified for the time being in sub-paragraph (1).
- (3) Regulations under this paragraph are subject to the affirmative procedure. 20

Extension of certain periods

- 9 (1) The Secretary of State may by regulations provide that any of the relevant time periods – 25
- (a) does not end at the time when it would otherwise end (whether by virtue of the original limitation or previous regulations under this paragraph), and
- (b) ends instead at such later time as is specified in the regulations.
- (2) Regulations under sub-paragraph (1) relating to a relevant time period must not provide for that period to end after the end of the period of 6 months beginning with the time when the relevant time period would otherwise have ended (whether by virtue of the original limitation or previous regulations under this paragraph). 30
- (3) Regulations under this paragraph are subject to the affirmative procedure.
- (4) In this paragraph – 35
- “original limitation” means paragraph 1(2), 2(2), 3(2), 4(2) or 7(1);
- “relevant time period” means any of the periods (initially of two years’ length or three years and six months’ length) referred to in the original limitations.

SCHEDULE 7

Section 27

AMENDMENTS OF LEGISLATION

PART 1

ACTS OF PARLIAMENT

<i>Gas Act 1986</i>	5
1 In Schedule 4B to the Gas Act 1986 (provisions imposing obligations that are enforceable as relevant requirements), in paragraph 4 (obligations of gas suppliers and gas shippers), after paragraph (e) insert –	
“(f) section 3(2), (3) or (4) of the Energy Prices Act 2022, except section 3(2)(c) or (4)(b) insofar as non-compliance with the terms of the designated scheme involves the amounts payable by or to the Secretary of State under the scheme;	10
(g) section 22 of the Energy Prices Act 2022.”	
<i>Electricity Act 1989</i>	
2 In Schedule 6A to the Electricity Act 1989 (provisions imposing obligations that are enforceable as relevant requirements), in paragraph 6 (obligations of supply licence holders), after paragraph (f) insert –	15
“(g) section 2(2) of the Energy Prices Act 2022, except section 2(2)(c) insofar as non-compliance with the terms of the designated scheme involves the amounts payable by or to the Secretary of State under the scheme;	20
(h) section 22 of the Energy Prices Act 2022.”	
<i>Utilities Act 2000</i>	
3 The Utilities Act 2000 is amended as follows.	
4 In section 33(1) (standard conditions of electricity licences) –	25
(a) in paragraph (i), omit “or”;	
(b) in paragraph (j), after “2022” insert “, or	
(k) under or by virtue of section 21 of the Energy Prices Act 2022”.	
5 In section 81(2) (standard conditions of gas licences), after “Smart Meters Act 2018” insert “or under or by virtue of section 21 of the Energy Prices Act 2022”.	30
6 In section 105 (general restrictions on disclosure of information) –	
(a) in subsection (1), after “2022” insert “or a relevant scheme or regulations made under section 9(1) or (2) or section 16 of the Energy Prices Act 2022”;	35
(b) in subsection (3), after paragraph (ab) insert –	
“(ac) it is required by any person in exercise of a power to require information conferred by regulations under section 16 of the Energy Prices Act 2022;”;	40

- (c) after subsection (8) insert –
- “(8A) Subsection (1) does not apply to a disclosure of information which has been obtained –
- (a) under or by virtue of a relevant scheme if it is made by a person in connection with that person’s performance of the terms of that relevant scheme, or 5
 - (b) under or by virtue of regulations made under section 9(1) or (2) of the Energy Prices Act 2022 if the disclosure is made by a person in connection with the exercise of that person’s functions under the regulations.”; 10
- (d) in subsection (10), after the definition of “relevant activities” insert –
- ““relevant scheme” means –
- (a) a domestic electricity price reduction scheme for Great Britain, or 15
 - (b) a domestic gas price reduction scheme for Great Britain,
- within the meaning of the Energy Prices Act 2022 (see section 1 of that Act);”.

PART 2 20

NORTHERN IRELAND LEGISLATION

Energy (Northern Ireland) Order 2003

- 7 The Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) is amended as follows.
- 8 In Article 12 (the principal objective and general duties of the Department and the Authority in relation to electricity), in paragraph (7), in the definition of “electricity functions” – 25
- (a) for “means functions” substitute “means –
 - (a) functions”; - (b) after the third “electricity” insert “; 30
 - (b) the functions which the Department has under section 5 (so far as relating to electricity) and section 6 of the Energy Prices Act 2022 (see Schedule 5 to that Act);
 - (c) the Authority’s function of giving directions under section 6(3) of the Energy Prices Act 2022; 35
 - (d) functions under regulations made under section 11(1) of the Energy Prices Act 2022;
 - (e) the power which the Department has under section 22 of the Energy Prices Act 2022 (by virtue of paragraph 1(1)(g) of Schedule 5 to that Act) to give a direction in connection with – 40
 - (i) the domestic electricity price reduction scheme for Northern Ireland, or
 - (ii) regulations made under section 11(1) (so far as relating to electricity)”.

- 9 In Article 14 (the principal objective and general duties of the Department and the Authority in relation to gas), in paragraph (6), in the definition of “gas functions” –
- (a) in paragraph (a), omit “and”;
 - (b) in paragraph (b), after “gas” insert “; 5
 - (c) the functions which the Department has under section 5 (so far as relating to gas) and section 7 of the Energy Prices Act 2022 (see Schedule 5 to that Act);
 - (d) the Authority’s function of giving directions under section 7(3) of the Energy Prices Act 2022; 10
 - (e) functions under regulations made under section 11(2) of the Energy Prices Act 2022;
 - (f) the power which the Department has under section 22 of the Energy Prices Act 2022 (by virtue of paragraph 1(1)(g) of Schedule 5 to that Act) to give a direction in connection with – 15
 - (i) the domestic gas price reduction scheme for Northern Ireland, or
 - (ii) regulations made under section 11(1) (so far as relating to gas)”. 20
- 10 In Article 41A (meaning of relevant requirement in relation to electricity), in paragraph (4) –
- (a) in sub-paragraph (j), omit the third “and”;
 - (b) after paragraph (k) insert – 25
 - “(l) section 7(2) of the Energy Prices Act 2022, except section 7(2)(c) insofar as non-compliance with the terms of the designated scheme involves the amounts payable by or to the Secretary of State under the scheme; and
 - (m) section 22 of the Energy Prices Act 2022,”. 30
- 11 In Article 41B (meaning of relevant requirement in relation to gas), in paragraph (3) –
- (a) in sub-paragraph (i), omit the third “and”;
 - (b) after paragraph (j) insert – 35
 - “(k) section 6(2) of the Energy Prices Act 2022, except section 6(2)(c) insofar as non-compliance with the terms of the designated scheme involves the amounts payable by or to the Secretary of State under the scheme; and
 - (l) section 22 of the Energy Prices Act 2022,”. 40
- 12 In Article 63 (general restrictions on disclosure of information) –
- (a) in paragraph (1)(a) –
 - (i) for “or Part II” substitute “, Part II”;
 - (ii) after “Gas Order” insert “, a relevant scheme or regulations made under section 11(1) or (2) or section 16 of the Energy Prices Act 2022”; 45
 - (b) in paragraph (3), after paragraph (b) insert –
 - “(ba) it is required by any person in exercise of a power to require information conferred by regulations under section 16 of the Energy Prices Act 2022;” 50

- (c) after paragraph (7) insert –
- “(7A) Paragraph (1) does not apply to a disclosure of information which has been obtained –
- (a) under or by virtue of a relevant scheme if it is made by a person in connection with that person’s performance of the terms of that relevant scheme; 5
 - (b) under or by virtue of regulations made under section 11(1) or (2) of the Energy Prices Act 2022 if the disclosure is made by a person in connection with the exercise of that person’s functions under the regulations”; 10
- (d) after paragraph (10) insert –
- “(11) In this Article “relevant scheme” means –
- (a) a domestic electricity price reduction scheme for Northern Ireland, or 15
 - (b) a domestic gas price reduction scheme for Northern Ireland,
- established under section 5 of the Energy Prices Act 2022.”

The Electricity (Single Wholesale Market) (Northern Ireland) Order 2007

- 13 The Electricity (Single Wholesale Market) (Northern Ireland) Order 2007 (S.I. 2007/913 (N.I. 7)) is amended as follows. 20
- 14 In Article 6 (the Single Electricity Market Committee), in paragraph (4), after sub-paragraph (d) insert –
- “(e) the function of giving directions under section 6(3) of the Energy Prices Act 2022; 25
 - (f) a function under regulations made under section 11(1) of the Energy Prices Act 2022;”.
- 15 In Article 9 (principal objective and duties of Department, the Authority and SEM Committee in relation to SEM), in paragraph (8), in the definition of “electricity functions”, after paragraph (d) insert – 30
- “(e) functions under sections 5 and 6 of the Energy Prices Act 2022 (but only the functions under section 5 relating to electricity);
 - (f) functions under regulations made under section 11(1) of the Energy Prices Act 2022;”.

Energy Prices Bill

A

B I L L

To make provision for controlling energy prices; to encourage the efficient use and supply of energy; and for other purposes connected to the energy crisis.

Brought from the Commons on 18th October 2022

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