

# Electricity Act 1989

## **1989 CHAPTER 29**

### PART I

## ELECTRICITY SUPPLY

Consumer protection: standards of performance

# [<sup>F1</sup>41BA Scottish Ministers' promotion of reductions in home-heating costs: electricity suppliers

- Where the Secretary of State under section 41B imposes on electricity suppliers obligations to achieve a target within a specified period, the power to make orders under that section is exercisable by the Scottish Ministers for the purposes of those obligations imposed in relation to Scotland and not, except as provided by subsections (9) and (10), by the Secretary of State.
- (2) An obligation is imposed in relation to Scotland to the extent that measures to meet that obligation may be carried out in Scotland (disregarding any power to elect under section 103A of the Utilities Act 2000).
- (3) For the purposes of the exercise by the Scottish Ministers of the power to make an order under section 41B, that section applies with the following modifications—
  - (a) for subsection (1) there is substituted a power by order to specify how electricity suppliers may meet their obligations to achieve the home-heating cost reduction target through measures carried out in Scotland;
  - (b) subsection (3) is omitted;
  - (c) subsections (3), (5)(a), (7)(a) [ $^{F2}$ , (7C), (7E)] and (10A) of section 41A as applied by subsection (4) are omitted;
  - (d) in subsection (2)(a) at the beginning of sub-paragraph (ii) there is inserted "where the Secretary of State has apportioned the overall home-heating costs reduction target under section 103A(3A) of the Utilities Act 2000, and";
  - [ in section 41A(7F) as applied by subsection (4), for "order makes" is substituted "Secretary of State has made";

- (db) in section 41A(7G) as applied by subsection (4), for "(7C)" is substituted "(7F)";
- (dc) in section 41A(7H) as applied by subsection (4), for "an order includes" is substituted "the Secretary of State has made";]
- (e) in section 41A(11) as applied by subsection (4) "Citizens Advice" and "electricity distributors" are omitted;
- (f) in section 41A(12) as applied by subsection (4) for the words from "shall not be made" to the end is substituted " is subject to the affirmative procedure ";
- (g) in section 41A(12A) as applied by subsection (4) for the words from "shall be subject to" to the end is substituted " is subject to the negative procedure ";
- (h) for "Secretary of State" in each place (including any references in section 41A that apply by virtue of subsection (4) [<sup>F4</sup>other than in section 41A(7D)(a)]), is substituted "Scottish Ministers".
- (4) The power of the Scottish Ministers under section 41B does not include power to make provision in relation to the subject-matter of sections 88 to 90 of the Energy Act 2008 (smart meters).
- (5) Where an overall home-heating cost reduction target has been apportioned under section 103A(3A) of the Utilities Act 2000, the Scottish Ministers must—
  - (a) when making any order under section 41B, comply with the duty in subsection (6), and
  - (b) if the Secretary of State amends any order under that section, make any provision they think necessary, in consequence of the amendment, to comply with that duty.
- (6) The duty of the Scottish Ministers where subsection (5)(a) or (b) applies is to exercise their powers under section 41B (subject to subsection (8)) in the way they think most likely to secure that the proportion of compliance costs that is represented by costs relating to Scotland is no greater than the proportion of the overall home-heating cost reduction target that is represented by the part of it apportioned to measures carried out in Scotland.
- (7) In subsection (6)—
  - (a) "compliance costs" means the total costs to electricity suppliers of complying with home-heating cost reduction obligations that, in relation to any period, are imposed by order under section 41B, and
  - (b) "costs relating to Scotland" means the total costs to electricity suppliers of complying with obligations that, in relation to the same period, are imposed in relation to Scotland.
- (8) The Scottish Ministers may not make an order under section 41B unless—
  - (a) they have consulted the Secretary of State about the proposed order, and
  - (b) the Secretary of State has agreed to the order being made.
- (9) Subsection (1) does not prevent the Secretary of State from making provision under-
  - (a) section 41B(3),
  - (b) section 41A(3), (5)(a) [<sup>F5</sup>, (7)(a), (7C) or (7E)] as applied by section 41B(4), or
  - (c) section 41B(2)(a) where an overall home-heating cost reduction target has not been apportioned under section 103A(3A) of the Utilities Act 2000.

Changes to legislation: Electricity Act 1989, Section 41BA is up to date with all changes known to be in force on or before 21 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (10) Subsection (1) does not prevent the Secretary of State from making any other provision under section 41B or from varying or revoking an order made by the Scottish Ministers under that section—
  - (a) with the agreement of the Scottish Ministers, or
  - (b) without their agreement, if subsection (11) applies.
- (11) This subsection applies if it appears to the Secretary of State, in the case of obligations imposed in relation to Scotland (the "Scottish obligations"), taking into account any provision made by the Scottish Ministers, that the Scottish obligations are, alone or in conjunction with obligations imposed or to be imposed in relation to England and Wales, likely to—
  - (a) cause detriment to the United Kingdom,
  - (b) adversely affect the ability of the United Kingdom to comply with an international agreement or arrangement in relation to climate change or energy efficiency, or
  - (c) result in costs incurred by suppliers that are not broadly equivalent in relation to England and Wales and in relation to Scotland,

and the Scottish Ministers have failed to comply with a request made to them by the Secretary of State to make modifications specified by the Secretary of State.

- (12) In determining for the purposes of subsection (11), whether detriment is likely to be caused to the United Kingdom, considerations that the Secretary of State may take into account include the costs imposed on suppliers by virtue of obligations imposed or to be imposed by the Secretary of State under section 41B or any provision made by the Scottish Ministers under that section.
- (13) A request by the Secretary of State to the Scottish Ministers for the purposes of subsection (11)—
  - (a) must be in writing;
  - (b) must specify only modifications that appear to the Secretary of State to be necessary to prevent the effect mentioned in subsection (11)(a), (b) or (c);
  - (c) must specify the time within which the modifications are to be made, which must not be less than 2 months from the date of the request.]

#### **Textual Amendments**

- **F1** S. 41BA inserted (1.12.2017 for specified purposes, 1.10.2018 in so far as not already in force) by Scotland Act 2016 (c. 11), ss. 59(6), 72(4)(d) (with s. 59(7)); S.I. 2017/1157, regs. 3(b), 5(a)
- F2 Words in s. 41BA(3)(c) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 214(6)(a)(i), 334(3)(g)
- **F3** S. 41BA(3)(da)-(dc) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 214(6)(a)(ii), 334(3)(g)
- F4 Words in s. 41BA(3)(h) inserted (26.12.2023) by Energy Act 2023 (c. 52), ss. 214(6)(a)(iii), 334(3)(g)
- F5 Words in s. 41BA(9)(b) substituted (26.12.2023) by Energy Act 2023 (c. 52), ss. 214(6)(b), 334(3)(g)

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# **Changes and effects yet to be applied to the whole Act associated Parts and Chapters:** Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(1)(f) and word inserted by 2023 c. 52 s. 186(3)(b)
- s. 4(1)(ca) inserted by 2023 c. 52 s. 166(2)
- s. 4(1)(da) inserted by 2023 c. 52 s. 205(2)(b)
- s. 4(3H)(3I) inserted by 2023 c. 52 s. 186(4)
- s. 4(3CA) inserted by 2023 c. 52 s. 205(3)
- s. 4(3EA) inserted by 2023 c. 52 s. 205(5)
- s. 6(1)(g) and word inserted by 2023 c. 52 s. 186(7)(b)
- s. 6(1)(ea) inserted by 2023 c. 52 s. 205(8)(b)
- s. 6(2C) inserted by 2023 c. 52 s. 186(8)
- s. 6(2AA) inserted by 2023 c. 52 s. 205(9)
- s. 6(6E) inserted by 2023 c. 52 s. 205(10)
- s. 7(3GA) inserted by 2023 c. 52 s. 186(17)
- s. 7A(11B) inserted by 2023 c. 52 s. 186(18)
- s. 8A(1C) inserted by 2023 c. 52 s. 206(6)
- s. 10NA inserted by 2023 c. 52 s. 207(2)
- s. 11E(2)(d) and word inserted by 2013 c. 32 s. 138(5)(b)(iii)
- s. 11AA inserted by 2018 c. 14 s. 13(3)

s. 15(2)(aa) inserted by S.I. 2019/93, Sch. 1 para. 3(2)(b) (as substituted) by S.I. 2019/1245 reg. 19 (This amendment not applied to legislation.gov.uk. The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)

- s. 25(8A) inserted by 2023 c. 52 Sch. 14 para. 7(3)
- s. 44A inserted by 1992 c. 43 s. 23
- s. 44A(6)(b)(i) words substituted by 2013 c. 22 Sch. 9 para. 52
- s. 44B(1)(a)(iiia) inserted by 2023 c. 52 Sch. 17 para. 8
- s. 56C(6)(d) and word inserted by 2013 c. 32 s. 138(5)(d)(ii)
- Sch. 5A para. 2(1A) inserted by 2018 c. 14 s. 13(4)
- Sch. 6A para. 9ZA and cross-heading inserted by 2023 c. 52 Sch. 14 para. 8