SCHEDULES

SCHEDULE 3

OTHER AMENDMENTS OF PART I OF 1986 ACT

Modification references to Monopolies Commission

- 22 (1) For subsection (1) of section 24 of the 1986 Act (modification references to Monopolies Commission) there shall be substituted the following subsections—
 - "(1) The Director may make to the Monopolies and Mergers Commission (in this Part referred to as "the Monopolies Commission") a reference which is so framed as to require the Commission to investigate and report on the questions—
 - (a) whether any matters which relate to—
 - (i) the carrying on of activities authorised or required by a particular licence, or
 - (ii) the storage of gas on terms which have been determined by the holder of a particular licence under section 7 above, or could have been determined by the holder if he had thought fit or had been required to determine them by or under a condition of the licence,

and which are specified in the reference operate, or may be expected to operate, against the public interest; and

- (b) if so, whether the effects adverse to the public interest which those matters have or may be expected to have could be remedied or prevented by modifications of the relevant conditions, that is to say, the conditions of the licence.
- (1A) The Director may make to the Monopolies Commission a reference which is so framed as to require the Commission to investigate and report on the questions—
 - (a) whether any matters which relate to the carrying on of activities authorised or required by—
 - (i) licences under section 7 above,
 - (ii) licences under subsection (1) of section 7A above which incorporate the standard conditions, or
 - (iii) licences under subsection (2) of that section,

and which are specified in the reference operate, or may be expected to operate, against the public interest; and

(b) if so, whether the effects adverse to the public interest which those matters have or may be expected to have could be remedied or prevented by modifications of the relevant conditions, that is to say, the standard conditions of licences under that section or, as the case may be, that subsection."

- (2) In subsection (3) of that section, for the words "conditions of the authorisation" there shall be substituted the words "relevant conditions".
- (3) In subsection (4) of that section, for the words "the public gas supplier" there shall be substituted the words "the holder of the licence or, as the case may be, the relevant licence holders".
- (4) After subsection (4) of that section there shall be inserted the following subsection—
 - "(4A) The Director shall also send a copy of a reference under subsection (1A) above, or a variation of such a reference, to the Secretary of State; and if, before the end of the period of 28 days beginning with the day on which he receives the copy of the reference or variation, the Secretary of State directs the Monopolies Commission not to proceed with the reference or, as the case may require, not to give effect to the variation, the Commission shall comply with the direction."
- (5) In subsection (6) of that section, for the words "section 4" there shall be substituted the words "sections 4 and 4A(1) and (2)".
- (6) After subsection (7) of that section there shall be inserted the following subsection—
 - "(8) In this section and sections 25 and 26 below—
 - "relevant conditions" has the meaning given by subsection (1) or (1A) above;
 - "relevant licence holder"-
 - (a) in relation to a reference under subsection (1A) above, means the holder of a licence to which the reference relates;
 - (b) in relation to modifications of relevant conditions within the meaning given by that subsection, means the holder of a licence which incorporates the conditions."