

CLIMATE CHANGE AND SUSTAINABLE ENERGY ACT 2006

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Community energy and renewable heat

39. **Section 19** places a duty on the Secretary of State to promote community energy projects. These are defined by reference to the use or installation of microgeneration technologies in premises that are essentially used for non-commercial purposes and which, if used for residential purposes, contain at least five dwellings. The section stipulates that when carrying out his duty, the Secretary of State shall have regard to the desirability of promoting schemes aimed at encouraging such projects, investment by others in such projects and the provision of advice and information to people wishing to set up projects.
40. **Section 20** empowers parish councils in England and community councils in Wales to encourage or promote in their area the energy-saving measures listed in subsection (1). There is a power in subsection (6) for the Secretary of State and the National Assembly for Wales to amend this list in relation to England and Wales, respectively.
41. The general power to encourage or promote energy-saving measures includes a power for parish councils and community councils to provide information, advice and assistance, including financial assistance. By virtue of subsection (3)(a), conditions may be imposed on any assistance given. Any expenditure under section 20 is to be treated as if incurred under section 137 of the Local Government Act 1972. This means that it will count towards the limit placed on expenditure under section 137(4).
42. **Section 21** imposes upon the Secretary of State a duty to take such steps as he considers appropriate to promote the use of heat produced from renewable sources.
43. **Section 22** imposes a requirement on the Secretary of State to report in the annual report under the Sustainable Energy Act 2003 on steps taken to promote renewable heat and community energy under sections 19 and 21.