



Domestic Gas and Electricity (Tariff Cap) Act 2018

2018 CHAPTER 21

Review and termination

6 Review of level at which cap is set

- (1) The Authority must, at least once every 6 months while tariff cap conditions have effect, review the level at which the cap is set.
- (2) As soon as practicable after carrying out such a review the Authority must publish a statement stating whether, in consequence of the review, the Authority proposes to change the level at which the cap is set.

7 Review of competition for domestic supply contracts

- (1) The Authority must carry out a review into whether conditions are in place for effective competition for domestic supply contracts.
- (2) Such a review must, among other things, consider the extent to which progress has been made in installing smart meters for use by domestic customers.
- (3) Such a review must be carried out—
 - (a) in the year 2020,
 - (b) if the tariff cap conditions are extended to have effect for the year 2021, in that year, and
 - (c) if the tariff cap conditions are further extended to have effect for the year 2022, in that year.
- (4) As soon as practicable after carrying out the review, and in any event on or before 31 August in the year in question, the Authority must—
 - (a) produce a report on the outcome, which must include a recommendation as to whether or not the Authority considers that the tariff cap conditions should be extended to have effect for the following year, and

- (b) publish the report and send a copy to the Secretary of State.
- (5) After considering the report the Secretary of State must publish a statement setting out whether the Secretary of State considers that conditions are in place for effective competition for domestic supply contracts.
- (6) The statement must be published on or before 31 October in the year in question.

8 Extension and termination of tariff cap conditions

- (1) The tariff cap conditions cease to have effect at the end of the year 2020 unless the statement published by the Secretary of State in that year under section 7 is to the effect that the conditions are not yet in place for effective competition for domestic supply contracts, in which case the tariff cap conditions have effect for the year 2021.
- (2) If the tariff cap conditions are extended by virtue of subsection (1), they cease to have effect at the end of the year 2021 unless the statement published by the Secretary of State in that year under section 7 is to the effect that the conditions are not yet in place for effective competition for domestic supply contracts, in which case the tariff cap conditions have effect for the year 2022.
- (3) If the tariff cap conditions are extended by virtue of subsection (2), they cease to have effect at the end of the year 2022 unless the statement published by the Secretary of State in that year under section 7 is to the effect that the conditions are not yet in place for effective competition for domestic supply contracts, in which case the tariff cap conditions—
 - (a) have effect for the year 2023, and
 - (b) cease to have effect at the end of that year.
- (4) On the tariff cap conditions ceasing to have effect as provided by this section, the functions of the Authority under section 1 cease to be exercisable.