
STATUTORY INSTRUMENTS

1994 No. 1683

ELECTRICITY

The Electricity (Class Exemptions from the Requirement for a Licence) (Amendment) (No. 2) Order 1994

<i>Made</i>	- - - -	<i>23rd June 1994</i>
<i>Laid before Parliament</i>		<i>27th June 1994</i>
<i>Coming into force</i>	- -	<i>18th July 1994</i>

The Secretary of State for Trade and Industry (as respects England and Wales) and the Secretary of State for Scotland (as respects Scotland), in exercise of the powers conferred by sections 5 and 111(2) of the Electricity Act 1989⁽¹⁾ and after consultation with the Director General of Electricity Supply, hereby make the following Order:—

1. This Order may be cited as the Electricity (Class Exemptions from the Requirement for a Licence) (Amendment) (No. 2) Order 1994 and shall come into force on 18th July 1994.

2. The Electricity (Class Exemptions from the Requirement for a Licence) Order 1990⁽²⁾ (“the Principal Order”) is amended as follows.

3. Article 2 of the Principal Order is amended—

(a) in paragraph (1), by inserting after the definition of “offshore installation” the following definitions—

““ordinary share capital” has the same meaning as in section 832(1) of the Income and Corporation Taxes Act 1988⁽³⁾;

“parent undertaking” shall be construed in accordance with section 258 of the Companies Act 1985⁽⁴⁾,” and

(b) by substituting for paragraph (2)(c) the following—

“(c) one body corporate shall be treated as connected to another if—

(i) 50 per cent. or more of the ordinary share capital of one of them is owned directly or indirectly by the other; or

(ii) 50 per cent. or more of the ordinary share capital of both of them is owned directly or indirectly by a third body corporate,

(1) 1989 c. 29.

(2) S.I. 1990/193, amended by S.I. 1994/1070.

(3) 1988 c. 1.

(4) 1985 c. 6; section 258 was inserted by section 21 of the Companies Act 1989 (c. 40).

and for the purpose of determining whether 50 per cent. or more of the ordinary share capital of a body corporate is owned directly or indirectly by another body corporate the provisions of subsections 2 to 10 of section 838 of the Income and Corporation Taxes Act 1988 shall apply in relation to this sub-paragraph as they apply in relation to section 838(1) of that Act; and”.

4. Paragraphs A.1(1) of Schedule 2 and C.3(1) of Schedule 3 to the Principal Order are amended by substituting for the words “each of them is wholly related to each other” the words “each of them is connected to each other and no body corporate which is not connected to, or a parent undertaking in relation to, all of them is a parent undertaking in relation to any of them”.

5.—(1) Paragraph (a) of Class B in Schedule 3 to the Principal Order is deleted and substituted by the following—

“(a) **electricity which is supplied to their premises by the holder of a licence under section 6(1)(c) or (2) of the Act or by a person in circumstances such that he falls within Class C in this Schedule (in this Class referred to as a “Class C supplier”) provided that for the purpose of determining for the purpose of this Class and paragraph B.1 below whether a person is supplying electricity in such circumstances paragraphs (2)(a) and (b) of Class C in this Schedule shall have effect as if the words following “is situated”, in each case, were omitted; or”.**

(2) The definition of “Class C electricity” in paragraph B.1(3)(a) in Schedule 3 to the Principal Order is amended by substituting for the words “specified in the description of” the words “such that he falls within”.

22nd June 1994

Tim Eggar
Minister for Energy,
Department of Trade and Industry

23rd June 1994

Allan Stewart
Parliamentary Under-Secretary of State, The
Scottish Office

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Electricity (Class Exemptions from the Requirement for a Licence) Order 1990 (“the Principal Order”) (S.I. [1990/193](#), as amended by S.I. [1994/ 1070](#)). In addition to drafting amendments, the Order changes the circumstances required for two or more bodies corporate to form a qualifying group of consumers for the purposes of Class A in Schedule 2 and Class C in Schedule 3 to the Principal Order.