Status: Point in time view as at 18/12/2011. This version of this provision has been superseded.
Changes to legislation: Energy Act 2004, Section 167 is up to date with all changes known to be in force on
or before 29 March 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)

Energy Act 2004

2004 CHAPTER 20

PART 3

ENERGY REGULATION

CHAPTER 3

SPECIAL ADMINISTRATION REGIME FOR ENERGY LICENSEES

Financial support for companies in administration

167 Guarantees where energy administration order is made

(1) This section applies where an energy administration order has been made in relation to a company.

(2) The Secretary of State may guarantee—
   (a) the repayment of any sum borrowed by the company while the energy administration order is in force;
   (b) the payment of interest on such a sum; and
   (c) the discharge of any other financial obligation of the company in connection with the borrowing of such a sum.

(3) The Secretary of State may give a guarantee under this section in such manner, and on such terms, as he thinks fit.

(4) As soon as practicable after giving a guarantee under this section, the Secretary of State must lay a statement of the guarantee before Parliament.

(5) If sums are paid out by the Secretary of State under a guarantee given under this section, the company must pay him—
   (a) such amounts in or towards the repayment to him of those sums as he may direct; and

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      (b)   interest, at such rates as he may direct, on amounts outstanding under this subsection.

(6) Payments to the Secretary of State under subsection (5) must be made at such times, and in such manner, as he may from time to time direct.

(7) Where a sum has been paid out by the Secretary of State under a guarantee given under this section, he must lay a statement relating to that sum before Parliament—

      (a)   as soon as practicable after the end of the financial year in which that sum is paid out; and

      (b)   as soon as practicable after the end of each subsequent relevant financial year.

(8) In relation to a sum paid out under a guarantee, a financial year is a relevant financial year for the purposes of subsection (7) unless—

      (a)   before the beginning of that year, the whole of that sum has been repaid to the Secretary of State under subsection (5); and

      (b)   the company in question is not at any time during that year subject to liability to pay interest on amounts that became due under that subsection in respect of that sum.

(9) The consent of the Treasury is required—

      (a)   for the giving of a guarantee under this section; and

      (b)   for the giving by the Secretary of State of a direction under subsection (5) or (6).

(10) The Secretary of State must pay sums received by him by virtue of subsection (5) into the Consolidated Fund.

Modifications etc. (not altering text)

C1   Ss. 154-171 modified (1.10.2005) by Energy Administration Rules 2005 (S.I. 2005/2483), rules 1, **184** (with rules 3, 187)

C2   Ss. 156-167 applied (with modifications) (18.12.2011) by Energy Act 2011 (c. 16), **ss. 96(1)-(4)**, 121(3)

Commencement Information

I1   S. 167 in force at 5.10.2004 by S.I. 2004/2575, art. 2(1), **Sch. 1**

Status:
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Changes to legislation:
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