



# Energy Act 2010

## 2010 CHAPTER 27

### PART 3

#### REGULATION OF GAS AND ELECTRICITY MARKETS

##### *General duties of the Gas and Electricity Markets Authority and the Secretary of State*

#### **16 Amendments of section 4AA of the Gas Act 1986**

- (1) Section 4AA of the Gas Act 1986 is amended as follows.
- (2) In subsection (1) omit the words following “pipes”.
- (3) After subsection (1) insert—
  - “(1A) Those interests of existing and future consumers are their interests taken as a whole, including—
    - (a) their interests in the reduction of gas-supply emissions of targeted greenhouse gases; and
    - (b) their interests in the security of the supply of gas to them.
  - (1B) The Secretary of State and the Authority shall carry out their respective functions under this Part in the manner which the Secretary of State or the Authority (as the case may be) considers is best calculated to further the principal objective, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the shipping, transportation or supply of gas conveyed through pipes.
  - (1C) Before deciding to carry out functions under this Part in a particular manner with a view to promoting competition as mentioned in subsection (1B), the Secretary of State or the Authority shall consider—
    - (a) to what extent the interests referred to in subsection (1) of consumers would be protected by that manner of carrying out those functions; and

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*Changes to legislation: There are currently no known outstanding effects for the Energy Act 2010, Cross Heading: General duties of the Gas and Electricity Markets Authority and the Secretary of State. (See end of Document for details)*

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- (b) whether there is any other manner (whether or not it would promote competition as mentioned in subsection (1B)) in which the Secretary of State or the Authority (as the case may be) could carry out those functions which would better protect those interests.”
- (4) In subsection (2)—
  - (a) for the words from the beginning to “having regard to” substitute “ In performing the duties under subsections (1B) and (1C), the Secretary of State or the Authority shall have regard to ”;
  - (b) in paragraph (b), for “or Part 5 of the Energy Act 2008” substitute “ , Part 5 of the Energy Act 2008 or section 4, Part 2, or sections 26 to 29 of the Energy Act 2010 ”.
- (5) In subsection (3) for “that duty” substitute “ the duties under subsections (1B), (1C) and (2) ”.
- (6) In subsection (5)—
  - (a) for the first “subsection” substitute “ subsections (1B) and ”;
  - (b) omit “(so far as not otherwise required to do so by this subsection)”.
- (7) After subsection (5A) insert—
  - “(5B) In subsection (1A)—
    - “emissions” has the same meaning as in the Climate Change Act 2008 (see section 97 of that Act);
    - “gas-supply emissions” in relation to emissions of a targeted greenhouse gas, means any such emissions (wherever their source) that are wholly or partly attributable to, or to commercial activities connected with, the shipping, transportation or supply of gas conveyed through pipes;
    - “targeted greenhouse gases” has the same meaning as in Part 1 of the Climate Change Act 2008 (see section 24 of that Act).”
- (8) In subsection (6) after “subsections” insert “ (1C), ”.

## **17 Amendments of section 3A of the Electricity Act 1989**

- (1) Section 3A of the Electricity Act 1989 is amended as follows.
- (2) In subsection (1) omit the words following “transmission systems”.
- (3) After subsection (1) insert—
  - “(1A) Those interests of existing and future consumers are their interests taken as a whole, including—
    - (a) their interests in the reduction of electricity-supply emissions of targeted greenhouse gases; and
    - (b) their interests in the security of the supply of electricity to them.
  - (1B) The Secretary of State and the Authority shall carry out their respective functions under this Part in the manner which the Secretary of State or the Authority (as the case may be) considers is best calculated to further the principal objective, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the

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generation, transmission, distribution or supply of electricity or the provision or use of electricity interconnectors.

(1C) Before deciding to carry out functions under this Part in a particular manner with a view to promoting competition as mentioned in subsection (1B), the Secretary of State or the Authority shall consider—

- (a) to what extent the interests referred to in subsection (1) of consumers would be protected by that manner of carrying out those functions; and
- (b) whether there is any other manner (whether or not it would promote competition as mentioned in subsection (1B)) in which the Secretary of State or the Authority (as the case may be) could carry out those functions which would better protect those interests.”

(4) In subsection (2)—

- (a) for the words from the beginning to “having regard to” substitute “ In performing the duties under subsections (1B) and (1C), the Secretary of State or the Authority shall have regard to ”;
- (b) in paragraph (b), for “or Part 2 or 5 of the Energy Act 2008” substitute “ , Part 2 or 5 of the Energy Act 2008 or section 4, Part 2, or sections 26 to 29 of the Energy Act 2010 ”.

(5) In subsection (3) for “that duty” substitute “ the duties under subsections (1B), (1C) and (2) ”.

(6) In subsection (5)—

- (a) for the first “subsection” substitute “ subsections (1B) and ”;
- (b) omit “(so far as not otherwise required to do so by this subsection)”.

(7) After subsection (5A) insert—

“(5B) In subsection (1A)—

“emissions” has the same meaning as in the Climate Change Act 2008 (see section 97 of that Act);

“electricity-supply emissions” in relation to emissions of a targeted greenhouse gas, means any such emissions (wherever their source) that are wholly or partly attributable to, or to commercial activities connected with, the generation, transmission, distribution or supply of electricity or the provision or use of electricity interconnectors;

“targeted greenhouse gases” has the same meaning as in Part 1 of the Climate Change Act 2008 (see section 24 of that Act).”

(8) In subsection (6) after “subsections” insert “ (1C), ”.

**Changes to legislation:**

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