

*These notes refer to the Energy Act 2011 (c.16)
which received Royal Assent on 18 October 2011*

ENERGY ACT 2011

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Energy Efficiency

Chapter 4: Reducing Carbon Emissions and Home-Heating Costs

Section 70: Overall home-heating cost reduction targets

172. This section inserts a new section 103A into the Utilities Act 2000 to confer a new power enabling the Secretary of State to create by order an overall home-heating cost reduction target which must be achieved by obligated energy companies.
173. The new section 103A contains subsections which mirror those in section 103 of the Utilities Act 2000 which deal with the Secretary of State's power to set an overall carbon emissions reduction target. Subsection (2) of the new section allows the Secretary of State to set more than one overall target for a specified period. *Subsection (3)* allows the Secretary of State to make provision requiring the Administrator to apportion the overall target between gas transporters or suppliers and electricity distributors and suppliers according to criteria specified in an order. New subsection (4) requires the Administrator to exercise its functions in a manner which it considers is best calculated to result in the achievement of the overall target.
174. Subsection (5) of the new section 103A requires the Secretary of State to undertake a consultation with those listed along with such other persons as the Secretary of State considers appropriate before making an order under this new section. *Subsection (6)* provides that an order made under this new section is subject to the affirmative resolution procedure.