

*These notes refer to the Energy Act 2013 (c.32)  
which received Royal Assent on 18 December 2013*

# **ENERGY ACT 2013**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2: Electricity Market Reform**

##### *Chapter 2: Contracts for difference*

##### *Section 23: Limits on costs to be incurred*

130. This enables the Secretary of State to make regulations setting out a limit on the cost of the scheme.
131. It also includes powers for the Secretary of State to instruct the national system operator that the maximum cost has been reached and prevent them from giving a notification to the CFD counterparty if the Secretary of State believes it may cause the maximum cost to be breached.