



# Energy Act 2016

## 2016 CHAPTER 20

### PART 1

#### THE OGA

##### *Exercise of functions*

#### **8 Matters to which the OGA must have regard**

- (1) The matters to which the OGA must have regard when exercising its functions include the following, so far as relevant—

*Minimising future public expenditure* The need to minimise public expenditure relating to, or arising from, relevant activities.

*Security of supply* The need for the United Kingdom to have a secure supply of energy.

*Storage of carbon dioxide* The development and use of facilities for the storage of carbon dioxide, and of anything else (including, in particular, pipelines) needed in connection with the development and use of such facilities, and how that may assist the Secretary of State to meet the target in section 1 of the Climate Change Act 2008.

*Collaboration* The need for the OGA to work collaboratively with the government of the United Kingdom and with persons who carry on, or wish to carry on, relevant activities.

*Innovation* The need to encourage innovation in technology and working practices in relation to relevant activities.

*System of regulation* The need to maintain a stable and predictable system of regulation which encourages investment in relevant activities.

- (2) In this section and section 9—

“function” means any function of the OGA, including any function under Chapter 3 of Part 1 of the Energy Act 2008 (storage of carbon dioxide), other than a function which the OGA is authorised to exercise by virtue of—

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- (a) an order under section 69 of the Deregulation and Contracting Out Act 1994, or
  - (b) an agreement under section 7(3);
- “relevant activity” means any activity in relation to which the OGA has functions.

#### Commencement Information

**II** [S. 8](#) in force at 1.10.2016 by [S.I. 2016/920](#), [reg. 2\(a\)](#)

### 9 Directions: national security and public interest

- (1) The Secretary of State may give directions to the OGA as to the exercise by it of any of its functions if the Secretary of State considers that the directions—
  - (a) are necessary in the interests of national security, or
  - (b) are otherwise in the public interest.
- (2) Directions may be given under subsection (1)(b) in relation to the exercise of a regulatory function in a particular case only if the Secretary of State considers that the circumstances are exceptional.
- (3) Directions given under this section may be varied or revoked by further directions given under this section.
- (4) The Secretary of State must lay before Parliament a copy of any directions given under this section.
- (5) The Secretary of State may exclude from any directions laid before Parliament under subsection (4) any material the publication of which the Secretary of State considers would—
  - (a) be contrary to the interests of national security, or
  - (b) otherwise not be in the public interest.
- (6) If the Secretary of State considers that publication of the directions (whether with or without the exclusion of material under subsection (5)) would fall within paragraph (a) or (b) of that subsection, the Secretary of State may, instead of laying the directions, lay before Parliament a memorandum stating—
  - (a) that the directions have been given, and
  - (b) the date on which they were given.
- (7) The OGA must notify the Secretary of State of any cases, matters or circumstances which have arisen, or which the OGA considers are likely to arise, in respect of which the OGA considers that the power to give directions under this section should be exercised by the Secretary of State.
- (8) In this section “regulatory function” means—
  - (a) a function of granting or revoking a licence or other authorisation in relation to any relevant activity;
  - (b) a function of imposing conditions or requirements in relation to any relevant activity;
  - (c) a function that relates to securing, monitoring or investigating compliance with conditions or requirements in relation to any relevant activity.

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**Commencement Information**

**I2** [S. 9](#) in force at 1.10.2016 by [S.I. 2016/920](#), [reg. 2\(a\)](#)

**10 Directions: requirements to notify Secretary of State**

- (1) The Secretary of State may give directions to the OGA specifying cases, matters or circumstances of which the OGA must notify the Secretary of State—
- (a) when they arise, or
  - (b) if the OGA considers that they are likely to arise.
- (2) Directions given under this section may be varied or revoked by further directions given under this section.

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**Commencement Information**

**I3** [S. 10](#) in force at 1.10.2016 by [S.I. 2016/920](#), [reg. 2\(a\)](#)

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- specified provision(s) amendment to earlier commencing S.I. 2016/602, art. 3 by [S.I. 2016/710 reg. 2](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act excluded in part by [S.I. 2023/734 art. 6\(1\)](#)