



# Energy Act 2023

## 2023 CHAPTER 52

### PART 1

#### LICENSING OF CARBON DIOXIDE TRANSPORT AND STORAGE

### CHAPTER 4

#### SPECIAL ADMINISTRATION REGIME

#### *Transport and storage administration orders*

#### **42 Transport and storage administration orders**

- (1) A transport and storage administration order means an order which—
  - (a) is made by the court in relation to a company which holds a licence under section 7, and
  - (b) directs that, while the order is in force, the affairs, business and property of the company are to be managed by a person appointed by the court.
- (2) In this Chapter—
  - (a) a transport and storage administration order is referred to as a T&S administration order,
  - (b) a company which holds a licence under [section 7](#) is referred to as a T&S company, and
  - (c) the person appointed in relation to a T&S company for the purposes of a T&S administration order is referred to as the T&S administrator of the company.
- (3) The T&S administrator of a company must manage the company's affairs, business and property, and exercise and perform all the powers and duties of a T&S administrator, so as to achieve the objective set out in [section 43](#).
- (4) In relation to a T&S administration order applying to a non-GB company, references in this section to the affairs, business and property of the company are references only—

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- (a) to its affairs and business so far as carried on in Great Britain or a relevant controlled place, and
  - (b) to its property in Great Britain or a relevant controlled place.
- (5) In this section, “relevant controlled place” means a controlled place within the meaning of section 17(3) to (4) of the Energy Act 2008 other than a place—
- (a) in Great Britain,
  - (b) in Northern Ireland, or
  - (c) in, under or over so much of the internal waters and territorial sea of the United Kingdom as are adjacent to Northern Ireland.

### **43 Objective of a transport and storage administration**

- (1) The objective of a transport and storage administration is to secure—
- (a) that the activities authorised by the licence of the T&S company to which the administration relates commence, or continue, in a manner which—
    - (i) is efficient and economical, and
    - (ii) ensures the safety and security of the transport and storage network, or the part of that network, to which the licence relates, and
  - (b) that it becomes unnecessary, by one or both of the following means, for the T&S administration order to remain in force for that purpose.
- (2) Those means are—
- (a) the rescue as a going concern of the company subject to the T&S administration order, and
  - (b) transfers falling within subsection (3).
- (3) A transfer falls within this subsection if it is a transfer as a going concern—
- (a) to another company, or
  - (b) as respects different parts of the undertaking of the company subject to the T&S administration order, to two or more different companies,
- of so much of that undertaking as it is appropriate to transfer for the purpose of achieving the objective of the transport and storage administration.
- (4) The means by which transfers falling within subsection (3) may be effected include, in particular—
- (a) a transfer of the undertaking of the company subject to the T&S administration order, or of a part of its undertaking, to a wholly-owned subsidiary of that company, and
  - (b) a transfer to a company of securities of a wholly-owned subsidiary to which there has been a transfer falling within paragraph (a).
- (5) The objective of a transport and storage administration may be achieved by a transfer falling within subsection (3) to the extent only that—
- (a) the rescue as a going concern of the company subject to the T&S administration order is not reasonably practicable or is not reasonably practicable without such a transfer,
  - (b) the rescue of that company as a going concern will not achieve that objective or will not do so without such a transfer,
  - (c) such a transfer would produce a result for the company’s creditors as a whole that is better than the result that would be produced without it, or

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- (d) such a transfer would, without prejudicing the interests of those creditors as a whole, produce a result for the company's members as a whole that is better than the result that would be produced without it.
- (6) In [subsection \(1\)\(a\)](#)—
- (a) the reference to the activities authorised by the licence of the T&S company to which the administration relates includes a reference to any construction work or other activities needing to be carried out to commence those activities, and
  - (b) the reference to the safety and security of the transport and storage network, or the part of that network, to which the licence relates includes a reference to the safety and security of any infrastructure and facilities being constructed for that network, or that part of that network.