



Energy Act 2023

2023 CHAPTER 52

PART 9

ENERGY SMART APPLIANCES AND LOAD CONTROL

CHAPTER 3

LICENSING OF LOAD CONTROL

245 Power to amend licence conditions etc: load control

- (1) The Secretary of State may modify—
 - (a) the conditions of a licence granted under section 6(1) of the Electricity Act 1989;
 - (b) the standard conditions incorporated in such licences by virtue of section 8A of that Act;
 - (c) the conditions of a licence granted under section 7A(1) or 7AB of the Gas Act 1986;
 - (d) the standard conditions incorporated in such licences by virtue of section 8 of that Act;
 - (e) a document maintained in accordance with the conditions of a licence granted under section 6(1) of the Electricity Act 1989 or section 7A(1) or 7AB of the Gas Act 1986, or an agreement that gives effect to a document so maintained.
- (2) The Secretary of State may exercise the power conferred by subsection (1) for the purposes of facilitating, promoting, ensuring the security of, or otherwise regulating load control or other activities falling within section 56FBA(2) of the Electricity Act 1989.
- (3) Modifications made to the conditions of a licence may include provisions of a kind mentioned in section 7 of the Electricity Act 1989 or section 7B of the Gas Act 1986 (as appropriate) and may in particular—

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- (a) regulate or prohibit the provision of load control in relation to appliances that are not compliant with energy smart regulations or any technical standards specified in or under a condition;
 - (b) regulate the provision of load control in relation to appliances that are compliant with energy smart regulations or any technical standards specified in or under a condition;
 - (c) require the holder of a licence to supply information to the Secretary of State or the GEMA (or both) so as to enable them to assess any matter relating to the purposes mentioned in subsection (2);
 - (d) require the holder of the licence to enter (or refrain from entering) into an agreement of a specified kind, or with a specified person;
 - (e) require the holder of a licence to supply information about tariffs (including to such persons, and in such a format, specified in or under a condition).
- (4) The power conferred by subsection (1)—
- (a) may be exercised to make different provision in relation to different areas or different classes of customer;
 - (b) may be exercised generally, only in relation to specified cases or subject to exceptions (including provision for a case to be excepted only so long as specified conditions are satisfied);
 - (c) may be exercised differently in different cases or circumstances;
 - (d) includes a power to make incidental, supplementary, consequential or transitional modifications.
- (5) The power conferred by subsection (1) may not be exercised after the period of 10 years beginning with the day on which [this section](#) comes into force.
- (6) The Secretary of State may, by regulations, extend (or further extend) that period.
- (7) Regulations under [subsection \(6\)](#)—
- (a) may not extend the period (or any extended period) by more than three years at a time, and
 - (b) are subject to the affirmative procedure.
- (8) In [this section](#) “modify” includes remove or fail to incorporate and “modification” is to be construed accordingly.

246 Power to amend licence conditions etc: procedure

- (1) Before making a modification, the Secretary of State must consult—
 - (a) the holder of any licence being modified,
 - (b) the GEMA, and
 - (c) such other persons as the Secretary of State considers appropriate.
- (2) Subsection (1) may be satisfied by consultation before, as well as by consultation after, the passing of this Act.
- (3) The Secretary of State must specify the date upon which any modification is to have effect.
- (4) The Secretary of State must publish details of any modifications as soon as reasonably practicable after they are made.

- (5) In [this section](#) “modification” means a modification under [section 245](#).

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- (1) A modification under [section 245](#) of part of a standard condition of a licence does not prevent any other part of the condition from continuing to be regarded as a standard condition for the purposes of Part 1 of the Gas Act 1986 or Part 1 of the Electricity Act 1989.
- (2) Where the Secretary of State makes modifications under [section 245\(1\)\(b\)](#) or [\(e\)](#) of the standard conditions of a licence of any type, the GEMA must—
- (a) make the same modification of those standard conditions for the purposes of their incorporation in licences of that type granted after that time, and
 - (b) publish the modification.

248 Application of general duties to functions relating to load control

- (1) Sections 4AA to 4B of the Gas Act 1986 (principal objectives and general duties) apply to the carrying out, as respects the matters mentioned in [subsection \(2\)](#), of functions conferred on the Secretary of State or the GEMA by or under sections [245](#) to [247](#).
- (2) The matters are—
- (a) activities required to be authorised by gas licences,
 - (b) such licences and the conditions of such licences,
 - (c) documents maintained in accordance with the conditions of such licences, or agreements that give effect to documents so maintained, and
 - (d) companies holding such licences.
- (3) In section 4AA(2)(b) of the Gas Act 1986 (duty to have regard to ability of licence holders to finance obligations) for “or sections 26 to 29 of the Energy Act 2010” substitute “, sections 26 to 29 of the Energy Act 2010, or sections [245](#) to [247](#) of the Energy Act 2023”.
- (4) Sections 3A to 3D of the Electricity Act 1989 (principal objectives and general duties) apply to the carrying out, as respects the matters mentioned in [subsection \(5\)](#), of functions conferred on the Secretary of State or the GEMA by or under sections [245](#) to [247](#).
- (5) The matters are—
- (a) activities required to be authorised by electricity licences,
 - (b) such licences and the conditions of such licences,
 - (c) documents maintained in accordance with the conditions of such licences, or agreements that give effect to documents so maintained, and
 - (d) companies holding such licences.
- (6) In section 3A(2)(b) of the Electricity Act 1989 (duty to have regard to ability of licence holders to finance obligations) for “or the Nuclear Energy (Financing) Act 2022” substitute “, the Nuclear Energy (Financing) Act 2022 or sections [245](#) to [247](#) of the Energy Act 2023”.
- (7) In section 33(1) of the Utilities Act 2000 (standard conditions of electricity licences)—
- (a) omit the “or” at the end of paragraph (j), and

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- (b) after paragraph (k) insert “or,
 - (l) under sections [245](#) to [247](#) of the Energy Act 2023.”

(8) In [this section](#)—

“electricity licence” means a licence for the purposes of section 4 of the Electricity Act 1989 (prohibition on unlicensed activities);

“gas licence” means a licence for the purposes of section 5 of the Gas Act 1986 (prohibition on unlicensed activities).

249 Licensing of activities relating to load control

[Schedule 19](#), which amends the Electricity Act 1989, provides for the licensing of load control.