



Energy Act 2023

2023 CHAPTER 52

PART 3

LICENSING OF HYDROGEN PIPELINE PROJECTS

Modification of gas transporter licence

136 Modification of gas transporter licence by Secretary of State

- (1) The Secretary of State may modify—
 - (a) the conditions of a designated person's gas transporter licence;
 - (b) the terms of a designated person's gas transporter licence;
 - (c) the standard conditions incorporated in gas transporter licences by virtue of section 8 of the Gas Act 1986;
 - (d) a document maintained in accordance with the conditions of licences of a relevant type or an agreement that gives effect to a document so maintained.
- (2) The Secretary of State may exercise the power under [subsection \(1\)](#) only for the purpose of—
 - (a) facilitating or supporting the financing of the design, construction, commissioning or operation of a hydrogen pipeline project (or of hydrogen pipeline projects generally), or
 - (b) promoting value for money in connection with a hydrogen pipeline project (or in connection with hydrogen pipeline projects generally).
- (3) When making modifications under [subsection \(1\)\(a\)](#) or [\(b\)](#), the Secretary of State must have regard to—
 - (a) the duties in sections 1 and 4(1)(b) of the Climate Change Act 2008 (carbon targets and budgets);
 - (b) the interests of existing and future consumers of gas conveyed through pipes, including their interests in relation to the cost and security of supply of gas;
 - (c) costs, expenditure or liabilities of any description that the designated person may reasonably be expected to incur in carrying out its activities;

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2023, Section 136. (See end of Document for details)

- (d) the need to secure that the designated person is able to finance its activities;
- (e) the need to secure that the designated person has appropriate incentives in relation to the carrying on of its activities;
- (f) such other matters as the Secretary of State considers appropriate.

In paragraph (b), “gas” has the same meaning as in Part 1 of the Gas Act 1986 (see section 48(1) of that Act).

- (4) The Secretary of State may modify the conditions or terms of a gas transporter licence held by a person who is or was a designated person in connection with the revocation of the person’s designation in relation to a hydrogen pipeline project.
- (5) For the purposes of [subsection \(1\)](#), each of the following is a relevant type of licence—
 - (a) a gas transporter licence;
 - (b) a licence under section 7A(1) of the Gas Act 1986 (gas supply licence);
 - (c) a licence under section 7AA of that Act (gas system planner licence);
 - (d) a licence under section 7AC of that Act (code manager licence).
- (6) References in this section to a designated person’s activities are to the person’s activities for the purposes of—
 - (a) the designated project to which the modification relates, and
 - (b) any other designated project authorised by the person’s gas transporter licence.

Commencement Information

II [S. 136](#) in force at 26.12.2023, see [s. 334\(3\)\(c\)](#)

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