



# Energy Act 2023

## 2023 CHAPTER 52

### PART 5

#### INDEPENDENT SYSTEM OPERATOR AND PLANNER

##### *General duties*

#### **163 Duty to promote particular objectives**

- (1) The ISOP must carry out its functions in the way that it considers is best calculated to promote—
  - (a) the net zero objective;
  - (b) the security of supply objective;
  - (c) the efficiency and economy objective.
- (2) The net zero objective is the objective of enabling the Secretary of State to meet the duties imposed by—
  - (a) section 1 of the Climate Change Act 2008 (net UK carbon account target for 2050), and
  - (b) section 4(1)(b) of that Act (UK carbon account not to exceed carbon budget).
- (3) The security of supply objective is the objective of ensuring the security of supply, to existing and future consumers, of—
  - (a) electricity conveyed by distribution systems or transmission systems, and
  - (b) gas conveyed through pipes.
- (4) The efficiency and economy objective is the objective of promoting—
  - (a) efficient, co-ordinated and economical systems for the distribution and transmission of electricity and the conveyance of gas;
  - (b) efficiency (including the efficient use of energy) and economy on the part of persons who carry out relevant activities within subsection (5)(a), (b) or (c).

---

*Changes to legislation: There are currently no known outstanding effects  
 for the Energy Act 2023, Section 163. (See end of Document for details)*

---

- (5) In this Part, “relevant activity” means any of the following, so far as carried out in the course of a business—
- (a) an activity mentioned in section 5(1) of the Gas Act 1986 (gas transportation, interconnection, supply, shipping, system planning, smart meter communication, code management);
  - (b) an activity mentioned in section 4(1) of the Electricity Act 1989 (electricity generation, transmission, distribution, supply, interconnection, multi-purpose interconnection, system operation, smart meter communication, code management);
  - (c) an activity, other than an activity within paragraph (a) or (b), in respect of which the ISOP has functions;
  - (d) an activity, other than an activity within paragraph (a), (b) or (c), that is connected with—
    - (i) the production, conveyance, storage or supply of energy,
    - (ii) the reduction of UK emissions of targeted greenhouse gases arising from the production, conveyance, storage, supply or consumption of energy, or
    - (iii) data relating to any matter within sub-paragraph (i) or (ii), or to demand for or consumption of energy.
- (6) For the purposes of subsection (5)(d)—
- (a) “energy” means energy in any form and includes fuel or other substances used to produce energy;
  - (b) references to the production of energy include references to the conversion of energy from one form to another;
  - (c) references to the supply of energy include references to adjusting consumption of energy (whether generally, at particular times, or by particular persons);
  - (d) an activity referred to in paragraph (d)(i) is not a relevant activity when carried out in relation to products for human or animal consumption;
  - (e) “UK emissions of targeted greenhouse gases” are emissions of such gases as are, or are treated for the purposes of Part 1 of the Climate Change Act 2008 as, emissions from sources in the United Kingdom.
- (7) In this section, “targeted greenhouse gas” has the same meaning as in Part 1 of the Climate Change Act 2008 (see section 24 of that Act).

---

**Commencement Information**

- I1** S. 163 not in force at Royal Assent, see [s. 334\(1\)](#)
- I2** S. 163 in force at 31.1.2024 by [S.I. 2024/32](#), [reg. 3\(a\)\(ii\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Energy Act 2023, Section 163.