



# Energy Act 2023

## 2023 CHAPTER 52

### PART 6

#### GOVERNANCE OF GAS AND ELECTRICITY INDUSTRY CODES

##### *Licensing and selection of code manager*

#### **186 Licence under Electricity Act 1989 for performance of code management function**

- (1) Part 1 of the Electricity Act 1989 is amended as follows.
- (2) Section 4 (prohibition on unlicensed supply, etc) is amended as follows.
- (3) In subsection (1)—
  - (a) omit the “or” after paragraph (d);
  - (b) after paragraph (e) insert “ or
  - (f) performs the function of code manager in relation to a designated electricity licence document (see further subsections (3H) and (3I)),”.
- (4) After subsection (3G) insert—

“(3H) A reference in this Part to a person (“P”) performing the function of code manager in relation to a designated electricity licence document is a reference to making arrangements, with the persons to whom subsection (3I) applies, under which P is responsible for the governance of the document.

(3I) This subsection applies to the holder of a licence for the purposes of section 4 where a condition of the licence requires the holder to comply with the designated electricity licence document in question.”
- (5) In subsection (6), at the appropriate place insert—

““designated electricity licence document” means a document that is—

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*Status: This is the original version (as it was originally enacted).*

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- (a) maintained in accordance with the conditions of a licence for the purposes of section 4, and
  - (b) designated under [section 182](#) of the Energy Act 2023;”.
- (6) Section 6 (licences authorising supply, etc) is amended as follows.
- (7) In subsection (1)—
- (a) omit the “or” after paragraph (e);
  - (b) after paragraph (f) insert “, or
  - (g) a licence authorising a person to perform the function of code manager in relation to a designated electricity licence document (“a code manager licence”).”
- (8) After subsection (2B) insert—
- “(2C) Where a designated electricity licence document is also a designated gas licence document, a person may not be granted a code manager licence in relation to the document unless the same person is at the same time granted a licence under section 7AC of the Gas Act 1986.”
- (9) For subsection (10) substitute—
- “(10) In this section—
- “designated electricity licence document” has the same meaning as in section 4;
  - “designated gas licence document” has the same meaning as in section 5 of the Gas Act 1986;
  - “premises” has the same meaning as in section 4.”
- (10) Section 7 (conditions of licences: general) is amended as follows.
- (11) In subsection (3B)—
- (a) after “smart meter communication licence” (in the first place it occurs) insert “or in a code manager licence”;
  - (b) for “smart meter communication licence” (in the second place it occurs) substitute “a licence of the same type”.
- (12) In subsection (3C)—
- (a) for “Secretary of State or the Authority” substitute “relevant authority”;
  - (b) in paragraph (b)(ii), after “licence” insert “or (in the case of an application for a code manager licence) apply for a licence otherwise than as part of a competition”.
- (13) In subsection (3D), after “smart meter communication licence” insert “or in a code manager licence”.
- (14) In subsection (3E), for “the Secretary of State or the Authority” substitute “the relevant authority”.
- (15) In subsection (3F)—
- (a) in paragraph (a), for “Secretary of State or the Authority (as appropriate)” substitute “relevant authority”;
  - (b) in paragraph (b), for “Secretary of State or the Authority (as appropriate)” substitute “relevant authority”.

(16) In subsection (3G)(a), after “licence” insert “or (as the case may be) code manager licence”.

(17) After subsection (3G) insert—

“(3GA) In subsections (3C) to (3F), “the relevant authority” means—

- (a) in relation to a smart meter communication licence, the Secretary of State or the Authority;
- (b) in relation to a code manager licence, the Authority.”

(18) In section 7A (transfer of licences), after subsection (11A) insert—

“(11B) Where the holder of a code manager licence is also the holder of a licence under section 7AC of the Gas Act 1986, the code manager licence may not be transferred to a person unless the licence under section 7AC of that Act is transferred to the same person at the same time.”