



# Energy Act 2023

## 2023 CHAPTER 52

### PART 7

#### MARKET REFORM AND CONSUMER PROTECTION

##### *Support for energy-intensive industries*

#### **212 Levy to fund electricity support payments**

- (1) The Secretary of State may make regulations requiring the payment of a levy by electricity suppliers for the purpose of funding—
  - (a) the making of electricity support payments by virtue of [section 211](#) (including expected future payments);
  - (b) any other costs arising by virtue of [section 211](#) or this section (including expected future costs).
- (2) The regulations may make provision—
  - (a) about the calculation of the levy;
  - (b) requiring electricity suppliers to provide financial collateral in respect of their obligations to pay the levy, and about the form and terms of such collateral;
  - (c) for the issuing of notices to require the payment of the levy or the provision of collateral;
  - (d) for the provision of copies of such notices to persons specified in the regulations or for the publication of such notices;
  - (e) about how amounts of levy are to be applied once paid (including provision for amounts to be held in reserve or paid into the Consolidated Fund);
  - (f) for the recovery of unpaid amounts of levy in the event of the insolvency or default of an electricity supplier (including provision requiring amounts to be borne by other electricity suppliers in accordance with the regulations);
  - (g) requiring electricity suppliers or the GEMA to provide information that is needed to determine—
    - (i) what an electricity supplier's obligations are in relation to the levy, or

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- (ii) whether an electricity supplier has complied with those obligations;
  - (h) about the sharing of information provided by virtue of [paragraph \(g\)](#);
  - (i) for the enforcement of obligations imposed by or under the regulations (including provision about interest on late payments and imposing financial penalties);
  - (j) about the resolution of disputes, including provision about arbitration or appeals (which may in particular include provision for the person conducting an arbitration or determining an appeal to order the payment of costs or expenses or compensation).
- (3) Where by virtue of [subsection \(2\)\(i\)](#) the regulations provide for the imposition of a financial penalty, they must also provide for a right of appeal against the imposition of the penalty.
- (4) The regulations may—
- (a) appoint a person, with the person’s consent, to carry out functions in connection with the levy (a “levy administrator”);
  - (b) confer functions on the levy administrator;
  - (c) require the levy administrator to provide information or assistance to the Secretary of State, or to another person specified in the regulations, in relation to any functions so conferred.
- (5) Where—
- (a) the regulations impose a requirement on a regulated person (as defined by section 25(8) of the Electricity Act 1989),
  - (b) the requirement is enforceable by a levy administrator, and
  - (c) the levy administrator is the GEMA,
- the regulations may provide for the requirement to be enforceable by the GEMA as if it were a relevant requirement imposed on the person for the purposes of section 25 of that Act.
- (6) The regulations may provide for any sum—
- (a) that a person is required under the regulations to pay to the Secretary of State or to a levy administrator, and
  - (b) that has not been paid by the date required,
- to be recoverable from the person as a civil debt due to the Secretary of State or to the levy administrator (as the case may be).
- (7) The regulations may make provision about the terms of a levy administrator’s appointment, including provision—
- (a) for the levy administrator to be remunerated, or compensated for costs that they incur;
  - (b) about how an appointment may be terminated by the Secretary of State or by the levy administrator, and when termination takes effect.
- (8) If functions of a levy administrator (“the outgoing administrator”) are to be taken on by another levy administrator or by the Secretary of State (“the successor”), the regulations may—
- (a) require the outgoing administrator to take steps specified in the regulations to enable or facilitate the carrying out of those functions by the successor;
  - (b) provide for the transfer of any property, rights or liabilities from the outgoing administrator to the successor;

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- (c) provide for anything done by or in relation to the outgoing administrator in connection with any property, rights or liabilities to be treated as done, or to be continued, by or in relation to the successor.

“Property” in this subsection includes interests of any description.

- (9) Regulations under this section may confer a discretion on the Secretary of State or on a levy administrator.
- (10) Regulations under this section are subject to the affirmative procedure.
- (11) In this section, “electricity supplier” means the holder of a licence under section 6(1)(d) of the Electricity Act 1989.