

Energy Act 2023

## **2023 CHAPTER 52**

## PART 2

CARBON DIOXIDE CAPTURE, STORAGE ETC AND HYDROGEN PRODUCTION, TRANSPORT AND STORAGE

## CHAPTER 1

### **REVENUE SUPPORT CONTRACTS**

### Allocation of contracts

## 76 Allocation of contracts

- (1) Provision that may be made in revenue support regulations for the purposes of section 75(1) and (2) includes provision about how determinations are to be made as regards—
  - (a) which eligible low carbon hydrogen producer a hydrogen production revenue support contract is to be allocated to;
  - (b) which eligible carbon capture entity a carbon capture revenue support contract is to be allocated to.
- (2) Provision made by revenue support regulations falling within subsection (1) may include—
  - (a) provision conferring power on the Secretary of State to make rules (an "allocation framework") about the allocation of hydrogen production revenue support contracts or carbon capture revenue support contracts;
  - (b) provision for different periods within which hydrogen production revenue support contracts or carbon capture revenue support contracts are to be allocated ("allocation rounds");
  - (c) provision for different allocation frameworks to apply in respect of different allocation rounds;

**Changes to legislation:** There are currently no known outstanding effects for the Energy Act 2023, Section 76. (See end of Document for details)

- (d) provision for the publication of allocation frameworks;
- (e) provision about matters in relation to which provision may or must be made in an allocation framework.
- (3) Provision made by revenue support regulations falling within subsection (2) may impose requirements on the Secretary of State, including in particular—
  - (a) requirements as to the giving of notice before an allocation round is commenced;
  - (b) restrictions on the circumstances in which amendments may be made during an allocation round to an allocation framework or to any other matter relevant to an allocation round (including any amount by reference to which a limit on the contracts allocated during the round is to be determined).

(4) An allocation framework may—

- (a) confer functions on an allocation body with respect to the allocation of hydrogen production revenue support contracts or carbon capture revenue support contracts;
- (b) specify targets to be met or taken into account by an allocation body in giving allocation notifications by virtue of section 75, including targets relating to—
  - (i) the process used for producing hydrogen or for capturing carbon dioxide;
  - (ii) outputs or capacity (whether in respect of hydrogen production or capture of carbon dioxide);
  - (iii) the geographical location of an applicant's activities;
- (c) make provision by reference to standards or other published documents (as they have effect from time to time);
- (d) make any provision that may be made by regulations by virtue of subsection (3).
- (5) An allocation framework may include provision for-
  - (a) the determination of a matter on a competitive basis;
  - (b) calculations or determinations to be made under the framework, including by such persons, in accordance with such procedure and by reference to such matters and to the opinion of such persons, as may be specified in the framework.
- (6) An allocation framework may—
  - (a) include incidental, supplementary and consequential provision;
  - (b) make transitory or transitional provision and savings;
  - (c) make different provision for different cases or circumstances or for different purposes;
  - (d) make provision subject to exceptions.
- (7) Any power conferred by virtue of subsection (2) to make an allocation framework includes a power to amend, add to or remove an allocation framework.
- (8) Subsections (4) to (7) are subject to any provision contained in revenue support regulations.

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#### **Commencement Information**

I1 S. 76 in force at 26.12.2023, see s. 334(3)(b)

# Changes to legislation:

There are currently no known outstanding effects for the Energy Act 2023, Section 76.