SCHEDULE 3

EXEMPTIONS FROM SECTION 4(1)(c) OF THE ACT

- **B.1.**—(1) The exemption granted by this Order to persons falling within Class B (in this paragraph referred to as "exempt suppliers") shall cease to be in force in relation to any exempt supplier if he supplies section 6(2) electricity to any premises before 1st April 1998 in either of the circumstances specified in sub-paragraph (2) below.
 - (2) The circumstances referred to in sub-paragraph (1) above are—
 - (a) in a case where the exempt supplier in question supplies section 6(2) electricity to existing premises, that during the previous period of twelve consecutive months the annual maximum power made available to those premises (whether by that exempt supplier or by anyone else) was the specified amount or less, unless during some other period of twelve consecutive months the annual maximum power made available to those premises (whether by that exempt supplier or by anyone else) was more than the specified amount;
 - (b) in a case where the exempt supplier in question supplies section 6(2) electricity to new premises, that the exempt supplier at the time when he supplies section 6(2) electricity to those premises does not reasonably expect that the annual maximum power which would be made available to those premises (whether by that exempt supplier or by anyone else) would be more than the specified amount during the period of twelve consecutive months starting with the date on which those premises were first supplied with electricity (whether those premises were first supplied by the exempt supplier in question or by anyone else).
 - (a) (3) (a) In this paragraph—

"annual maximum power" means the average of the three highest monthly amounts of electrical power provided in any period of twelve months;

"existing premises" means premises which have been previously supplied with electricity (whether by the exempt supplier in question or by anyone else) for a period of at least twelve months except premises which were supplied by that exempt supplier on 31st March 1990 pursuant to an agreement to supply those premises which was subsisting on that date;

"monthly amount of electrical power" means the highest amount of electrical power provided in any month;

"new premises" means premises which have not been previously supplied with electricity by anyone or which have been previously supplied with electricity (whether by the exempt supplier in question or by anyone else) for a period of less than twelve months except premises which were supplied by that exempt supplier on 31st March 1990 pursuant to an agreement to supply those premises which was subsisting on that date;

"the previous period of twelve consecutive months" means the period of twelve consecutive months ending at the end of the month before the month in which the exempt supplier in question supplies section 6(2) electricity to the premises in question; and

"the specified amount" means—

- (i) where an exempt supplier supplies section 6(2) electricity to any premises before 31st March 1994, 1 megawatt; and
- (ii) where an exempt supplier supplies section 6(2) electricity to any premises on or after 31st March 1994, 100 kilowatts;

- (b) For the purposes of this paragraph an exempt supplier shall be treated as supplying section 6(2) electricity to premises if electricity is supplied to any of his premises by the holder of a licence under section 6(2) of the Act and he supplies electricity from those premises; and
- (c) In determining whether the circumstances specified in sub-paragraph (2)(a) above apply, no account shall be taken of any period of twelve months beginning before 1st April 1989.

Class C.Persons who-

- (1) do not supply any electricity except—
 - (a) electricity which they generate themselves; or
 - (b) electricity which they generate themselves together with electricity which is supplied to them by the holder of a licence under section 6(1)(c) or (2) of the Act; and
- (2) provide the output of each generating station at which they generate electricity only to—
 - (a) a single consumer who occupies premises which are on the same site as the premises where the generating station is situated and who consumes all the electricity provided to him by the supplier in question at those premises; or
 - (b) two or more consumers who form a qualifying group each of whom occupies premises which are on the same site as the premises where the generating station is situated and consumes all the electricity provided to him by the supplier in question at those premises; or
 - (c) (i) consumers of the type specified in sub-paragraphs (a) or (b) above; and
 - (ii) any other person in circumstances where the provision of the output of the generating station in question does not amount to the supply of electricity to any premises:

provided that a person shall not fall within this class between the date on which he starts to provide electricity from a generating station at which he had not previously generated electricity (if that date is after 31st March 1990) and the next following 31st December unless, at the time when he starts to provide electricity from that generating station, he reasonably expects that the output of the generating station which consists of the provision of electricity to consumers of the type specified in paragraph 2(a) or (b) above will be 51% or more of the total output of the generating station during the period between the dates mentioned above.