#### STATUTORY INSTRUMENTS

# 2007 No. 629

# **ELECTRICITY**

# The Electricity (Class Exemptions from the Requirement for a Licence) (Amendment) Order 2007

Made - - - - 27th February 2007

Laid before Parliament 2nd March 2007

Coming into force - - 6th April 2007

The Secretary of State makes the following Order in exercise of the powers conferred by section 5 of the Electricity Act 1989(1);

In accordance with section 5(2) of that Act he has given notice of and considered representations on the proposal to make the Order;

Accordingly, the Secretary of State makes the following Order, after consultation with the Scottish Ministers.

## **Citation and Commencement**

**1.** This Order shall be cited as the Electricity (Class Exemptions from the Requirement for a Licence) (Amendment) Order 2007 and shall come into force on 6th April 2007.

#### Interpretation

**2.** In this Order "the 2001 Order" means the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001(**2**).

### Amendments to the 2001 Order

- **3.** In article 4(4)(b) of the 2001 Order, after "paragraph (3) above" insert "(other than persons who fall within Class D of Schedule 3)".
  - **4.** After article 4(4)(b) of the 2001 Order insert the following sub-paragraph—
    - "(c) Persons referred to in paragraph (3) above who fall within Class D of Schedule 3 shall not distribute electricity for the purpose of giving a supply to domestic premises."

<sup>(1) 1989</sup> c. 29. Section 5 was substituted by section 29 of the Utilities Act 2000 c. 27.

<sup>(2)</sup> S.I. 2001/3270, as amended by S.I. 2005/488.

**5.** In Schedule 3 to the 2001 Order, after the paragraph entitled "Class C: Distribution to non-domestic consumers" insert—

#### "Class D: Offshore distributors

Persons (other than licensed distributors) who distribute electricity generated by an offshore generating station by means of a distribution system which is not used to convey electricity generated otherwise than by offshore generating stations.

## **D.1.** For the purposes of Class D—

"offshore generating station" means a generating station that is situated within an area of offshore waters; and

"offshore waters" means-

- (a) waters in or adjacent to Great Britain which are between the mean low water mark and the seaward limits of the territorial sea;
- (b) waters within an area designated under section 1(7) of the Continental Shelf Act 1964(3); and
- (c) waters within an area designated under section 84(4) of the Energy Act 2004(4).".

Parliamentary Under Secretary of State for Energy
Department of Trade and Industry

27th February 2007

<sup>(</sup>**3**) 1964 c.29.

<sup>(4) 2004</sup> c.20.

#### **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order amends Schedule 3 to the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001 (S.I. 2001/3270) to add a new class exemption from the requirement of section 4(1)(bb) of the Electricity Act 1989 (which prohibits the distribution of electricity without a licence). The new class exemption applies to those who are engaged in the activity of offshore distribution, that is those who distribute electricity generated by a generating station in offshore waters usually for the purposes of conveying it onshore.

Distributors who fall within the Class D exemption will be subject to the condition in article 4(4) (a) of the 2001 Order. This Order adds a further condition such that the exemption will not apply to offshore distributors who convey electricity directly to domestic premises.

A regulatory impact assessment is available and can be obtained from Katherine Watson, Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET. Copies have been placed in the libraries of both Houses of Parliament.