



Energy Act 2023

2023 CHAPTER 52

PART 1

LICENSING OF CARBON DIOXIDE TRANSPORT AND STORAGE

CHAPTER 4

SPECIAL ADMINISTRATION REGIME

Transport and storage administration orders

42 Transport and storage administration orders

- (1) A transport and storage administration order means an order which—
 - (a) is made by the court in relation to a company which holds a licence under section 7, and
 - (b) directs that, while the order is in force, the affairs, business and property of the company are to be managed by a person appointed by the court.
- (2) In this Chapter—
 - (a) a transport and storage administration order is referred to as a T&S administration order,
 - (b) a company which holds a licence under [section 7](#) is referred to as a T&S company, and
 - (c) the person appointed in relation to a T&S company for the purposes of a T&S administration order is referred to as the T&S administrator of the company.
- (3) The T&S administrator of a company must manage the company's affairs, business and property, and exercise and perform all the powers and duties of a T&S administrator, so as to achieve the objective set out in [section 43](#).
- (4) In relation to a T&S administration order applying to a non-GB company, references in this section to the affairs, business and property of the company are references only—

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- (a) to its affairs and business so far as carried on in Great Britain or a relevant controlled place, and
 - (b) to its property in Great Britain or a relevant controlled place.
- (5) In this section, “relevant controlled place” means a controlled place within the meaning of section 17(3) to (4) of the Energy Act 2008 other than a place—
- (a) in Great Britain,
 - (b) in Northern Ireland, or
 - (c) in, under or over so much of the internal waters and territorial sea of the United Kingdom as are adjacent to Northern Ireland.

Commencement Information

II S. 42 in force at 26.12.2023, see s. 334(3)(a)

43 Objective of a transport and storage administration

- (1) The objective of a transport and storage administration is to secure—
- (a) that the activities authorised by the licence of the T&S company to which the administration relates commence, or continue, in a manner which—
 - (i) is efficient and economical, and
 - (ii) ensures the safety and security of the transport and storage network, or the part of that network, to which the licence relates, and
 - (b) that it becomes unnecessary, by one or both of the following means, for the T&S administration order to remain in force for that purpose.
- (2) Those means are—
- (a) the rescue as a going concern of the company subject to the T&S administration order, and
 - (b) transfers falling within subsection (3).
- (3) A transfer falls within this subsection if it is a transfer as a going concern—
- (a) to another company, or
 - (b) as respects different parts of the undertaking of the company subject to the T&S administration order, to two or more different companies,
- of so much of that undertaking as it is appropriate to transfer for the purpose of achieving the objective of the transport and storage administration.
- (4) The means by which transfers falling within subsection (3) may be effected include, in particular—
- (a) a transfer of the undertaking of the company subject to the T&S administration order, or of a part of its undertaking, to a wholly-owned subsidiary of that company, and
 - (b) a transfer to a company of securities of a wholly-owned subsidiary to which there has been a transfer falling within paragraph (a).
- (5) The objective of a transport and storage administration may be achieved by a transfer falling within subsection (3) to the extent only that—
- (a) the rescue as a going concern of the company subject to the T&S administration order is not reasonably practicable or is not reasonably practicable without such a transfer,

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- (b) the rescue of that company as a going concern will not achieve that objective or will not do so without such a transfer,
 - (c) such a transfer would produce a result for the company's creditors as a whole that is better than the result that would be produced without it, or
 - (d) such a transfer would, without prejudicing the interests of those creditors as a whole, produce a result for the company's members as a whole that is better than the result that would be produced without it.
- (6) In [subsection \(1\)\(a\)](#)—
- (a) the reference to the activities authorised by the licence of the T&S company to which the administration relates includes a reference to any construction work or other activities needing to be carried out to commence those activities, and
 - (b) the reference to the safety and security of the transport and storage network, or the part of that network, to which the licence relates includes a reference to the safety and security of any infrastructure and facilities being constructed for that network, or that part of that network.

Commencement Information

I2 S. 43 in force at 26.12.2023, see [s. 334\(3\)\(a\)](#)

Changes to legislation:

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