

Draft Regulations laid before Parliament under section 6(8)(b) of the Energy Act 2013, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2023 No.

ELECTRICITY

The Electricity Supplier Obligations (Green Excluded Electricity) (Amendment) Regulations 2023

Made - - - - *****
Coming into force - - *1st April 2023*

The Secretary of State has consulted the persons listed in section 24(1) of the Energy Act 2013⁽¹⁾ (the “Act”) and has had regard to the matters in section 5(2) of the Act.

In accordance with section 6(8)(b) of the Act, a draft of this instrument was laid before, and approved by a resolution of, each House of Parliament.

Accordingly, the Secretary of State, in exercise of the powers conferred by sections 6(1) and (6), 9(1), (6)(b), and (7), 17, 19, 20 and 21(1) of the Act⁽²⁾, makes the following Regulations:

Citation and commencement

1.—(1) These Regulations may be cited as the Electricity Supplier Obligations (Green Excluded Electricity) (Amendment) Regulations 2023.

(2) These Regulations come into force on 1st April 2023.

Amendment of the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014

2.—(1) The Contracts for Difference (Electricity Supplier Obligations) Regulations 2014⁽³⁾ are amended as follows.

(2) In regulation 2(1)—

(a) after the definition of “connected agreement”, insert—

““EII excluded electricity” has the meaning given in regulation 2(1) of the Excluded Electricity Regulations;”;

(1) [2013 c. 32](#).

(2) Sections 6, 17 and 19 of the Act have been amended by section 18 of the Energy Prices Act 2022 (c. 44).

(3) [S.I. 2014/2014](#); relevant amending instruments are [S.I. 2015/721](#), [S.I. 2017/502](#) and [S.I. 2020/709](#).

- (b) omit the definitions of “excluded electricity”, “EII excluded electricity” and “green excluded electricity”(4).
- (3) In regulation 4—
- (a) in paragraph (1)—
- (i) for the formula, substitute—
- $$(GP - CP) \times \left[\frac{SDS - XE}{TDS - TE} \right]$$
- (ii) omit the definition of “GE”;
- (iii) omit the definition of “GT”;
- (b) omit paragraph (1A);
- (c) omit paragraph (1B).
- (4) In regulation 5, for the definition of “XEP” substitute—
- ““XEP” is the amount of EII excluded electricity supplied by that supplier in that period;”.

Amendment of the Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations 2015

- 3.—**(1) The Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations 2015(5) are amended as follows.
- (2) In regulation 2(1)—
- (a) omit the definition of “excluded electricity”;
- (b) omit the definition of “green excluded electricity”.
- (3) In Part 2, omit Chapter 1 (green excluded electricity).

Date

Name
Minister of State for Energy and Climate
Department for Business, Energy and Industrial
Strategy

(4) These definitions were inserted by S.I. 2015/721.

(5) S.I. 2015/721, amended by S.I. 2018/1092; there are other amending instruments but none is relevant.

EXPLANATORY NOTE

(This note is not part of the Regulations)

This instrument amends the Contracts for Difference (Electricity Supplier Obligations) Regulations [S.I. 2014/2014](#) (the “2014 Regulations”) and the Electricity Supplier Obligations (Amendment & Excluded Electricity) Regulations [S.I. 2015/721](#) (the “2015 Regulations”). Those Regulations make provision about the obligations of electricity suppliers to make payments to fund the Contracts for Difference (CFD) scheme under the Energy Act [2013 \(c. 32\)](#).

The 2014 Regulations and the 2015 Regulations made provision about green excluded electricity. This is electricity that is imported to Great Britain from an EU member State where that electricity is generated by a renewable generating station, which if located in Great Britain would have been potentially eligible to apply for support under a CFD. Such electricity was excluded from the calculation of electricity suppliers’ CFD daily and quarterly contributions under Part 2 of the 2014 Regulations (subject to a cap on the total amount of electricity which could be green excluded electricity in a quarter).

Regulation 2 of this instrument amends regulations 4 and 5 of the 2014 Regulations so that green excluded electricity is no longer excluded from the calculation of electricity suppliers’ CFD daily and quarterly contributions. The remaining amendments made by this instrument remove all other provisions in the 2014 Regulations and the 2015 Regulations which relate to green excluded electricity.

An explanatory memorandum is available with this instrument on www.legislation.gov.uk.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.