



# Utilities Act 2000

## 2000 CHAPTER 27

### PART V

#### AMENDMENT OF THE GAS ACT 1986

##### *Miscellaneous*

#### **98 Help for disadvantaged groups of gas customers**

After section 41 of the 1986 Act there is inserted—

##### *“Adjustment of charges*

#### **41A Adjustment of charges to help disadvantaged groups of customers**

- (1) If the Secretary of State considers that members of any group (a “disadvantaged group”) of customers of authorised suppliers are treated less favourably than other customers of theirs as respects charges for gas, he may make an order containing a scheme for the adjustment of charges for gas with a view to eliminating or reducing the less favourable treatment.
- (2) The scheme may include—
  - (a) provision for the adjustment of charges by authorised shippers or authorised transporters (as well as by suppliers); and
  - (b) in relation to charges payable to suppliers, provision for the adjustment of charges payable by customers who are not members of the disadvantaged group (as well as by persons who are).
- (3) The scheme shall—
  - (a) describe the disadvantaged group;
  - (b) specify the persons whose charges are covered by the scheme; and
  - (c) set out the basis of the adjustment of the charges.

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- (4) If the scheme does not relate to the whole of Great Britain, it shall specify the area or areas to which it relates.
- (5) The scheme may—
  - (a) require authorised suppliers, authorised shippers or authorised transporters to supply information of any specified description, in any specified form, to any other such persons; and
  - (b) provide for the modification of conditions of licences, for the purpose of facilitating the implementation of the scheme.
- (6) An order shall not be made under this section unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.

#### **41B Orders: supplementary**

- (1) Before making an order under section 41A, the Secretary of State shall give notice—
  - (a) stating that he proposes to make an order and setting out its effect;
  - (b) stating the reasons why he proposes to make the order; and
  - (c) specifying the time (not being less than 28 days from the date of publication of the notice) within which representations or objections with respect to the proposed order may be made,and shall consider any representations or objections which are duly made and not withdrawn.
- (2) The notice shall be given—
  - (a) by serving a copy of it on the persons whose charges are covered by the proposed order; and
  - (b) by publishing it in such manner as the Secretary of State considers appropriate for bringing the proposed order to the attention of other persons likely to be affected by it.
- (3) An order under section 41A shall continue in force for such period not exceeding three years as is specified in the order; but that does not prevent the making of another order to come into force at the end of that period.
- (4) The Secretary of State may by order require authorised suppliers, authorised shippers or authorised transporters to supply information of any specified description, in any specified form, to any other such persons for the purpose of enabling the making of an order under section 41A.
- (5) The Authority—
  - (a) shall monitor the effect of orders under section 41A and report its findings to the Secretary of State whenever he directs it to do so; and
  - (b) may require authorised suppliers, authorised shippers or authorised transporters to supply to the Authority, in any specified form, such information as it requires for carrying out that duty.
- (6) In section 41A references to customers do not include customers of a description excluded by an order made by the Secretary of State.

- (7) In this section and section 41A “authorised shipper” means a person authorised by a licence or exemption to arrange with any gas transporter for gas to be introduced into, conveyed by means of, or taken out of a pipe-line system operated by that transporter.”

## **99 Energy efficiency requirements for gas transporters and suppliers**

For section 33BB of the 1986 Act (promotion of efficient use of gas) there is substituted—

### **“33BC Promotion of the efficient use by consumers of gas**

- (1) The Secretary of State may by order impose—
- (a) on each gas transporter (or each gas transporter of a specified description); and
  - (b) on each gas supplier (or each gas supplier of a specified description), an obligation to achieve, within a specified period and in accordance with the order, the energy efficiency target to be determined by the Authority under the order for that transporter or supplier (and that obligation is referred to in this section as an “energy efficiency obligation”).
- (2) In this section “energy efficiency target” means a target for the promotion of improvements in energy efficiency, that is to say, efficiency in the use by consumers of gas conveyed through pipes, electricity or any other source of energy which is specified in the order.
- (3) An order under this section may specify criteria by reference to which the Authority is to determine energy efficiency targets for the gas transporters and gas suppliers on whom obligations are imposed by the order.
- (4) The Secretary of State and the Authority shall carry out their respective functions under this section in the manner he or it considers is best calculated to ensure that no gas transporter is unduly disadvantaged in competing with other gas transporters and no gas supplier is unduly disadvantaged in competing with other gas suppliers.
- (5) The order may make provision generally in relation to the energy efficiency obligations which it imposes, including in particular provision—
- (a) as to the treatment of persons who become gas transporters or gas suppliers after the beginning of the period to which the order relates;
  - (b) as to the action which qualifies for the purpose of meeting the whole or any part of an energy efficiency target;
  - (c) as to the method by which improvements in energy efficiency attributable to any qualifying action are to be assessed;
  - (d) requiring transporters and suppliers to give to the Authority specified information, or information of a specified nature, about their proposals for complying with their energy efficiency obligations;
  - (e) requiring the Authority to determine—
    - (i) whether any proposed action qualifies for the purpose of achieving the whole or any part of a person’s energy efficiency target; and

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- (ii) if so, what improvement in energy efficiency is to be attributed for that purpose to the proposed action or to any result of that action specified in the determination; and
  - (f) requiring transporters or suppliers to produce to the Authority evidence of a specified kind demonstrating that they have complied with their energy efficiency obligations.
- (6) The order may make provision authorising the Authority to require a transporter or supplier to provide it with specified information, or information of a specified nature, relating to—
- (a) his proposals for complying with his energy efficiency obligation; or
  - (b) the question whether he has complied with that obligation.
- (7) The order may make provision as to circumstances in which—
- (a) a person's energy efficiency target may be altered during the period to which the order relates;
  - (b) the whole or any part of a person's energy efficiency target may be treated as having been achieved by action taken otherwise than by or on behalf of that person;
  - (c) any action taken before the period to which the order relates may be treated as qualifying action taken during that period;
  - (d) the whole or any part of a person's energy efficiency target may be transferred to another gas transporter or gas supplier or to an electricity distributor or electricity supplier (within the meaning of Part I of the Electricity Act 1989); or
  - (e) a person may carry forward the whole or any part of his energy efficiency target for the period to which the order relates to a subsequent period.
- (8) The order may—
- (a) provide for exceptions from any requirement of the order;
  - (b) provide that any specified requirement contained in it is to be treated as a relevant requirement for the purposes of this Part;
  - (c) make supplementary, incidental and transitional provision; and
  - (d) subject to subsection (4), make different provision for different cases (including different provision in relation to different transporters or suppliers).
- (9) The order may include provision for treating the promotion of the supply to premises of—
- (a) electricity generated by a generating station which is operated for the purposes of producing heat, or a cooling effect, in association with electricity;
  - (b) heat produced in association with electricity or steam produced from (or air or water heated by) such heat; or
  - (c) any gas or liquid subjected to a cooling effect produced in association with electricity,
- as promotion of improvements in energy efficiency.
- (10) No person shall be required by virtue of this section to provide any information which he could not be compelled to give in evidence in civil proceedings in the High Court or, in Scotland, the Court of Session.

- (11) Before making an order under this section the Secretary of State shall consult the Authority, the Council, gas transporters and gas suppliers and such other persons as he considers appropriate.
- (12) An order under this section shall not be made unless a draft of the instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.”

## **100 Exercise of powers to make regulations**

For section 47(7) of the 1986 Act (power to make regulations to be exercisable by statutory instrument) there is substituted—

- “(7) Any power to make regulations conferred by this Part on the Secretary of State or the Authority shall be exercisable by statutory instrument.
- (8) Any statutory instrument containing regulations under this Part made by the Secretary of State shall, except as otherwise provided by this Act, be subject to annulment in pursuance of a resolution of either House of Parliament.”

## **101 Standards of gas quality**

After section 15A of the 1986 Act (billing disputes) there is inserted—

### **“16 Standards of gas quality**

- (1) The Authority may, with the consent of the Secretary of State, prescribe—
  - (a) standards of pressure and purity to be complied with by gas transporters in conveying gas to premises or to pipe-line systems operated by other gas transporters; and
  - (b) other standards with respect to the properties, condition and composition of gas so conveyed.
- (2) Before making any regulations under this section the Authority shall consult such persons and organisations as it considers appropriate and such gas transporters as appear to it to be affected by the regulations.
- (3) The Authority shall appoint competent and impartial persons for the purpose of—
  - (a) carrying out tests of gas, apparatus or equipment in accordance with regulations under this section; and
  - (b) assisting the Authority in exercising functions under this section and regulations made under it.
- (4) Regulations under this section may make provision—
  - (a) for requiring tests of gas conveyed by gas transporters to be carried out by persons appointed under subsection (3) or by gas transporters for the purpose of ascertaining whether the gas conforms with the standards prescribed by the regulations;
  - (b) for requiring such tests to be carried out on the basis of samples taken by persons appointed under subsection (3) or by gas transporters; and

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- (c) for requiring samples of gas taken under paragraph (b) to be provided by gas transporters for the purpose of carrying out such tests.
- (5) Regulations under this section may make provision—
- (a) for requiring such premises, apparatus and equipment as the Authority may direct to be provided and maintained by gas transporters for the purpose of carrying out tests required under subsection (4)(a);
  - (b) for requiring tests of apparatus and equipment so provided to be carried out by persons appointed under subsection (3); and
  - (c) for requiring gas transporters to carry out tests of apparatus and equipment so provided and maintained by them.
- (6) Regulations under this section may make provision—
- (a) as to the places or premises and the times at which, and the manner in which—
    - (i) tests under this section are to be carried out;
    - (ii) samples of gas are to be taken and provided under this section; and
    - (iii) results of tests under this section are to be notified or made available;
  - (b) for the Authority to require by direction any matter which may be required by regulations by virtue of paragraph (a);
  - (c) for persons representing the gas transporter concerned to be present during the carrying out of any tests carried out by persons appointed under subsection (3);
  - (d) for the results of tests under this section to be made available to other licence holders and to the public;
  - (e) for requiring gas transporters to notify the results of such tests carried out by them to the Authority or to any person appointed under subsection (3);
  - (f) for conferring powers of entry on property owned or occupied by gas transporters for the purpose of carrying out tests under this section and otherwise for the purposes of the regulations.
- (7) Subject to subsection (8), the Authority may by notice in writing require a gas transporter to give to the Authority, or to any person appointed by it for the purpose, within such time and at such place as may be specified in the notice, such information as the Authority may reasonably require for the purpose of making regulations under this section or of giving directions under such regulations.
- (8) A gas transporter shall not be required under subsection (7) to give any information which he could not be compelled to give in evidence in civil proceedings before the High Court or, in Scotland, the Court of Session.
- (9) Every person who is a gas transporter during any period shall pay to the Authority such proportion as the Authority may determine of such part of its expenses for that period as the Authority may determine to be attributable to its functions in connection with the testing of gas for the purposes of this section.
- (10) It shall be the duty of every gas transporter to conduct his business in such a way as can reasonably be expected to secure compliance with the standards set under subsection (1).”

## **102 Maximum prices for reselling gas**

In section 37 of the 1986 Act (maximum prices for reselling gas)—

- (a) in subsection (1), for “shall” (in the first place it appears) and “gas suppliers” there is substituted respectively “may” and “authorised suppliers”; and
- (b) in subsections (2) and (4) for “a gas supplier” there is substituted “an authorised supplier”.