

**2001 No. 335**

**ELECTRICITY**

**The Fossil Fuel Levy (Scotland) Amendment Regulations  
2001**

*Made* 2nd October 2001

*Laid before the Scottish Parliament* 2nd October 2001

*Coming into force* 3rd October 2001

The Scottish Ministers, in exercise of the powers conferred by sections 33 and 60 of the Electricity Act 1989(a) and all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Fossil Fuel Levy (Scotland) Amendment Regulations 2001 and shall come into force on 3rd October 2001.

**Interpretation**

2. In these Regulations “the principal Regulations” means the Fossil Fuel Levy (Scotland) Regulations 1996(b).

**Amendment of the principal Regulations**

3.—(1) The principal Regulations are amended in accordance with this regulation.

(2) In regulation 2 the definitions of “Director”, “licensed supplier” and “public electricity supplier” shall be substituted with the following definitions respectively:—

““Director” means the Gas and Electricity Markets Authority as defined in section 1 of the Utilities Act 2000;”;

““licensed supplier” means an electricity supplier as defined in section 6(9) of the Act (as inserted by section 30 of the Utilities Act 2000(c)) who supplies customers in Scotland;” and

““public electricity supplier” means a person who, prior to 1st October 2001 was authorised by licence to supply electricity under section 6(1)(c) of the Act (as that provision had effect immediately before the coming into force of section 30 of the Utilities Act 2000) and whose “authorised area” (as defined in section 6(9) of the Act as that provision had effect immediately before the coming into force of section 30 of the Utilities Act 2000) was wholly or mainly in Scotland;”.

(3) In regulation 2 the following definition shall be inserted after the definition of “relevant interest payments”:—

““supply successor company” means a person who became the holder of a supply licence under section 6(1)(d) of the Act on 1st October 2001 by virtue of a licensing scheme made in

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(a) 1989 c.29. Section 33 was amended by S.I. 2001/3269. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of the Scotland Act 1998 (Transfer of Functions to the Scottish Ministers etc.) Order 1999 (S.I. 1999/1750), Schedule 1.

(b) S.I. 1996/293 as amended by S.I. 1996/1512.

(c) 2000 c.27.

relation to a public electricity supplier under Part II of Schedule 7 to the Utilities Act 2000 or such other person who has become a supply successor company by virtue of article 6(3) of the Electricity from Non-Fossil Fuel Sources (Scotland) Saving Arrangements Order 2001(a);”.

(4) For regulation 5(2) substitute the following:–

“(2) The methods of calculating the total cost–

(a) to a supply successor company of purchasing electricity supplied by him during a qualifying month; and

(b) of generating that electricity in pursuance of qualifying arrangements, shall be the methods respectively set out in Part I of Schedule 3.”.

(5) In regulations 23(4), (6), (7), (7)(a), 26(3), 27(1) and (2), Schedule 2, Schedule 3 and Schedule 4 for the words “public electricity supplier” each time they appear there shall be substituted the words “supply successor company”.

(6) In Schedule 2 the definitions of “AA<sub>y</sub>” and “BB<sub>y</sub>” shall be substituted with the following definitions respectively:–

“AA<sub>y</sub> is the aggregate of the total costs calculated in relation to generating electricity in accordance with paragraph 2 of Schedule 3 in respect of period y;” and

“BB<sub>y</sub> is the aggregate total costs calculated in relation to generating electricity in accordance with paragraph 4 of Schedule 3 in respect of period y;”.

(7) In Schedule 3, Part I paragraph 2 for the words “The method of calculating” to “is given by the formula-” there shall be substituted the following:–

“The method of calculating the total cost of generating that electricity P supplied during qualifying months (n= any qualifying month in period y) which was generated in pursuance of qualifying arrangements (which, when combined with the like total cost attributable to every other generator, is expressed as AA<sub>y</sub> in paragraph 2 of Schedule 2) is given by the formula-”.

(8) In Schedule 3 Part II paragraph 4(1) for the words “The method of calculating” to “is given by the formula-” there shall be substituted the following:–

“The method of calculating what would have been the total cost (in pounds) of generating the electricity P mentioned in either paragraph 1 or paragraph 2 of this Schedule if that electricity had been generated by a fossil fuel generating station (which, when combined with the like total cost attributable to every other generator is expressed as BB<sub>y</sub> in paragraph 2 of Schedule 2) is given by the formula-”.

(9) In Schedule 4 paragraph 3(d) and (e) after the words “licensed supplier” there shall be inserted the words “, licensed transmitter or licensed distributor”.

#### **Transitional Arrangements for Public Electricity Suppliers**

4.—(1) For the purposes of any payments to or from public electricity suppliers (except payments required to be made by them pursuant to regulation 11 of the principal Regulations) the entitlement to which accrued prior to 1st October 2001 (whenever such payments are actually made), the principal Regulations shall continue to have effect as they did on 30th September 2001.

(2) The principal Regulations shall also continue to have effect as they did on 30th September 2001 in relation to any interest payments to be made to or from public electricity suppliers (save any interest payments relating to payments due to be made under regulation 11 of the principal Regulations) where the entitlement to such interest accrued after 1st October 2001 provided that such interest payments relate to payments the entitlement to which accrued prior to 1st October 2001.

St Andrews House,  
Edinburgh  
2nd October 2001

*RHONA BRANKIN*  
Authorised to sign by the Scottish Ministers

## EXPLANATORY NOTE

*(This note is not part of the Order)*

These Regulations amend the Fossil Fuel Levy (Scotland) Regulations 1996 (“the principal Regulations”) and come into force on 3rd October 2001.

Regulation 3 amends the principal Regulations to take account of the changes in the Electricity market with the commencement of part of the Utilities Act 2000. The definitions of the Director, licensed supplier and public electricity supplier are updated and there is inserted the definition of supply successor company.

There is no substantive change in the calculation of the Fossil Fuel Levy. Amendments are made to the formula in the principal Regulations to bring this into line with the changes made under the Electricity from Non- Fossil Fuel Sources (Scotland) Savings Arrangements Order 2001.

£1.75

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under the authority and superintendence of Carol Tullo, the Queen's Printer for Scotland  
200 10/01 19593

