

Draft Regulations laid before Parliament under sections 6(8) and 40(5) of the Energy Act 2013, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2021 No.

ELECTRICITY

**The Electricity Supplier Payments
(Amendment) Regulations 2021**

*Made - - - - - ***
Coming into force in accordance with regulation 1(2)*

The Secretary of State has before making these Regulations—

- (a) consulted the persons listed in sections 24(1)(a) to (g) and 40(2)(a) and (b) of the Energy Act 2013⁽¹⁾ (“the 2013 Act”) and such other persons as the Secretary of State considered it appropriate to consult; and
- (b) had regard to the matters in section 5(2) of the 2013 Act.

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 6(1) and (6), 9(1) and (2), 27, 30 and 40(1) of the 2013 Act.

In accordance with sections 6(8) and 40(5) of the 2013 Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation and commencement

1.—(1) These Regulations may be cited as the Electricity Supplier Payments (Amendment) Regulations 2021.

(2) These Regulations come into force on the day after the day on which these Regulations are made, except for regulation 2 which comes into force on 1st April 2021.

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

2. In paragraph (7)(a) of regulation 23 of the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014⁽²⁾—

- (a) omit paragraphs (i) and (ii);

(1) 2013 c.32.

(2) S.I. 2014/2014; relevant amending instruments are S.I 2015/721, 2016/363, 2017/502 and 2018/449.

- (b) renumber paragraph (iii) as paragraph (i);
- (c) in paragraph (i) as so renumbered, omit “or during any subsequent operational cost period; and”; and
- (d) after paragraph (i) as so renumbered, insert—
 - “(ii) £0.0760 per megawatt hour for any day during the operational cost period that begins on 1st April 2021 or during any subsequent operational cost period; and”.

Amendments to the Electricity Capacity (Supplier Payment etc.) Regulations 2014

3.—(1) In paragraph (2) of regulation 9 of the Electricity Capacity (Supplier Payment etc.) Regulations 2014⁽³⁾ (“the Supplier Payment Regulations”), for “as follows—” and sub-paragraphs (a), (b) and (c), substitute “£7,472,000 where year Y is the relevant financial year commencing in 2021 or any subsequent financial year.”.

(2) Paragraph (1) does not apply in respect of any financial year commencing before 2021.

(3) In paragraph (2) “financial year” has the same meaning as in regulation 2(1) of the Supplier Payment Regulations.

Date

Name
Minister for Business, Energy and Clean Growth
Department for Business, Energy and Industrial
Strategy

(3) [S.I. 2014/3354](#); relevant amending instruments are [S.I. 2015/875](#), [2016/363](#), [2017/502](#) and [2018/449](#).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014 (S.I. 2014/2014) (the “ESO Regulations”), and the Electricity Capacity (Supplier Payment etc.) Regulations 2014 (S.I. 2014/3354) (the “Supplier Payment Regulations”).

This instrument makes the following changes. Firstly, regulation 2 sets the rate for the operational costs levy in the ESO Regulations from 1st April 2021. Secondly, regulation 3 provides a revised figure for the settlement costs levy in regulation 9(2) of the Supplier Payment Regulations from 1st April 2021. The revised figure does not apply in respect of any financial year commencing before 2021. A financial year for this purpose means a period of one year commencing with 1st April, as defined in the Supplier Payment Regulations.

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