



# CHAPTER 44

# GAS ACT 1986

# PART I

### GAS SUPPLY

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- 1 The Director General of Gas Supply.
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- 3 Abolition of Corporation's special privilege.
- 4AA The principal objective and general duties of the Secretary of State and the Authority.
- 4AB Guidance on social and environmental matters.
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- 6 Exception to section 5.
- 6A Exemptions from prohibition.
- 7 Licensing of public gas transporters.
- 7A Licensing of gas suppliers and gas shippers.
- 7B Licences: general.
- 8 Standard conditions of licences.
- 8AA Assignment of licences.
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The gas code

8B The gas code.

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- 15B Promotion of efficient use of gas.

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- 19C Application of section 19D to LNG facilities.
- 19D Acquisition of rights to use LNG facilities.
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- 24A References under section 24: time limits
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- 25 Reports on modification references.
- 26 Modification following report.
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- 32A Preliminary investigation by Council of certain disputes.
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- 33A Standards of performance in individual cases.
- 33AA Standards of performance in individual cases: gas transporters.
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- 33B Overall standards of performance.
- 33BA Overall standards of performance: gas transporters.
- 33BAA Procedures for prescribing or determining standards of performance.
- 33BC Promotion of the efficient use by consumers of gas.
- 33BB Standards for promoting efficient use of gas.
- 33C Information with respect to levels of performance.
- 33D Information to be given to customers about overall performance.
- 33DA Publication of statistical information about standards of performance.
  - 33E Procedures for dealing with complaints.

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33F Remuneration and service standards.

#### Other functions of Director

- 34 General functions.
- 35 Publication of advice and information about consumer matters.
- 36 Keeping of register.
- 36A Functions with respect to competition.
- 36B Functions with respect to gas measuring equipment etc.
- 37 Maximum prices for reselling gas.
- 38 Power to require information etc.
- 38A Duty to consider representations and give reasons.
- 39 Annual and other reports.

### Other functions of Council

- 40 General duty to advise Director.
- 41 Annual reports.

### Adjustment of charges

- 41A Adjustment of charges to help disadvantaged groups of customers.
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#### Alteration of activities requiring licence

- 41C Power to alter activities requiring licence.
- 41D Application by Authority for order including new activities.
- 41E References to Competition Commission.
- 41EA References under section 41E: time limits
- 41EB References under section 41E: application of Enterprise Act 2002
  - 41F Reports on references.
  - 41G Application by Authority for order excluding activities.
  - 41H Consultation by Secretary of State about order excluding activities.
  - 411 Service by Authority of certain notices on Council.

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- 42 General restrictions on disclosure of information.
- 43 Making of false statements etc.
- 44 Compensation to chairmen and officers of Consumers' Councils.

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- 45 Offences by bodies corporate.
- 46 Service of notices etc.
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### PART II

#### TRANSFER OF UNDERTAKING OF CORPORATION

- 49 Vesting of property etc. of Corporation in a company nominated by the Secretary of State.
- 50 British Gas Stock.
- 51 Initial Government holding in the successor company.
- 52 Government investment in securities of the successor company.
- 53 Exercise of functions through nominees.
- 54 Target investment limit for Government shareholding.
- 55 Financial structure of the successor company.
- 56 Temporary restrictions on successor company's borrowings etc.
- 57 Dissolution of the Corporation.
- 58 .....
- 59 Application of Trustee Investments Act 1961 in relation to investment in the successor company.
- 60 Tax provisions.
- 61 Interpretation etc. of Part II.

#### PART III

#### MISCELLANEOUS AND GENERAL

- 62 Exclusion of certain agreements from Restrictive Trade Practices Act 1976.
- 63 Restrictions on use of certain information.
- 64 Provisions as to orders.
- 65 Financial provisions.
- 66 General interpretation.
- 67 Amendments, transitional provisions, savings and repeals.

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68 Short title, commencement and extent.

#### Gas Act 1986

SCHEDULE 1 — Director General of Gas Supply

- 1 There shall be paid to the Director such remuneration, and...
- 2 In the case of any such holder of the office...
- 3 If, when any person ceases to hold office as the...
- 4 The Director may, with the approval of the Treasury as...
- 5 There shall be paid out of money provided by Parliament...
- 6 .....
- 7 In the House of Commons Disqualification Act 1975 in Part...
- 8 The Director shall have an official seal for the authentication...
- 9 The Documentary Evidence Act 1868 shall have effect as if...
- 10 Anything authorised or required by or under this Act to...

#### SCHEDULE 2 —

- 1 The Council shall not be regarded as a servant or...
- 2 The Council may pay to any member such sums, whether...
- 3 (1) Subject to sub-paragraph (2) below, the Council may, with...
- 4 The Council shall have power to do anything which is...
- 5 It shall be the duty of the Council to comply...
- 6 The Secretary of State or the Director may, to such...
- 7 Any sums required by the Secretary of State for the...
- 8 In the House of Commons Disqualification Act 1975 in Part...

SCHEDULE 2A — Exceptions to prohibition on unlicensed activities

#### Conveyance or supply by landlords etc.

1 Section 5(1) of this Act is not contravened by a...

#### *Conveyance or supply to associated companies*

2 Section 5(1) of this Act is not contravened by a...

#### *Conveyance or supply of propane or butane*

3 (1) Section 5(1) of this Act is not contravened by...

### Conveyance for supply to large consumers

4 Section 5(1) of this Act is not contravened by a...

#### Supply to very large consumers

- 5 (1) Sub-paragraph (2) below applies where a person (in this...
- SCHEDULE 2B The gas code

### Preliminary

1 (1) In this Schedule, unless the context otherwise requires— "the...

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Consumption of gas to be ascertained by meter 2 (1) Every consumer shall take his supply through a meter—... *Meters to be kept in proper order* (1) Every consumer shall at all times, at his own... 3 Meter as evidence of quantity of gas supplied (1) This paragraph applies where a consumer is supplied with... 4 Installation of meters in new premises etc. (1) This paragraph applies where a meter is to be... 5 Meters for disabled persons 6 Where, in the case of any consumer, the public gas... Use of pre-payment meters 6A A pre-payment meter installed by an authorised supplier on any... Recovery of gas charges etc. 7 (1) Sub-paragraphs (3) and (4) below apply where— Deemed contracts in certain cases (1) Where a gas supplier supplies gas to a consumer... 8 Supplies of gas illegally taken 9 (1) Where any person takes a supply of gas which... Injury to gas fittings and interference with meters 10 (1) If any person intentionally or by culpable negligence— Restoration of supply without consent 11 (1) Where a consumer's premises have been disconnected by a... Failure to notify connection or disconnection of service pipe 12 (1) No person shall connect any meter with a service... Failure to notify disconnection of meter 13 (1) Subject to sub-paragraph (2) below, this paragraph applies where... Failure to maintain shipping arrangements 14 (1) Where— (a) any arrangements for the conveyance of gas... Maintenance etc. of service pipes

15 (1) A public gas transporter shall carry out any necessary...

	Alterations etc. of burners on change of calorific value	
16	(1) This paragraph applies where there is a change in	
	Use of antifluctuators and valves	
17	(1) Where a consumer uses gas for working or supplying	
	Improper use of gas	
18	If a consumer improperly uses or deals with gas so	
	No obligation to restore supply where consumer in default	
19	(1) This paragraph applies where— (a) a consumer's premises have	
	Notified escapes of gas	
20		
	Suspected escapes of gas	
21		
	Entry for preventing escapes of gas etc.	
22		
	Entry during continuance of supply	
23	(1) Any officer authorised by a public gas transporter may	
	Entry on discontinuance of supply	
24	(1) This paragraph applies where— (a) a public gas transporter	
	Entry following discontinuance of supply	
25	(1) This paragraph applies where a consumer's premises have been	
	Entry for removing fittings and meters	
26	(1) This paragraph applies where— (a) a person occupying premises	
	Entry for replacing, repairing or altering pipes	
27	(1) Any officer authorised by a public gas transporter, after	
	Provisions as to powers of entry	
28	(1) No officer shall be authorised by a public gas	
	Gas meters and fittings not to be subject to distress	
29	(1) Any gas meter which is connected to a service	
SCHEDULE 3 — Acquisition of Land by Public Gas Suppliers		
1	Part I — POWERS OF ACQUISITION ETC. (1) The Secretary of State, after consultation with the Director,	

2 (1) This paragraph applies to land which—

3 Where a public gas transporter has acquired any land by... Part II — PROCEDURE, COMPENSATION ETC. (ENGLAND AND WALES)

### Application of Acquisition of Land Act 1981 generally

4 The Acquisition of Land Act 1981 shall apply to a...

New rights: general adaptation of Compulsory Purchase Act 1965

5 The Compulsory Purchase Act 1965 shall have effect with the...

#### New rights: specific adaptations of Act of 1965

- 6 Without prejudice to the generality of paragraph 5 above, Part...
- 7 For section 7 of that Act (measure of compensation) there...
- 8 For subsection (1) of section 8 of that Act (protection...
- 9 The following provisions of that Act (being provisions stating the...
- 10 Section 11 of that Act (powers of entry) shall be...
- 11 Section 20 of that Act (protection for interests of tenants...
- 12 Section 22 of that Act (protection of acquiring authority's possession...

#### New rights: compensation

13 The enactments in force in England and Wales with respect... Part III — PROCEDURE, COMPENSATION ETC. (SCOTLAND)

Application of Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 generally

14 The Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 shall...

New rights: general application of Act of 1947 and incorporated enactments

15 The enactments incorporated with this Act by virtue of Part...

#### New rights: specific adaptations of Act of 1947

- 16 Without prejudice to the generality of paragraph 15 above, Part...
- 17 In paragraph 9 of that Schedule (compulsory purchase affecting land...
- 18 In paragraph 10 of that Schedule (land of statutory undertakers)—...
- 19 In paragraph 11 of that Schedule (common or open space),...
- 20 In paragraph 12 of that Schedule, for the words "the...
- 21 Paragraph 10 above shall have effect in relation to the...
- 22 For paragraph 4 of the Second Schedule to the said...

#### Restrictions on application of paragraphs 15 to 20 above

23 So much of paragraph 15 above as relates to the...

#### New Rights: specific adaptions of Lands Clauses Consolidation (Scotland) Act 1845

- 24 For section 61 of the Lands Clauses Consolidation (Scotland) Act...
- 25 The following provisions of that Act (being provisions stating the...
- 26 Paragraph 11 above shall have effect in relation to that...
- 27 Paragraph 12 above shall have effect in relation to that...

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#### New rights: compensation

- 28 Paragraph 13 above shall have effect in relation to Scotland...
- 29 This Part of this Schedule shall extend to Scotland only....

SCHEDULE 4 — Power of Public Gas Suppliers to Break Up Streets, Bridges Etc.

- 1 (1) Subject to the following provisions of this Schedule, a...
- 2 (1) The powers of a public gas transporter under paragraph...
- 3 (1) Subject to sub-paragraph (2) below, nothing in paragraph 1...
- 4 (1) Except in cases of emergency arising from defects in...
- 5 (1) The powers conferred by paragraph 1 above shall be...
- 6 In this Schedule— . . . "navigation authority" means any...
- 7 In its application to Scotland this Schedule shall have effect...

SCHEDULE 5 —

### Part I — SUPPLY OF GAS TO TARIFF CUSTOMERS

Maintenance etc. of service pipes

1 A public gas supplier shall carry out any necessary work...

Alterations etc. of burners on change of calorific value

2 It shall be the duty of a public gas supplier,...

*Consumption of gas to be ascertained by meter* 

3 (1) Every tariff customer of a public gas supplier shall,...

Meters to be kept in proper order

4 (1) Every tariff customer shall at all times, at his...

Meter as evidence of quantity of gas supplied

5 (1) Subject to sub-paragraph (2) below, where gas is supplied...

Installation of meters in new premises

6 (1) This paragraph applies where a meter is to be...

Recovery of gas charges etc.

7 (1) A public gas supplier may recover from a tariff... Part II — SUPPLY OF GAS TO TARIFF CUSTOMERS AND OTHERS

Use of antifluctuators and valves

8 (1) Where a person supplied with gas by a public...

#### Improper use of gas

9 If any person supplied with gas by a public gas...

Injury to gas fittings and interference with meters

10 (1) If any person intentionally or by culpable negligence—

Restoration of supply without consent

11 (1) Where a supply of gas to any premises has...

Failure to notify connection or disconnection of service pipe

12 (1) No person shall connect any meter with a service...

Prevention of escapes of gas

13 (1) Where any gas escapes from any pipe of a...

Information as to escapes of gas

14 It shall be the duty of a public gas supplier...

Entry during continuance of supply

15 (1) Any officer authorised by a public gas supplier may...

Entry on discontinuance of supply

16 (1) Where— (a) a public gas supplier is authorised by...

Entry for replacing, repairing or altering pipes

17 (1) Any officer authorised by a public gas supplier, after...

Provisions as to powers of entry

18 (1) Where in pursuance of any powers of entry conferred...

Gas fittings not to be subject to distress

19 (1) Any gas fittings let for hire or lent to...

SCHEDULE 6 -

- 1 (1) In subsection (1) of section 1 of the Gas...
- 2 No order shall be made under section 2(3) of that...
- 3 For section 3 of that Act there shall be substituted...
- 4 (1) In subsection (1) of section 4 of that Act—...
- 5 (1) In subsection (1) of section 5 of that Act—...
- 6 After section 5 of that Act there shall be inserted...
- 7 (1) In subsection (2) of section 6 of that Act...
- 8 In section 7(2) of that Act for the definition of...

SCHEDULE 7 — Minor And Consequential Amendments

### Interpretation

1 In this Schedule "public gas supplier" has the same meaning...

Enactments relating to statutory undertakers etc.

2	 
8	
12	

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31	· · · · · · · · · · · · · · · · · · ·
	The Rights of Entry (Gas and Electricity Boards) Act 1954
4	
	The Pipe-lines Act 1962
5 6	(1) The Gas Act 1965— (a) shall have effect without
	The Local Government (Scotland) Act 1966
7	
	The Transport Act 1968
9	In section 109(2) of the Transport Act 1968 (power of
	The Post Office Act 1969
10	
	The Chronically Sick and Disabled Persons Act 1970
11	In section 14(1) of the Chronically Sick and Disabled Persons
	The Town and Country Planning (Scotland) Act 1972
13	
	The Land Compensation Act 1973
14	(1) In section 44(2) of the Land Compensation Act 1973
	The Fair Trading Act 1973
15	(1) The Director General of Fair Trading shall consult with
	The Land Compensation (Scotland) Act 1973
16	(1) In section 41(2) of the Land Compensation (Scotland) Act
	The Local Government Act 1974
17	
	The Health and Safety at Work etc. Act 1974
18	At the end of section 34 of the Health and
	The Consumer Credit Act 1974
19	In section 174(3)(a) of the Consumer Credit Act 1974 (exceptions
	The Oil Taxation Act 1975
20	

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	The Local Government (Scotland) Act 1975
21	In Schedule 1 to the Local Government (Scotland) Act 1975
	The Coal Industry Act 1975
22	
	The Restrictive Trade Practices Act 1976
23	In section 41(1)(a) of the Restrictive Trade Practices Act 1976
	The Local Government (Miscellaneous Provisions) Act 1976
24	In section 33 of the Local Government (Miscellaneous Provisions) Act
	The Land Drainage Act 1976
25	In section 112(2)(a) of the Land Drainage Act 1976 (protection
	The Energy Act 1976
26	(1) In section 9(1) of the Energy Act 1976 (liquefaction
	The Estate Agents Act 1979
27	In section 10(3)(a) of the Estate Agents Act 1979 (exceptions
	The Competition Act 1980
28	(1) In subsection (2)(a) of section 19 of the Competition
	The Acquisition of Land Act 1981
29	In section 28 of the Acquisition of Land Act 1981
	The Building Act 1984
30	In section 80(3) of the Building Act 1984 (notice to
	The Bankruptcy (Scotland) Act 1985
32	In section 70(4)(a) of the Bankruptcy (Scotland) Act 1985 (supplies
SC	CHEDULE 8 — Transitional Provisions and Savings Part I — PROVISIONS AND SAVINGS COMING INTO FORCE ON APPOINTED DAY
1 2 3 4 5 6 7 8 9 10	<ul> <li>(1) A notification received or given by the Secretary of</li> <li>A consent given or having effect as if given under</li> <li>Any regulations made under section 25 of the 1972 Act</li> <li>Any regulations made or having effect as if made under</li> <li>Any meter which immediately before the appointed day is, or</li> <li>(1) This paragraph applies to any regulations made or having</li> <li>(1) A direction given by the Secretary of State under</li> <li>(1) A notice given to the Secretary of State under</li> <li>(1) A notice given by the Secretary of State under</li> <li>A direction given by the Secretary of State under</li> <li>A my maximum prices fixed by the Corporation under paragraph 12</li> </ul>

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- 11 Any office fixed or address published before the appointed day...
- 12 (1) Where immediately before the appointed day there is in...
- 13 Where— (a) any sum was deposited with the Corporation by...
- 14 The repeal by this Act of section 43 of the...
- 15 The repeal by this Act of section 46 of the...
- 16 The repeal by this Act of Schedule 4 to the...
- 17 The repeal by this Act of any provision by virtue...

#### Part II — PROVISIONS AND SAVINGS COMING INTO FORCE ON TRANSFER DATE

- 18 An authorisation granted under section 7 of this Act to...
- 19 A declaration made by the Corporation in accordance with regulations...
- 20 A tariff fixed, or having effect as fixed, under section...
- 21 A direction given, or having effect as if given, under...
- 22 (1) A notice given, or having effect as if given,...
- 23 A direction given, or having effect as if given, under...
- 24 Any office fixed or address published by the Corporation for...
- 25 A direction given under section 63 of this Act to...
- 26 A compulsory purchase order made by the Corporation which was...
- 27 (1) Where immediately before the transfer date there is in...
- 28 (1) Any agreement made, transaction effected or other thing done...
- 29 It is hereby declared for the avoidance of doubt that—...
- 30 (1) Any certificate issued or other thing done in pursuance...
- 31 (1) It shall be the duty of the Corporation and...
- 32 (1) Notwithstanding the repeal by this Act of section 8...
- 33 Where by virtue of anything done before the transfer date,...
- 34 Every provision contained in a local Act, or in subordinate...
- 35 (1) Nothing in this Act shall effect the validity of...
- 36 (1) For the purposes of section 33 of the General...
- 37 (1) Where an asset, or the right to receive an...
- 38 An order under section 19 of the Local Government Act...
- 39 An order under section 6 of the Local Government (Scotland)...
- 40 The repeal by this Act of section 10 of and...
- 41 (1) Where a distribution is proposed to be declared during...

SCHEDULE 9 — Repeals

- Part I REPEALS COMING INTO FORCE ON APPOINTED DAY
- Part II REPEALS COMING INTO FORCE ON TRANSFER DATE
- Part III REPEALS COMING INTO FORCE ON DISSOLUTION OF BRITISH GAS CORPORATION

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