



Energy Act 2004

2004 CHAPTER 20

PART 3

ENERGY REGULATION

CHAPTER 4

FURTHER PROVISIONS ABOUT REGULATION

Security of supply

172 Annual report on security of energy supplies

- (1) The Secretary of State must, in 2005 and in every subsequent calendar year—
 - (a) publish a report dealing, as regards both the short term and the long term, with the availability of electricity and gas for meeting the reasonable demands of consumers in Great Britain; and
 - (b) lay that report before Parliament.
- (2) The report must include, in particular, overall assessments, as regards both the short term and the long term, of each of the following—
 - (a) generating capacity in Great Britain and its offshore waters so far as it will be utilised for generating electricity for introduction into transmission systems in Great Britain;
 - (b) the availability of capacity in those systems and in distribution systems in Great Britain for transmitting and distributing electricity for supply to consumers in Great Britain;
 - (c) the availability of capacity in infrastructure in Great Britain for use in connection with the introduction of gas into licensed pipe-line systems in Great Britain; and
 - (d) the availability of capacity in those systems for conveying gas to consumers in Great Britain.

Status: Point in time view as at 26/10/2023.

Changes to legislation: Energy Act 2004, Cross Heading: Security of supply is up to date with all changes known to be in force on or before 29 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- [^{F1}(2A) In 2012 and in every subsequent calendar year the report must also include, in particular, as regards each of the assessment periods, an assessment by the Secretary of State of what electricity supply capacity is required.
- (2B) For the purposes of subsection (2A) the electricity supply capacity required is the capacity required for the purpose of meeting the demands of consumers for the supply of electricity in Great Britain, including spare capacity to allow for unexpected demands or unexpected loss of capacity.
- (2C) The assessment periods, in relation to a report under subsection (1), are—
- (a) each of the four calendar years immediately following the year of the report; or
 - (b) any other periods that the Secretary of State specifies by order.
- (2D) An assessment by virtue of subsection (2A) must take into account, in particular—
- (a) the generation of electricity;
 - (b) the operation of electricity interconnectors;
 - (c) the storage of electricity;
 - (d) the extent to which the available capacity of a generating station is likely to be lower than its maximum possible capacity due to routine maintenance, weather conditions or any other expected limitation on its operation;
 - (e) demand side response.]

(3) The report [^{F2}, other than the assessment by virtue of subsection (2A),] must be prepared jointly by the Secretary of State and GEMA.

[^{F3}(3A) An order under this section is subject to the negative resolution procedure.]

(4) In this section—

“consumers” includes both existing and future consumers;

[^{F4}“demand side response” means the cessation of, or a reduction in, the provision of electricity to a person at times of high demand, by agreement with the person;]

“distributing”, “distribution system”, [^{F5}“electricity interconnector”, “generating station”, “generation”, “supply,”] “transmission system” and “transmitting” have the same meanings as in Part 1 of the 1989 Act;

“gas” and “gas transporter” have the same meanings as in Part 1 of the Gas Act 1986 (c. 44);

“infrastructure” includes pipe-line systems, terminals and other facilities but does not include licensed pipe-line systems;

“licensed pipe-line system” means a pipe-line system that is operated by a gas transporter for the conveyance of gas to any premises or another pipe-line system as authorised by his licence under section 7 of that Act;

“offshore waters” means, in relation to Great Britain—

 - (a) so much of the territorial sea of the United Kingdom as is adjacent to Great Britain; and
 - (b) waters in a Renewable Energy Zone (within the meaning of Chapter 2 of Part 2 of this Act).

Textual Amendments

F1 S. 172(2A)-(2D) inserted (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 80(2)**, 121(3)

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- F2** Words in s. 172(3) inserted (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 80(3)**, 121(3)
- F3** S. 172(3A) inserted (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 80(4)**, 121(3)
- F4** Words in s. 172(4) inserted (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 80(5)(a)**, 121(3)
- F5** Words in s. 172(4) inserted (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 80(5)(b)**, 121(3)

Modifications etc. (not altering text)

- C1** S. 172: power to amend conferred (18.12.2013) by [Energy Act 2013 \(c. 32\)](#), **ss. 38(b)**, 156(3)
- C2** [Ss. 171-196](#) power to apply (with modifications) conferred (26.10.2023) by [Energy Act 2023 \(c. 52\)](#), s. 334(2)(l), **Sch. 18 para. 50**

Commencement Information

- I1** S. 172 in force at 5.10.2004 by [S.I. 2004/2575](#), art. 2(1), **Sch. 1**

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