



Energy Act 2004

2004 CHAPTER 20

PART 3

ENERGY REGULATION

CHAPTER 3

SPECIAL ADMINISTRATION REGIME FOR ENERGY LICENSEES

Energy administration orders

157 Powers of court

- (1) On hearing an application for an energy administration order, the court has the following powers—
 - (a) it may make the order;
 - (b) it may dismiss the application;
 - (c) it may adjourn the hearing conditionally or unconditionally;
 - (d) it may make an interim order;
 - (e) it may treat the application as a winding-up petition and make any order the court could make under section 125 of the 1986 Act (power of court on hearing winding-up petition);
 - (f) it may make any other order which the court thinks appropriate.
- (2) The court may make an energy administration order in relation to a company only if it is satisfied—
 - (a) that the company is unable to pay its debts;
 - (b) that it is likely to be unable to pay its debts; or
 - (c) that, on a petition by the Secretary of State under section 124A of the 1986 Act (petition for winding up on grounds of public interest), it would be just and

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equitable (disregarding the objective of the energy administration) to wind up the company in the public interest.

- (3) The court must not make an energy administration order in relation to a company on the ground set out in subsection (2)(c) unless the Secretary of State has certified to the court that the case is one in which he considers (disregarding the objective of the energy administration) that it would be appropriate for him to petition under section 124A of the 1986 Act.
- (4) The court has no power to make an energy administration order in relation to a company which—
 - (a) is in administration under Schedule B1 to the 1986 Act; or
 - (b) has gone into liquidation (within the meaning of section 247(2) of that Act).
- (5) An energy administration order comes into force—
 - (a) at the time appointed by the court; or
 - (b) if no time is so appointed, when the order is made.
- (6) An interim order under subsection (1)(d) may, in particular—
 - (a) restrict the exercise of a power of the company or of its directors; or
 - (b) make provision conferring a discretion on a person qualified to act as an insolvency practitioner in relation to the company.
- (7) Where the company in relation to which an application is made is a non-GB company, the reference in subsection (6)(a) to restricting the exercise of a power of the company or of its directors is a reference only to restricting the exercise of such a power—
 - (a) within Great Britain; or
 - (b) in relation to the company's affairs or business so far as carried on in Great Britain, or to its property in Great Britain.
- (8) For the purposes of this section a company is unable to pay its debts if—
 - (a) it is a company which is deemed to be so unable under section 123 of the 1986 Act (definition of inability to pay debts); or
 - (b) it is an unregistered company which is deemed, by virtue of any of sections 222 to 224 of that Act, to be so unable for the purposes of section 221 of that Act (winding-up of unregistered companies), or which would be so deemed if it were an unregistered company for the purposes of those sections.

Modifications etc. (not altering text)

- C1** Pt. 3 Ch. 3: power to modify conferred (31.3.2022 for specified purposes, 1.6.2022 in so far as not already in force) by [Nuclear Energy \(Financing\) Act 2022 \(c. 15\)](#), **ss. 38, 44(1)(c)(2)(c)**
- C2** Pt. 3 Ch. 3 power to apply and modify conferred (26.12.2023) by [Energy Act 2023 \(c. 52\)](#), **ss. 48, 334(3)(a)**
- C3** Ss. 154-171 modified (1.10.2005) by [Energy Administration Rules 2005 \(S.I. 2005/2483\)](#), **rules 1, 184** (with **rules 3, 187**)
- C4** Ss. 156-167 applied (with modifications) (18.12.2011) by [Energy Act 2011 \(c. 16\)](#), **ss. 96(1)-(4), 121(3)**
- C5** Ss. 154-171 modified (7.6.2013) by [The Energy Supply Company Administration Rules 2013 \(S.I. 2013/1046\)](#), **rules 1, 205(2)-(4)** (with **rules 3, 208**)
- C6** Ss. 156-167 applied (with modifications) (23.7.2018) by [Smart Meters Act 2018 \(c. 14\)](#), **ss. 4(1)-(4), 14(5)**

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- C7** Ss. 154-171 modified (E.W.) (1.8.2020) by [The Smart Meter Communication Licensee Administration \(England and Wales\) Rules 2020 \(S.I. 2020/629\)](#), rules 1, **3(2)-(4)** (with rule 4(1))
- C8** Ss. 156-167 applied (with modifications) (31.3.2022 for specified purposes, 1.6.2022 in so far as not already in force) by [Nuclear Energy \(Financing\) Act 2022 \(c. 15\)](#), **ss. 33(1)-(5)**, 44(1)(c)(2)(c)
- C9** Ss. 156-167 power to apply (with modifications) conferred (26.10.2023) by [Energy Act 2023 \(c. 52\)](#), s. 334(2)(1), **Sch. 18 para. 50**
- C10** Ss. 156-167 applied (with modifications) (26.12.2023) by [Energy Act 2023 \(c. 52\)](#), **ss. 44**, 334(3)(a)

Commencement Information

- I1** S. 157 in force at 5.10.2004 by [S.I. 2004/2575](#), art. 2(1), **Sch. 1**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 88(1)(a) words substituted by [S.I. 2024/706 reg. 7\(a\)](#)
- s. 137(3)(c)-(e) inserted by [2011 c. 16 s. 117\(b\)](#)
- s. 173(2C) inserted by [2023 c. 52 Sch. 14 para. 10](#)
- Sch. 22 para. 4(1A) inserted by [2023 c. 52 Sch. 14 para. 11\(2\)\(b\)](#)