



Climate Change and Sustainable Energy Act 2006

2006 CHAPTER 19

Community energy and renewable heat

19 Promotion of community energy projects

- (1) It shall be the duty of the Secretary of State to take such steps as he considers appropriate to promote community energy projects.
- (2) In the exercise of his duty under subsection (1), the Secretary of State shall have regard to the desirability of promoting—
 - (a) schemes whose purpose or effect is the promotion of community energy projects,
 - (b) investment by others in such schemes and community energy projects, and
 - (c) the provision of advice and assistance (whether by public authorities or any other persons) to persons establishing and operating, or proposing to establish and operate, community energy projects.
- (3) In this section—
 - “community energy project” means—
 - (a) the use of relevant plant for a community purpose,
 - (b) the installation of relevant plant for use for a community purpose, or
 - (c) the adaptation of any plant for use as relevant plant for a community purpose;
 - “community purpose” means the purpose of—
 - (a) generating electricity for consumption wholly or mainly in qualifying premises, or
 - (b) producing heat for use wholly or mainly for heating qualifying premises;
 - “plant” includes any equipment, apparatus or appliance;
 - “premises” means any building or buildings (and for this purpose “building” includes part of a building);
 - “qualifying premises” means premises which—

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- (a) are used wholly or mainly for purposes other than carrying on a trade, business or profession, and
 - (b) in the case of premises which consist wholly or mainly of a dwelling or dwellings, contain at least five dwellings;
- “relevant plant” means any plant which—
- (a) in generating electricity or (as the case may be) producing heat, relies wholly or mainly on a source of energy or a technology mentioned in section 82(7) of the Energy Act 2004 (c. 20) (microgeneration), and
 - (b) satisfies the condition in subsection (4).
- (4) Plant satisfies the condition in this subsection if its capacity does not exceed—
- (a) in the case of plant for the generation of electricity, 20 megawatts, and
 - (b) in the case of plant for the production of heat, 100 megawatts thermal.

20 Parish councils and community councils: powers in relation to local energy saving measures

- (1) A parish council or community council may encourage or promote any of the following—
- (a) microgeneration within their area;
 - (b) the use within their area of electricity generated, or heat produced, by microgeneration;
 - (c) efficiency in the use, by persons in their area, of electricity, heat, gas, fuel and other descriptions or sources of energy;
 - (d) reductions in the amounts of such energy, or sources of energy, used by persons in their area;
 - (e) production in their area of—
 - (i) biomass, or
 - (ii) any fuel derived from biomass;
 - (f) use in their area of, or of electricity generated, or heat produced, from biomass or any such fuel.
- (2) The power conferred by subsection (1) includes, in particular, power—
- (a) on application, to provide information about goods or services available within their area (whether offered or provided by public authorities or by any other persons), or
 - (b) to provide advice or assistance,
- for the purpose of encouraging or facilitating any of the matters mentioned in that subsection.
- (3) Assistance provided under subsection (1) may, if the council giving the assistance think appropriate—
- (a) be made subject to conditions, or
 - (b) otherwise be provided on such terms as the council think appropriate.
- (4) For the purposes of subsections (4) to (7B) of section 137 of the Local Government Act 1972 (c. 70) (power of local authorities to incur expenditure for certain purposes not otherwise authorised)—
- (a) any expenditure incurred by a parish council or community council under this section is to be treated as having been incurred under that section, and

- (b) any purpose for which expenditure may be incurred under this section is to be treated as a purpose for which such a council are authorised by that section to incur expenditure.
- (5) Subsection (4) applies to expenditure incurred by a parish council or community council under section 142 of the Local Government Act 1972 on information as to the services provided by them under this section, or otherwise relating to their functions under this section, as it applies to expenditure incurred under this section.
- (6) The appropriate person may by order amend the list of matters mentioned in subsection (1) by—
 - (a) adding any other matter whose addition would in the opinion of the person making the order be likely to contribute to reduction of greenhouse gases in England and Wales;
 - (b) omitting any matter for the time being included in the list.
- (7) In subsection (6), “the appropriate person” means—
 - (a) in relation to England, the Secretary of State, and
 - (b) in relation to Wales, the National Assembly for Wales.
- (8) The power conferred by subsection (6) includes—
 - (a) power to make different provision for different cases, and
 - (b) power to make such supplemental or consequential provision (including provision modifying this section) and such transitional or saving provision as the person making the order thinks fit.
- (9) The power of the Secretary of State to make an order under subsection (6) is exercisable by statutory instrument.
- (10) No order under that subsection may be made by the Secretary of State unless a draft of the order has been—
 - (a) laid before Parliament, and
 - (b) approved by a resolution of each House.

21 Renewable heat

- (1) It shall be the duty of the Secretary of State to take such steps as he considers appropriate to promote the use of heat produced from renewable sources.
- (2) For the purposes of subsection (1), heat produced by any plant is produced from renewable sources to the extent that the plant is fuelled by renewable sources.
- (3) The steps which the Secretary of State may take for the purposes of subsection (1) include, in particular, steps for the purpose of promoting—
 - (a) the installation of plant which is or may be fuelled by renewable sources,
 - (b) the adaptation of plant so as to enable it to be fuelled by renewable sources, or
 - (c) the production of heat by plant which is fuelled partly by renewable sources and partly by other sources.
- (4) In this section—
 - “fossil fuel” means coal, substances produced directly or indirectly from coal, lignite, natural gas, crude liquid petroleum or petroleum products (and

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“natural gas” and “petroleum products” have the same meanings as in the Energy Act 1976 (c. 76);

“plant” includes any equipment, apparatus or appliance;

“renewable sources” means sources of energy other than fossil fuel or nuclear fuel.

22 Reports under section 1 of the Sustainable Energy Act 2003: community energy projects and renewable heat

In section 1(1A) of the Sustainable Energy Act 2003 (c. 30) (annual reports on progress towards sustainable energy aims)—

(a) at the end of paragraph (b) insert—

“(ba) things done during that period pursuant to section 19 of the Climate Change and Sustainable Energy Act 2006 for the purpose of promoting community energy projects;

(bb) things done during that period pursuant to section 21 of that Act for the purpose of promoting the use of heat produced from renewable sources;”, and

(b) in paragraph (c), after “sections 2 and 3” insert “of this Act”.