

ENERGY ACT 2011

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Energy Efficiency

Chapter 1: Green Deal

Introductory

Section 1: Green Deal plans

13. This section sets out what constitutes an ‘energy plan’ and a ‘green deal plan’. An energy plan is an arrangement made by the occupier or owner of a property for making energy efficiency improvements to that property. A green deal plan is an energy plan where the energy efficiency improvements are to be paid for wholly or partly by instalments and the requirements of subsection (4) are met at the time the plan is made.
14. *Subsection (4)* sets out the requirements that a green deal plan must meet. These include that: the property is eligible; the energy efficiency improvements are ‘qualifying energy improvements’; the conditions relating to assessment of the property have been met; the conditions relating to the terms of the plan are met; and a relevant energy supplier supplies the property.
15. Energy efficiency improvements will only be ‘qualifying energy improvements’ if they have been specified as such in an order made by the Secretary of State.
16. *Subsection (6)* explains that payments under a green deal plan are to be made by the person who is for the time being liable to pay the energy bills for the property. This person is referred to as the ‘bill payer’ (section 2(3)). *Subsection (6)* also says that payments should be made to the relevant energy supplier through the energy bills for the property, are recoverable as a debt from the bill payer and are recovered and held by the relevant energy supplier as agent and trustee for the person who made the improvements (unless the relevant energy supplier is also that person). *Subsection (7)* confirms that the requirement to make payments applies to the bill payer irrespective of whether he was the person who entered into the green deal plan. *Subsection (5)* confirms that the arrangements in subsection (6) will only apply if: the improvements have been installed in accordance with section 7; the green deal plan has been confirmed in accordance with section 8; and the requirements imposed by virtue of sections 9 and 10 are met.
17. *Subsection (8)* says that subsection (6) is subject to the provision made in section 34 (power of the Secretary of State to deal with special circumstances) and any suspension or cancellation of liability by virtue of provision made in regulations under sections 3(3)(h) or (i), 6(4) or 16 (sanctions and redress) or section 35 (appeals).
18. Under *subsection (9)*, a property will be an eligible property unless it falls within a description specified in an order made by the Secretary of State.