



Energy Act 2023

2023 CHAPTER 52

PART 2

CARBON DIOXIDE CAPTURE, STORAGE ETC AND HYDROGEN PRODUCTION, TRANSPORT AND STORAGE

CHAPTER 1

REVENUE SUPPORT CONTRACTS

Hydrogen storage

63 Designation of hydrogen storage counterparty

- (1) The Secretary of State may by notice given to a person designate the person to be a counterparty for hydrogen storage revenue support contracts.
- (2) A “hydrogen storage revenue support contract” is a contract to which a hydrogen storage counterparty is a party and which was entered into by a hydrogen storage counterparty in pursuance of a direction given to it under [section 64\(1\)](#).
- (3) A person designated under [subsection \(1\)](#) is referred to in this Chapter as a “hydrogen storage counterparty”.
- (4) A designation may be made only with the consent of the person designated (except where that person is the Secretary of State).
- (5) The Secretary of State may exercise the power of designation so that more than one designation has effect under [subsection \(1\)](#), but only if the Secretary of State considers it necessary for the purposes of ensuring that—
 - (a) liabilities under a hydrogen storage revenue support contract are met,
 - (b) arrangements entered into for purposes connected to a hydrogen storage revenue support contract continue to operate, or

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2023, Cross Heading: Hydrogen storage. (See end of Document for details)

- (c) directions given to a hydrogen storage counterparty continue to have effect.
- (6) As soon as reasonably practicable after a designation ceases to have effect, the Secretary of State must make one or more transfer schemes under [section 86](#) to ensure the transfer of all rights and liabilities under any hydrogen storage revenue support contract to which the person who has ceased to be a hydrogen storage counterparty was a party.
- (7) In this Chapter “hydrogen storage provider” means a person who carries on (or is to carry on) in the United Kingdom activities of storing hydrogen.
- (8) In [subsection \(7\)](#) the reference to carrying on activities in the United Kingdom includes carrying on activities in, above or below—
- (a) the territorial sea adjacent to the United Kingdom;
 - (b) waters in a Renewable Energy Zone (within the meaning of Chapter 2 of Part 2 of the Energy Act 2004);
 - (c) waters in a Gas Importation and Storage Zone (within the meaning given by section 1 of the Energy Act 2008).
- (9) In [subsection \(7\)](#) “storing hydrogen” includes storing a compound, of which hydrogen is an element, which revenue support regulations specify as a qualifying compound for the purposes of this section.

Commencement Information

II [S. 63](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

64 Direction to offer to contract with eligible hydrogen storage provider

- (1) The Secretary of State may, in accordance with any provision made by revenue support regulations, direct a hydrogen storage counterparty to offer to contract with an eligible hydrogen storage provider specified in the direction, on terms specified in the direction.
- (2) Revenue support regulations may make further provision about a direction under this section and in particular about—
- (a) the circumstances in which a direction may or must be given;
 - (b) the terms that may or must be specified in a direction.
- (3) Provision falling within [subsection \(2\)](#) may include provision for calculations or determinations to be made under the regulations, including by such persons, in accordance with such procedure and by reference to such matters and to the opinion of such persons, as may be specified in the regulations.
- (4) Revenue support regulations must make provision for determining the meaning of “eligible” in relation to a hydrogen storage provider.
- (5) Regulations within [subsection \(4\)](#) may in particular make provision by reference to standards or other published documents (as they have effect from time to time).

Commencement Information

I2 [S. 64](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

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