

## 1983 No. 968

## GAS

**The Gas Act 1972 (Modifications) Order 1983**

<i>Made</i>	- - -	<i>5th July 1983</i>
<i>Laid before Parliament</i>		<i>7th July 1983</i>
<i>Coming into Operation</i>		<i>1st September 1983</i>

The Secretary of State, in exercise of the powers conferred on him by section 11(3) of the Oil and Gas (Enterprise) Act 1982(a) and with the approval of the Treasury, for the purpose of facilitating a disposal under section 9(1)(a) of that Act, hereby makes the following Order:—

**1.** This Order may be cited as the Gas Act 1972 (Modifications) Order 1983 and shall come into operation on 1st September 1983.

**2.** In its application to the following wholly owned subsidiaries of the British Gas Corporation, namely:—

- (a) British Gas North Sea Oil Holdings Limited;
- (b) British Gas (Montrose) Limited;
- (c) British Gas (Beryl) Limited;
- (d) British Gas (N.W. Hutton and Hutton) Limited;
- (e) British Gas (Fulmar) Limited;
- (f) British Gas (P.A.D.) Limited;

the Gas Act 1972 (b) shall have effect as if sections 4(1), (3) and (4) (duties of the Corporation as respects management of affairs), 5 (programmes for measures involving substantial capital outlay), 6(3) (duties of the Corporation as respects guarantees), 14 (revenues of the Corporation and subsidiaries to cover outgoings and allocations to reserves), 18 (borrowing by wholly owned subsidiaries) and 19(1)(c) (limitation on indebtedness of wholly owned subsidiaries) were omitted.

1st July 1983.

*Peter Walker,*  
Secretary of State for  
Energy.

We approve this Order.

*T. Garel-Jones,*

5th July 1983.

*Donald Thompson,*  
Two of the Lords Commissioners  
of Her Majesty's Treasury.

(a) 1982 c.23.

(b) 1972 c.60.

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order is made under section 11(3) of the Oil and Gas (Enterprise) Act 1982 which provides that, for the purpose of facilitating a disposal under section 9(1)(a) of that Act, the Secretary of State may by order provide that, in its application to any wholly owned subsidiary of the British Gas Corporation specified in the Order, the Gas Act 1972 shall have effect with such modifications as may be so specified. Section 9(1)(a) of the 1982 Act refers to the disposal of any shares of such a subsidiary.

The wholly owned subsidiaries of the Corporation specified in the Order were established under Clauses 2, 4 and 6 of the British Gas Corporation (Disposal of Offshore Oilfield Interests) Directions 1982 (S.I. 1982/1131), and the Order provides that provisions of the 1972 Act affecting the management of subsidiaries or, in the case of sections 5, 6(3), 18 and 19(1)(c), wholly owned subsidiaries of the Corporation, shall cease to apply to these subsidiaries.

The British Gas Corporation (Transfer of Shares of Subsidiaries) Order 1983 (S.I. 1983/967), which comes into operation at the same time as this Order, provides for the transfer of the issued shares of British Gas North Sea Oil Holdings Limited and British Gas (P.A.D.) Limited to the Secretary of State for Energy and a nominee of his. Section 11(7) of the 1982 Act provides that, in determining for the purposes of the 1972 Act or Part II of the 1982 Act (which includes sections 9 to 11) whether a company is a wholly owned subsidiary or a subsidiary of the Corporation, any shares of the company held by the Secretary of State or a nominee of his shall be treated as held by the Corporation.

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