

SCHEDULE 4

Regulation 7

Amendments to Regulation (EU) 2019/943

1.—(1) Article 1 (subject matter and scope) is amended as follows.

(2) Omit point (a).

(3) In point (c), for the words from “, thus” to the end substitute “. This involves setting the principles on cross-border transmission charges and the allocation of available capacity of interconnections between the transmission systems of Great Britain and the transmission systems of other countries or territories;”.

(4) In point (d), omit the words from “, and provide” to the end.

2. For Article 2 (definitions) substitute—

“Article 2

Definitions

In this Regulation—

“active customer” means a final customer, or a group of jointly acting final customers, who consumes or stores electricity generated within its premises located within confined boundaries or, where permitted by the regulatory authority, within other premises, or who sells self-generated electricity or participates in flexibility or energy efficiency schemes, provided that those activities do not constitute its primary commercial or professional activity;

“aggregation” means the function of combining multiple customer loads or generated electricity for sale, purchase or auction in any electricity market;

“ancillary service” means a service necessary for the operation of a transmission or distribution system, including balancing and non-frequency ancillary services, but not including congestion management;

“balance responsible party” means a market participant or its chosen representative responsible for its imbalances in the electricity market;

“balancing” means all actions and processes, in all timelines, through which transmission system operators ensure, in an ongoing manner, maintenance of the system frequency within a predefined stability range and compliance with the amount of reserves needed with respect to the required quality;

“balancing capacity” means a volume of capacity that a balancing service provider has agreed to hold and in respect of which the balancing service provider has agreed to submit bids for a corresponding volume of balancing energy to the transmission system operator for the duration of the contract;

“balancing energy” means energy used by transmission system operators to carry out balancing;

“balancing service provider” means a market participant providing either or both balancing energy and balancing capacity to transmission system operators;

“bidding zone” means the largest geographical area within which market participants are able to exchange energy without capacity allocation;

“capacity allocation” means the attribution of cross-zonal capacity;

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“capacity mechanism” means a temporary measure to ensure the achievement of the necessary level of resource adequacy by remunerating resources for their availability, excluding measures relating to ancillary services or congestion management;

“central dispatching model” means a scheduling and dispatching model where the generation schedules and consumption schedules as well as dispatching of power-generating facilities and demand facilities, in reference to dispatchable facilities, are determined by a transmission system operator within an integrated scheduling process;

“the competition authority” means the Competition and Markets Authority;

“congestion” means a situation in which an interconnection linking the Great Britain transmission network with the transmission network of another country or territory cannot accommodate all physical flows resulting from international trade required by market participants, because of a lack of capacity of the interconnectors or the transmission systems concerned;

“control area” means a coherent part of the interconnected system, operated by a single system operator and includes connected physical loads and/or generation units if any;

“countertrading” means a cross-zonal exchange initiated by system operators between two bidding zones to relieve physical congestion;

“cross-zonal capacity” means the capability of the interconnected system to accommodate energy transfer between bidding zones;

“customer” means a wholesale or final customer of electricity;

“delegated operator” means an entity to whom specific tasks or obligations entrusted to a transmission system operator under this Regulation have been delegated by that transmission system operator or have been assigned by the Secretary of State or the regulatory authority;

“demand response” means the change of electricity load by final customers from their normal or current consumption patterns in response to market signals, including in response to time-variable electricity prices or incentive payments, or in response to the acceptance of the final customer’s bid to sell demand reduction or increase at a price in an organised market as defined in point (4) of Article 2 of Commission Implementing Regulation (EU) No 1348/2014, whether alone or through aggregation;

“demonstration project” means a project which demonstrates a technology as a first of its kind in Great Britain and represents a significant innovation that goes well beyond the state of the art;

“distributed generation” means generating installations connected to the distribution system;

“distribution” means the transport of electricity on high-voltage, medium-voltage and low-voltage distribution systems with a view to its delivery to customers but does not include supply;

“distribution system operator” or “DSO” means a person responsible for operating, ensuring the maintenance of and, if necessary, developing the distribution system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of electricity;

“electricity derivative” means a financial instrument specified in point (5), (6) or (7) of Section C of Annex I to [Directive 2014/65/EU](#) of the European Parliament and of the Council, where that instrument relates to electricity;

“electricity markets” means markets for electricity, including over-the-counter markets and electricity exchanges, markets for the trading of energy, capacity, balancing and ancillary services in all timeframes, including forward, day-ahead and intraday markets;

“electricity supply contract” means a contract for the supply of electricity, but does not include electricity derivatives;

“energy efficiency” means the ratio of output of performance, service, goods or energy, to input of energy;

“energy storage” means, in relation to the electricity system, deferring the final use of electricity to a moment later than when it was generated, or the conversion of electrical energy into a form of energy which can be stored, the storing of such energy, and the subsequent reconversion of such energy into electrical energy or use as another energy carrier;

“final customer” means a customer purchasing electricity for the customer’s own use;

“generation” means the production of electricity;

“generation unit” means a single electricity generator belonging to a production unit;

“high-efficiency cogeneration” means cogeneration which meets the criteria laid down in Annex 2 to [Directive 2012/27/EU](#) of the European Parliament and of the Council;

“imbalance price” means the price, be it positive, zero or negative, in each imbalance settlement period for an imbalance in each direction;

“imbalance price area” means the area in which an imbalance price is calculated;

“imbalance settlement period” means the time unit for which the imbalance of the balance responsible parties is calculated;

“interconnected system” means a number of transmission and distribution systems linked together by means of one or more interconnectors;

“interconnector” means a transmission line which crosses or spans a border between Great Britain and another country or territory, and which connects the national transmission system of Great Britain with the transmission system of that other country or territory;

“interoperability” means, in the context of smart metering, the ability of two or more energy or communication networks, systems, devices, applications or components to interwork to exchange and use information in order to perform required functions;

“the jurisdiction of Great Britain” has the meaning given in section 4(3F)(a) of the Electricity Act 1989(1);

“market operator” means an entity that provides a service whereby the offers to sell electricity are matched with bids to buy electricity;

“market participant” means a person who buys, sells or generates electricity, who is engaged in aggregation or who is an operator of demand response or energy storage services, including through the placing of orders to trade, in one or more electricity markets, including in balancing energy markets;

“new interconnector” means an interconnector not completed by 4th August 2003;

“non-frequency ancillary service” means a service used by a transmission system operator or distribution system operator for steady state voltage control, fast reactive current injections, inertia for local grid stability, short-circuit current, black start capability and island operation capability;

“power-generating facility” means a facility that converts primary energy into electrical energy and which consists of one or more power-generating modules connected to a network;

“prequalification process” means the process to verify the compliance of a provider of balancing capacity with the requirements set by the transmission system operators;

(1) 1989 c. 29. Section 4(3F) was inserted by section 145(3) of the Energy Act 2004 (c. 20).

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“priority dispatch” means—

- (a) with regard to the self-dispatch model, the dispatch of power plants on the basis of criteria which are different from the economic order of bids;
- (b) with regard to the central dispatch model, the dispatch of power plants on the basis of criteria which are different from the economic order of bids and from network constraints, giving priority to the dispatch of particular generation technologies;

“producer” means a person generating electricity;

“redispatching” means a measure, including curtailment, that is activated by one or more transmission system operators by altering the generation, load pattern, or both, in order to change physical flows in the electricity system and relieve a physical congestion or otherwise ensure system security;

“the regulatory authority” means the Gas and Electricity Markets Authority;

“renewable energy” means energy from renewable non-fossil fuel sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, landfill gas, sewage treatment plant gas, and biogas;

“reserve capacity” means the amount of frequency containment reserves, frequency restoration reserves or replacement reserves that needs to be available to the transmission system operator;

“self-dispatch model” means a scheduling and dispatching model where the generation schedules and consumption schedules as well as dispatching of power-generating facilities and demand facilities are determined by the scheduling agents of those facilities;

“small connected system” means any system that had consumption of less than 3,000 GWh in the year 1996, where more than 5% of annual consumption is obtained through interconnection with other systems;

“small enterprise” means an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed £9 million;

“small isolated system” means any system that had consumption of less than 3,000 GWh in the year 1996, where less than 5% of annual consumption is obtained through interconnection with other systems;

“smart metering system” means an electronic system that is capable of measuring electricity fed into the grid or electricity consumed from the grid, providing more information than a conventional meter, and that is capable of transmitting and receiving data for information, monitoring and control purposes, using a form of electronic communication;

“specific balancing product” means a balancing product which is not a standard balancing product;

“standard balancing product” means a harmonised balancing product defined by all transmission system operators for the exchange of balancing services;

“structural congestion” means congestion in the transmission system that is capable of being unambiguously defined, is predictable, is geographically stable over time, and frequently reoccurs under normal electricity system conditions;

“supply” means the sale, including the resale, of electricity to customers;

“system user” means a person supplying to, or being supplied by, a transmission or distribution system;

“transmission” means the transport of electricity on the extra high-voltage and high-voltage interconnected system with a view to its delivery to final customers or to distributors, but does not include supply;

“transmission system operator” or “TSO” means a person who is designated as an electricity transmission system operator under section 10H of the Electricity Act 1989(2);

“value of lost load” means an estimation in sterling/MWh, of the maximum electricity price that customers are willing to pay to avoid an outage;

“wholesale customer” means a person who purchases electricity for the purpose of resale inside or outside the system where the person is established.”.

3.—(1) Article 3 (principles regarding the operation of electricity markets) is amended as follows.

(2) In the words before point (a), for the words from “Member States” to “delegated operators” substitute “The Secretary of State, the regulatory authority, transmission system operator, distribution system operator, market operator and delegated operator”.

(3) In point (e), omit “Union”.

(4) Omit points (h) and (i).

(5) In point (j), for “the Union” substitute “retained EU”.

(6) In point (o), omit “Union”.

(7) In point (p), for “the Union” substitute “Great Britain”.

4. Omit Article 4.

5.—(1) Article 5 (balance responsibility) is amended as follows.

(2) In paragraph 2, for “Member States” in both places it occurs substitute “The Secretary of State”.

(3) In paragraph 3, for “a Member State” substitute “the Secretary of State”.

6.—(1) Article 6 (balancing market) is amended as follows.

(2) In paragraph 2, omit “in accordance with Article 40(4) of Directive (EU) 2019/944”.

(3) In paragraph 3, omit “in accordance with Article 17”.

(4) In paragraph 4—

(a) in subparagraph 1, for “all regulatory authorities approve” substitute “the regulatory authority approves”;

(b) omit subparagraph 3.

(5) In paragraph 7, omit “and shall be facilitated at regional level”.

(6) In paragraph 8, omit “in accordance with Article 40(4) of Directive (EU) 2019/944”.

(7) In paragraph 12—

(a) for “regulatory authorities” substitute “the transmission system operator”;

(b) for “Commission and ACER” substitute “regulatory authority”.

(8) In paragraph 14, in the first subparagraph, for “authorities” substitute “authority”.

7.—(1) Article 7 (day-ahead and intraday markets) is amended as follows.

(2) For paragraph 1 substitute—

1. Transmission system operators must organise the management of the day-ahead and intraday markets. Transmission system operators must cooperate, so far as possible, at a regional level in order to maximise the efficiency and effectiveness of electricity day-ahead and intraday trading. The obligation to cooperate is without prejudice to the application

(2) Section 10H was inserted by [S.I. 2011/2704](#). Section 10H was amended by [S.I. 2019/530](#).

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of competition law. In their functions relating to electricity trading, transmission system operators are to be subject to regulatory oversight by the regulatory authority.”.

(3) In paragraph 2—

- (a) omit point (c);
- (b) in point (f), at the end insert “and”;
- (c) omit point (g), and the “and” at the end.

8.—(1) Article 8 (trade on day-ahead and intraday markets) is amended as follows.

(2) Omit paragraphs 1 to 3.

(3) In paragraph 4, for “regulatory authorities have” substitute “the regulatory authority has”.

9.—(1) Article 9 (forward markets) is amended as follows.

(2) In paragraph 1—

- (a) omit “In accordance with Regulation (EU) 2016/1719,”;
- (b) for “competent regulatory authorities” substitute “regulatory authority”.

(3) In paragraph 2, for “a single” substitute “an”.

(4) In paragraph 3—

- (a) in the first sentence, omit “Union”;
- (b) in the second sentence—
 - (i) for “Member States” substitute “The regulatory authority”;
 - (ii) omit “Member State or”.

10.—(1) Article 10 (technical bidding limits) is amended as follows.

(2) In paragraph 1, omit the words from “, without prejudice” to the end.

(3) Omit paragraph 2.

(4) In paragraph 4, for the words from “Regulatory authorities” to “competent authorities,” substitute “The regulatory authority”.

(5) In paragraph 5—

- (a) in the first sentence, for “a regulatory authority or designated competent authority” substitute “the regulatory authority”;
- (b) omit the second sentence.

11.—(1) Article 11 (value of lost load) is amended as follows.

(2) For paragraph 1 substitute—

“1. Where required for the purpose of setting a reliability standard in accordance with Article 25, the relevant authority must determine a single estimate of the value of lost load for Great Britain. That estimate must be made publicly available. The relevant authority may determine different estimates per bidding zone if there is more than one bidding zone in Great Britain. Where a bidding zone consists of more than one control area, the relevant authority must determine a single estimate of the value of lost load for that bidding zone.”.

(3) In paragraph 2—

- (a) for “Regulatory authorities and designated competent authorities” substitute “The relevant authority”;
- (b) for “their” substitute “its”;

- (c) for “they” substitute “it”;
 - (d) for “observe” substitute “observes”.
- (4) After paragraph 2, insert—
- “3. In this Article, “relevant authority” means the Secretary of State or the regulatory authority.”.
- 12.**—(1) Article 12 (dispatching of generation and demand response) is amended as follows.
- (2) In paragraph 2, for “Member States” substitute “the regulatory authority”.
 - (3) In paragraph 3—
 - (a) in the first subparagraph, in the opening words, for “A Member State” substitute “The regulatory authority”;
 - (b) omit points (c) to (e);
 - (c) in the second subparagraph, for “a Member State” substitute “the regulatory authority”;
 - (d) in the third subparagraph, for “Member States” substitute “the regulatory authority”.
 - (4) In paragraph 4, for “Member States” substitute “the regulatory authority”.
 - (5) In paragraph 7, omit the words from “, shall not be used” to the end.
- 13.**—(1) Article 13 (redispatching) is amended as follows.
- (2) In paragraph 1, in the second sentence, omit the words from “, including those” to the end.
 - (3) In paragraph 3—
 - (a) in point (b), after “used;” insert “or”;
 - (b) in point (c), after “located” omit “; or”;
 - (c) omit point (d).
 - (4) In paragraph 4—
 - (a) in the first subparagraph, in the words before point (a), for “competent regulatory authority” substitute “regulatory authority”;
 - (b) omit the second subparagraph.
 - (5) In paragraph 5—
 - (a) in the words before point (a), for “authorities” substitute “authority”;
 - (b) in point (a), for “a Member State” substitute “the regulatory authority”.
 - (6) In paragraph 6, in point (d), for “paragraph 3” substitute “paragraph 4”.
- 14.** Omit Articles 14 and 15.
- 15.**—(1) Article 16 (general principles of capacity allocation and congestion management) is amended as follows.
- (2) In paragraph 1—
 - (a) for “shall take into account” substitute “must consider, so far as possible,”;
 - (b) omit “as provided for in Regulation (EU) 2015/1222”.
 - (3) Omit paragraph 3.
 - (4) In paragraph 4, omit the words from “to reach the minimum capacity” to the end.
 - (5) In paragraph 5, omit the final sentence.
 - (6) Omit paragraph 8.

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- (7) In paragraph 9—
 - (a) omit the first and second subparagraphs;
 - (b) in the third subparagraph, in the first sentence, omit “relevant”.
- (8) In paragraph 12—
 - (a) in the first sentence, omit “or NEMOs”;
 - (b) in the final sentence, omit “relevant”.
- (9) In paragraph 13—
 - (a) in the first subparagraph—
 - (i) for “regulatory authorities” substitute “the regulatory authority”;
 - (ii) omit “the congestion between two bidding zones”;
 - (iii) after “observed” insert “congestion”.
 - (b) omit the second subparagraph.

16. Omit Article 17.

17.—(1) Article 18 (charges for access to networks, use of networks and reinforcement) is amended as follows.

- (2) In paragraph 3, omit “at Union level”.
- (3) In paragraph 4, omit point (a).
- (4) In paragraph 7, in the final sentence—
 - (a) for “Member States have implemented the deployment of smart metering systems, regulatory authorities” substitute “smart metering systems have been deployed, the regulatory authority”;
 - (b) omit “in accordance with Article 59 of (EU) 2019/944”.
- (5) After paragraph 8, insert—

“**8A.** The references to Article 15(1) and (6) of [Directive 2012/27/EU](#) of the second subparagraph of paragraph 1 are to be treated as references to those provisions with the following modifications—

- (a) Article 15(1), subparagraph 1 is to be read as if—
 - (i) for “Member States” there were substituted “the Secretary of State”;
 - (ii) for “national energy regulatory authorities” there were substituted “the regulatory authority”;
 - (iii) for “Directives [2009/72/EC](#) and [2009/73/EC](#) regarding their” there were substituted “retained EU law regarding its”;
- (b) Article 15(1), subparagraph 2 is to be read as if—
 - (i) for “Member States” there were substituted “the Secretary of State”;
 - (ii) for “national energy regulatory authorities” there were substituted “the regulatory authority”;
 - (iii) for “[Directive 2009/72/EC](#)” there were substituted “retained EU law”;
- (c) Article 15(1), subparagraph 4 is to be read as if—
 - (i) for “Member States” there were substituted “the Secretary of State”;
 - (ii) for “Regulation [\(EC\) No 714/2009](#)” there were substituted “Regulation [\(EU\) 2019/943](#)”;

- (d) Article 15(6) is to be read as if for “Member States” (in both places it occurs) there were substituted “the Secretary of State”;
 - (e) A reference to “the regulatory authority” in Article 15(1) as modified by this Article has the meaning given in Article 2 of this Regulation.”.
- (6) Omit paragraphs 9 and 10.

18.—(1) Article 19 (congestion income) is amended as follows.

- (2) In paragraph 1, for “authorities” substitute “authority”.
- (3) In paragraph 3, for “authorities” substitute “authority”.
- (4) In paragraph 4—
 - (a) in the first subparagraph—
 - (i) for “regulatory authorities” substitute “the regulatory authority”;
 - (ii) for “ACER” substitute “the regulatory authority”;
 - (iii) omit the final sentence;
 - (b) omit the second subparagraph.
- (5) In paragraph 5—
 - (a) in the first sentence, for “authorities” substitute “authority”;
 - (b) in the second sentence, for “authorities shall inform ACER and” substitute “authority”.

19.—(1) Article 20 is amended as follows.

- (2) In the heading, omit “in the internal market for electricity”.
- (3) In paragraph 1—
 - (a) omit the first sentence;
 - (b) in the second sentence—
 - (i) for “For the purpose of complementing the European resource adequacy assessment, Member States may also” substitute “The Secretary of State may”;
 - (ii) for “national” substitute “a”;
 - (iii) for “assessments” substitute “assessment”.
- (4) In paragraph 2—
 - (a) for “the European resource adequacy assessment referred to in Article 23 or national” substitute “a”;
 - (b) for “Member State concerned” substitute “Secretary of State”.
- (5) In paragraph 3—
 - (a) in the first sentence, for “Member States with identified resource adequacy concerns” substitute “Where a resource adequacy assessment has identified a resource adequacy concern, the Secretary of State”;
 - (b) in the second sentence, for “Member States” substitute “Secretary of State”;
 - (c) omit point (d);
 - (d) at the end of point (f), for “;” substitute “.”;
 - (e) omit point (g).
- (6) Omit paragraphs 4 and 5.
- (7) In paragraph 6—

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- (a) for “Member States concerned” substitute “Secretary of State ”;
 - (b) omit the words “and shall submit” to the end.
- (8) Omit paragraph 7.
- (9) In paragraph 8, for “Member States” substitute “The Secretary of State ”.
- 20.**—(1) Article 21 (general principles for capacity mechanisms) is amended as follows.
- (2) In paragraph 1—
- (a) for “Member States” substitute “the Secretary of State”;
 - (b) after “introduce” insert “a”;
 - (c) for “mechanisms” substitute “mechanism”.
- (3) Omit paragraph 2.
- (4) In paragraph 3—
- (a) in the first sentence, for “Member States” substitute “The Secretary of State ”;
 - (b) in the second sentence, for “Member States” substitute “the Secretary of State”;
- (5) In paragraph 4—
- (a) for “Member States” substitute “The Secretary of State ”;
 - (b) for “capacity mechanisms” substitute “a capacity mechanism”;
 - (c) for “both the European resource adequacy assessment and the national” substitute “any”;
 - (d) for “, or in the absence of a national resource adequacy assessment, the European resource adequacy assessment” substitute “has”.
- (6) Omit paragraph 5.
- (7) In paragraph 6—
- (a) for “Where a Member State applies a capacity mechanism, it” substitute “The Secretary of State”;
 - (b) for “that” in the first place it occurs substitute “the”;
 - (c) for “both the European resource adequacy assessment and the national” substitute “the”;
 - (d) for “, or in the absence of a national resource adequacy assessment, the European resource adequacy assessment have” substitute “has”;
 - (e) omit the words “or the implementation plan” to the end.
- (8) In paragraph 7, for “Member States” substitute “the Secretary of State ”.
- (9) In paragraph 8—
- (a) for “. They shall be approved by the Commission” substitute “and shall be approved”;
 - (b) in the last sentence, for “Member States” substitute “The Secretary of State”.
- 21.**—(1) Article 22 (design principles for capacity mechanisms) is amended as follows.
- (2) In paragraph 1, in point (b), omit “and not limit cross-zonal trade”.
- (3) In paragraph 4, omit the words “By 5 January 2020” to the end.
- (4) In paragraph 5, for “Member States that apply capacity mechanisms on 4 July 2019 shall adapt their mechanisms” substitute “The Secretary of State must adapt the capacity mechanism that was applied on 4 July 2019”.
- 22.**—(1) Article 23 is amended as follows.

- (2) In the heading, for “European” substitute “Methodology for”.
- (3) Omit paragraphs 1 to 4.
- (4) In paragraph 5—
 - (a) in the first sentence —
 - (i) omit “European”;
 - (ii) after “resource adequacy assessment” insert “must cover the territory of Great Britain and”;
 - (b) omit point (a);
 - (c) in point (c), for “the different types of capacity mechanisms are” substitute “a capacity mechanism is”.
- (5) Omit paragraphs 6 and 7.

23.—(1) Article 24 is amended as follows.

- (2) In the heading, omit “National”.
- (3) In paragraph 1—
 - (a) in the first subparagraph—
 - (i) for “shall” in the first place it occurs, substitute “may”;
 - (ii) omit “referred in Article 23(3) in particular”;
 - (iii) omit the words “National resource adequacy assessments shall contain” to the end of the paragraph.
- (4) In paragraph 2—
 - (a) omit “National”;
 - (b) omit “and, where applicable, the European resource adequacy assessment and the opinion of ACER pursuant to paragraph 3”.
- (5) Omit paragraph 3.

24.—(1) Article 25 (reliability standard) is amended as follows.

- (2) In paragraph 1—
 - (a) for “When applying capacity mechanisms Member States” substitute “The capacity mechanism”;
 - (b) in the second sentence, omit “of the Member State”;
 - (c) omit the final sentence.
- (3) For paragraph 2, substitute—

2. The reliability standard shall be set by the Secretary of State in accordance with regulation 6 of the Electricity Capacity Regulations 2014(3).”.
- (4) In paragraph 4, for the words “Member State or” to the end substitute “the Secretary of State”.

25. Omit Articles 26 to 49.

26.—(1) Article 50 (provision of information) is amended as follows.

- (2) In paragraph 2, for “authorities” substitute “authority”.

(3) [S.I. 2014/2043](#), amended by [S.I. 2016/742](#); there are other amending instruments but none is relevant.

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(3) In paragraph 6, for “, national competition authority and the Commission” substitute “and the competition authority”.

(4) In paragraph 7—

(a) in the second sentence, for “authorities, and to the Commission and Member States” substitute “authority and the Secretary of State”.

(b) in the final sentence, for “authorities, Member States and the Commission” substitute “authority and the Secretary of State”.

27. Omit Articles 51 to 56.

28.—(1) Omit Articles 58 and 59.

(2) A network code adopted by the Commission under—

(a) Article 6 of Regulation (EC) No 714/2009 before 1 January 2020, or

(b) Article 59 of this Regulation before IP completion day,

forms part of domestic law on and after IP completion day as it had effect in EU law immediately before IP completion day.

29. For Article 60 substitute—

“Article 60

Amendments of network codes or guidelines

1. In this Article—

“Regulation (EC) No 714/2009” means Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003;

“electricity network code or guideline” means—

(a) a network code adopted by the Commission under—

(i) Article 6 of Regulation (EC) No 714/2009 before 1 January 2020; or

(ii) Article 59 of this Regulation before IP completion day,

as those codes have effect in domestic law;

(b) guidelines adopted by the Commission under—

(i) Article 18 of Regulation (EC) No 714/2009 before 1 January 2020;

(ii) Article 61 of this Regulation before IP completion day,

as those guidelines have effect in domestic law.

2. The Secretary of State may, by regulations, amend an electricity network code or guideline.

3. The power in paragraph 2 includes power to—

(a) insert into the electricity network code or guideline new provision about the same subject-matter as, or subject-matter related to, an existing provision of the electricity network code or guideline; or

(b) revoke the electricity network code or guideline or any provision of it, either with or without making replacement provision.

4. Regulations under paragraph 2 must be consistent with the objectives of contributing to non-discrimination, effective competition and the efficient functioning of the electricity market.

5. Regulations under paragraph 2 may—

- (a) include supplementary, incidental, consequential, transitional, transitory or saving provision; and
- (b) make different provision for different cases.

6. The power to make regulations conferred on the Secretary of State by paragraph 2 is exercisable by statutory instrument.

7. Before the Secretary of State makes regulations under paragraph 2, the Secretary of State must consult—

- (a) the regulatory authority;
- (b) persons who are certified, within the meaning of section 100 of the Electricity Act 1989(4); and
- (c) such other persons as the Secretary of State considers appropriate.

8. A statutory instrument containing regulations under this Article may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.”.

30.—(1) Omit Article 61.

(2) A guideline adopted by the Commission under—

- (a) Article 18 of Regulation (EC) No 714/2009 before 1 January 2020, or
- (b) Article 61 of this Regulation before IP completion day,

forms part of domestic law on and after IP completion day as it had effect in EU law immediately before IP completion day.

31. Omit Article 62.

32.—(1) Article 63 (new interconnectors) is amended as follows.

(2) In paragraph 1—

- (a) for the words from “Article 19(2) and (3)” to “Directive (EU) 2019/944” substitute “the provisions specified in paragraph 4A”;
- (b) in point (c), for “natural or legal person which” substitute “person who”;
- (c) in point (e), omit the words from “since” to “the Council,”;
- (d) in point (f), for “internal market for electricity” substitute “electricity market in Great Britain”.

(3) In paragraph 4—

- (a) in the first subparagraph, for “authorities of the Member States concerned” substitute “authority”;
- (b) omit the second subparagraph;
- (c) in the third subparagraph, for “regulatory authorities” substitute “the regulatory authority”;
- (d) in the fourth subparagraph, for “regulatory authorities of the Member States concerned” substitute “regulatory authority”;

(4) 1989 c. 29. Section 100 was inserted by S.I. 2011/2704. Section 100 was amended by S.I. 2017/493 and S.I. 2019/530.

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- (e) omit the fifth subparagraph.
- (4) After paragraph 4, insert—
 - “**4A.** The provisions specified for the purposes of paragraph 1 are the standard conditions of an interconnector licence granted under section 6(1)(e) of the Electricity Act 1989⁽⁵⁾ relating to—
 - (a) the provision of third-party access to an interconnector;
 - (b) tariffs or charging methodologies for such access;
 - (c) use of revenues.”.
- (5) Omit paragraphs 5 to 8.
- (6) In paragraph 9—
 - (a) omit the first sentence;
 - (b) in the second sentence, for “8 shall apply to the decision” substitute “4A apply to the decision of the regulatory authority”.
- (7) Omit paragraphs 10 and 11.
- 33.**—(1) Article 64 (derogations) is amended as follows.
- (2) In paragraph 1—
 - (a) for the first subparagraph substitute—
 - “**1.** The Secretary of State or regulatory authority, as appropriate, may grant a derogation from the relevant provisions of Articles 3, 6, 7(1), 8(4), 9 to 11, 16 and 19 to 25 provided that the Secretary of State or regulatory authority is satisfied that there are substantial problems for the operation of small isolated systems and small connected systems.”;
 - (b) in the second subparagraph—
 - (i) omit the words from “In the situation” to “subparagraph,”;
 - (ii) omit “internal”;
 - (iii) after “electricity” insert “in Great Britain”;
 - (c) omit the third and fourth subparagraphs;
 - (d) in the sixth subparagraph, for “Commission” substitute “Secretary of State”.
- (3) Omit paragraphs 2, 3 and 4.
- 34.** Omit Articles 65 to 68.
- 35.** Omit Article 69.
- 36.** In Article 70 (repeal)—
 - (a) omit the first sentence;
 - (b) in the second sentence, for “the repealed Regulation” substitute “Regulation (EC) No [714/2009](#) in retained direct EU legislation”.
- 37.** In the text after Article 71 omit “This Regulation shall be binding in its entirety and directly applicable in all Member States”.
- 38.** Omit Annex 1.

(5) [1989 c. 29](#); see section 8A for the incorporation of the standard conditions to an interconnector licence.

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