NEW CLAUSES AND NEW SCHEDULES RELATING TO DECARBONISATION, AMENDMENTS TO PART 1 AND REMAINING AMENDMENTS TO CLAUSE 5

Mr Tim Yeo
Barry Gardiner
Caroline Lucas
Dr Alan Whitehead
Mr Mike Weir
Steve McCabe

John McDonnell Sir Gerald Kaufman Mr Dai Havard
Katy Clark John Cryer John Robertson
Dr Julian Huppert Mike Wood John Hemming
Kelvin Hopkins Martin Horwood Martin Caton
Dame Joan Ruddock Andrew George Mr Frank Field
Mike Gapes Mr Mike Hancock Greg Mulholland
Roger Williams Dr Hywel Francis Mark Durkan
Mark Lazarowicz Caroline Nokes Nia Griffith
Mr David Anderson Paul Blomfield Sir Peter Bottomley
Paul Goggins Mr David Amess Mr John Leech
Andrew Stunell Mr Mark Williams Mr Andrew Smith
Mr Brian H. Donohoe Zac Goldsmith Lucy Powell
Graeme Morrice Jim Dobbin Yasmin Qureshi
Caroline Flint Tom Greatrex Luciana Berger
Mr Michael Thornton Jeremy Corbyn

Clause 1, page 1, line 4, after ‘ensure’, insert ‘that a decarbonisation target range is set and that’.

Negatived on division 11
Energy Bill, continued

Clause 1, page 1, line 5, leave out ‘a decarbonisation target range is set, that’ and insert ‘such a target range is set’.

Clause 1, page 1, line 8, leave out ‘may’ and insert ‘must’.
Clause 1, page 1, line 11, at end insert—

‘(4) Subject to section 2(1) the decarbonisation level must not exceed the level deemed consistent with a low-carbon trajectory as advised by the Committee on Climate Change’.

Clause 1, page 2, line 2, leave out from ‘and the first decarbonisation order may not’ to ‘Climate Change Act 2008’ and insert ‘a decarbonisation order must be made by 1 April 2014’.
Clause 1, page 2, line 6, leave out ‘A’ and insert ‘Subject to section 2(1), a’.

Clause 2, page 2, line 30, leave out from ‘The following matters’ to ‘target range’ and insert ‘Before exercising the power to make a decarbonisation order the Secretary of State must obtain and take into account the advice of the Committee on Climate Change.’.
Clause 2, page 2, line 32, leave out ‘The matters are’ and insert ‘In providing its advice to the Secretary of State the Committee on Climate Change must take into account the following matters’.

Clause 2, page 2, line 46, at end insert—

‘(3) As soon as is reasonably practicable after giving its advice to the Secretary of State, the Committee must publish that advice in such manner as it considers appropriate.

(4) If in making a decarbonisation order the Secretary of State makes provision different from that recommended by the Committee, the Secretary of State must, on making the order, publish a statement setting out the reasons for that decision.’.
Clause 3, page 3, line 2, leave out from ‘a report setting out’ to the end of subsection and insert ‘and publish a delivery plan setting out proposals to achieve the duty in section 1 to ensure that the decarbonisation target range is not exceeded.’.

Secretary Edward Davey

Agreed to 51

Clause 5, page 5, line 3, at end insert—
‘(aa) the duty of the Secretary of State under section 1(1) of this Act (decarbonisation target range);’.

Secretary Edward Davey

Agreed to 70

Clause 135, page 104, line 6, at end insert—
‘(za) Part 1 (decarbonisation);’. 
Report Stage Proceedings: 4 June 2013

Energy Bill, continued

NEW CLAUSES AND NEW SCHEDULES RELATING TO ELECTRICITY DEMAND REDUCTION AND REMAINING PROCEEDINGS ON CONSIDERATION

Provision about electricity demand reduction

Secretary Edward Davey

To move the following Clause:—

‘(1) This section applies where provision made by electricity capacity regulations relates to the provision of capacity by reducing demand for electricity.

(2) Where this section applies, the Secretary of State may, instead of conferring functions on the national system operator, confer functions on such other person or body as the Secretary of State considers appropriate.

(3) For the purposes of provision made by virtue of subsection (2), the references to the national system operator in—
   (a) section 22(5)(a) and (d);
   (b) section 23(2)(a) and 23(3)(a);
   (c) section 25;
   (d) section 27(2)(a) and (b);
   (e) section 29,
are to be read as if they included a reference to a person or body on whom a function is conferred by virtue of this section.’.

Pilot scheme for electricity demand reduction

Secretary Edward Davey

To move the following Clause:—

‘There may be paid out of money provided by Parliament expenditure incurred by the Secretary of State in connection with arrangements made—
   (a) for the purpose of reducing demand for electricity, and
   (b) wholly or partly for the purpose of determining provision to be included in electricity capacity regulations.’.
“Fuel poverty tax”

John Robertson
Jim Sheridan
Graeme Morrice
Kate Hoey
Mr David Anderson
John McDonnell

Martin Caton
Mr Michael McCann
Mark Durkan
Mr Mark Williams

Steve McCabe
Mike Gapes
Mr George Howarth
Caroline Lucas

Katy Clark
Mrs Mary Glindon
Mark Lazarowicz

Not selected NC1

To move the following Clause:—

‘(1) The energy regulator, Ofgem, may—
(a) monitor the accounts of all vertical subsidiaries of energy companies;
(b) require energy companies to provide full, detailed and separate accounts of all activities in its group both in the supply and provision sides, where “group” includes all undertakings controlled by, controlling or under common control with such energy companies and “control” is defined by Ofgem but includes ownership to the extent of 50 per cent. or more;
(c) impose a fine up to a maximum of 5 per cent. of turnover, a “Fuel Poverty Tax” on any energy company that is deemed by Ofgem to have made “excessive profit”, a term to be determined under statutory instruments approved by resolution of both Houses of Parliament and revised each year.

(2) The power under subsection (1) may be exercised for the purpose only of—
(a) promoting competition in domestic supplies of gas and electricity; or
(b) mitigating the effects for domestic customers of rising gas and electricity prices.

(3) The revenues raised from any “fuel poverty tax” shall be used to tackle the worst cases of fuel poverty.’.

Strategy for electricity demand reduction

Caroline Lucas

To move the following Clause:—

‘(1) The Secretary of State must within 12 months of the passing of this Act publish a strategy setting out policies to achieve a reduction in demand for electricity of at least 103 TWh by 2020 and 154 TWh by 2030.

(2) The strategy must include an assessment of the cost effectiveness of the policies included in it.

(3) Before publishing the strategy the Secretary of State must consult such persons as in his opinion may have information that will assist him in drawing up the strategy.

(4) The Secretary of State must—
Energy Bill, continued

10 (a) implement the strategy; and
    (b) report to Parliament every year on progress.’.

As an Amendment to Caroline Lucas’s proposed New Clause (Strategy for electricity demand reduction) (NC2):—

Mr Christopher Chope
Mr Edward Leigh

Not called (a)

Line 11, at end add—

‘(5) Nothing in the strategy shall rely upon the use of the price mechanism to reduce demand.’.

Community rights to priority access to local power generation and local grid ownership

Caroline Lucas

Not called NC3

To move the following Clause:—

‘(1) The Secretary of State must within one year of the passing of this Act consult on and bring forward mechanisms to give local communities the rights to—

(a) priority access to electricity generation where an energy scheme is owned wholly or partly by a local community;
(b) access to electricity generated at wholesale market prices where an energy scheme is owned wholly or partly by a local community; and
(c) ownership of local distribution networks.’.

Energy contract rollovers for small businesses

Caroline Lucas

Not called NC4

To move the following Clause:—

‘(1) The Secretary of State must make regulations to require Ofgem to amend Standard License Condition 7A (SLC7A) to limit energy contract rollovers for small businesses to 30 days.
(2) The power to make regulations is exercisable by statutory instrument.
(3) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.
(4) The regulations under subsection (1) shall provide for the 30-day limit to come into force after the publishing of a report by Ofgem on the practice of out of contract rates and the related altering of supplier license conditions, following the passing of this Act.
(5) In this section, “small business” means a business—
Energy Bill, continued

(a) which has—
   (i) fewer than 10 employees (or full-time equivalent), and
   (ii) an annual turnover or annual balance sheet not exceeding 2 million euros; or

(b) which uses less than 293,000 kWh of gas per year and 100,000 kWh of electricity per year.

“energy contract roll-over” means the transfer by an energy supplier of a consumer nearing the end of a fixed term, fixed rate tariff, to another fixed rate for a further fixed period without the customer actively indicating his or her desire to do so.’.

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Early payment of winter fuel allowance in certain circumstances

Mr Mike Weir
Hywel Williams
Katy Clark
Ms Margaret Ritchie

To move the following Clause:—


(1) In regulation 1(2) leave out ““qualifying week” means in respect of any year the week beginning on the third Monday in the September of that year” and insert—

““qualifying week” means—
   (a) in respect of any year for an applicant whose home is connected to the mains gas grid the week beginning on the third Monday in the September of that year; or
   (b) in respect of any year for an applicant whose home is not connected to the mains gas grid the week beginning on the third Monday in the July of that year.”.


(3) In regulation 4, leave out paragraph (1) and insert—

“(1) Subject to paragraph (2) the Secretary of State may make a winter fuel payment under regulation 2 to a person who (disregarding regulation 3(b)) appears from official records held by the Secretary of State to be entitled to a payment under that regulation—

(a) in respect of an applicant whose home is not connected to the mains gas grid, before 30 September of the year in which the qualifying week falls, or

(b) in respect of an applicant whose home is connected to the mains gas grid, before 31 March of the year following the year in which the qualifying week falls.

(1A) Payments made under paragraph (1)(a) are made in respect of the forthcoming winter.
Energy Bill, continued

(1B) Payments made under paragraph (1)(b) are made in respect of the preceding winter.”.

Environmental impact of transmission

Dr Liam Fox
Glyn Davies
Mr Adam Holloway
Miss Anne McIntosh
David T.C. Davies
Mrs Eleanor Laing

Mr James Gray Zac Goldsmith

To move the following Clause:—

‘(1) The Electricity Act 1989 is amended as follows.

(2) In section 9 (general duties of licence holders), after subsection (1)(b) insert—

“(c) to have regard for the protection of the environment and, in particular, to conserve the natural beauty and amenity of the countryside.”

(3) In section 9 (general duties of licence holders), after subsection (2)(b) insert—

“(c) to have regard for the protection of the environment and, in particular, to conserve the natural beauty and amenity of the countryside.”

(4) In Schedule 9 (preservation of amenity and fisheries), in sub-paragraph (1)(b) leave out “mitigate” and insert “avoid, or where appropriate minimise”.

As Amendments to Dr Liam Fox’s proposed New Clause (Environmental impact of transmission) (NC7):—

Mr Christopher Chope
Mr Edward Leigh

Line 5, at end insert ‘and coastal waters’.

Mr Christopher Chope
Mr Edward Leigh

Line 9, at end insert ‘and coastal waters’.

Not called (a)  Not called (b)
Energy Bill, continued

Installation and replacement of meters to provide for carbon monoxide safety

Mr Barry Sheerman

To move the following Clause:—

‘(1) The Secretary of State, after consultation with the Health and Safety Executive, shall make regulations to provide as follows—

(a) no person shall replace or install a meter or a smart meter in any premises unless he is equipped with a personal alarm monitor for detecting carbon monoxide gas;

(b) where a person replaces or installs a meter or a smart meter he shall ensure that—

(i) all gas appliances in the premises are adequately tested for emissions of carbon monoxide gas, using equipment suitable for detecting and recording parts per million of carbon monoxide;

(ii) a record of these tests is provided firstly to the occupier and any person who could have been exposed and secondly to the person responsible in writing including the parts per million of carbon monoxide found if any, the date of the test, the name of the first call operative and their gas safe register number and the postal address of the property;

(iii) before any changes are made an appliance etc or any appliance is removed, an opportunity must be afforded to those potentially exposed to carbon monoxide gas to consider their rights of redress including legal redress;

(iv) immediately following installation the meters are adequately tested to verify that there are no dangerous emissions of carbon monoxide gas;

(v) the manufacturer’s instructions are provided to the occupier and any person responsible; and

(vi) the occupier and any person responsible are advised to fit an audible alarm system certified to EN 50291 standard or its equivalent successor certification and of the importance of proper and regular maintenance;

(c) regulation 26(10) of the Gas Safety (Installation and Use) Regulations 1998 (which removes safeguards in circumstances of disconnection or purging of gas or air from an appliance) is hereby repealed.’.

Carbon monoxide safety board

Mr Mike Hancock

To move the following Clause:—

‘(1) There shall be a Carbon Monoxide Safety Board.

(2) The Carbon Monoxide Safety Board shall consist of a chairperson and six other members of whom—

(a) the chairperson shall be a person appointed by the Secretary of State who the Secretary of State is satisfied has no interest connected with carbon
monoxide which might hinder them from discharging their function as a member of the Board in an impartial manner;

(b) three members shall be appointed by industry; and

(c) three members shall be appointed by appropriate consumer safety groups.

(3) All members of the Board shall hold office for 12 months following which period they shall be eligible for reappointment for a maximum of two further terms.

(4) The Board may pay the chairperson such remuneration and to any member of the Board, travelling, subsistence and other allowances at such rates as the Board may with the approval of the Secretary of State determine.

(5) The Board shall employ an administrator on such terms as to remuneration, pensions or otherwise as the Board may determine.

(6) The Board may appoint such other officers, servants and agents on such terms as to remuneration, pensions or otherwise as the Board may determine.

(7) The chairperson is to have a casting vote on all matters for decision by the Board.

(8) The Board may regulate their own procedure and make standing orders governing the conduct of their business.’.

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**Carbon monoxide safety levy**

Mr Mike Hancock

To move the following Clause:—

‘(1) There shall be a carbon monoxide safety levy.

(2) The carbon monoxide safety levy is a levy—

(a) charged in respect of supplies of fuel that have been, or are expected to be, made in each specified period, and

(b) payable in respect of each such period by persons who make, or are expected to make, the supplies.

(3) In subsection (2) fuel includes gas, solid fuel, heating oil, paraffin and barbeque fuel.

(4) The Secretary of State may from time to time by order specify the rate of the levy to be charged.

(5) The order may, in particular, make provision about any of the following matters—

(a) what a supply of fuel is for the purposes of the levy;

(b) when a supply of fuel is, or is expected to be, made for those purposes;

(c) who makes, or is expected to make, a supply of fuel for those purposes;

(d) the rates or amounts of the levy, or how such rates or amounts are to be determined;

(e) payment of the levy, including deadlines for payment in respect of each period and interest in respect of late payment;

(f) administration of the levy;

(g) audit of information (whether by the administrator of the levy or a third party) including requirements for audits to be paid by the person whose information is subject to the audit;
Energy Bill, continued

(h) provision of information, including its provision to third parties in specified circumstances;
(i) enforcement of the levy;
(j) insolvency of person liable to pay the levy;
(k) reviews and appeals; and
(l) the functions of the Carbon Monoxide Safety Board in connection with the levy;

(6) The administrator of the levy, in the case of persons who make, or are expected to make, supplies of fuel in Great Britain, is the Carbon Monoxide Safety Board.

(7) In a case where a person liable to pay the levy has made any overpayment or underpayment (whether arising because an estimate turns out to be wrong or otherwise), provision under subsection (5)(e) may require the amount of the overpayment or underpayment (including interest) to be set off against, or added to, any subsequent liability of the person to pay the levy.

(8) Provision under subsection (5)(i) may include provision for the imposition of penalties if a requirement in respect of the levy is breached (whether financial or not, but not including the creation of criminal offences).

Use of levy payments

Mr Mike Hancock

To move the following Clause:—

‘(1) Amounts payable in respect of the carbon monoxide safety levy are to be paid to the Carbon Monoxide Safety Board.

(2) Subject to section [Carbon Monoxide Safety Board] (5) and (6) amounts paid to the Board may be used only—

(a) for the purpose of raising awareness among the general public of the dangers of carbon monoxide poisoning and the risk of injury or death from carbon monoxide poisoning and other combustion products;

(b) for research into the products of combustion and the consequences on the health of those exposed to products of combustion with the aim of developing measures to reduce deaths and injuries; and

(c) for measures, which in the opinion of the Board are likely to reduce deaths and injuries from carbon monoxide poisoning and other combustion products or assist victims, their families, friends and colleagues.

(3) The order may contain further provision about—

(a) the time by which the Board must spend the funds paid under the carbon monoxide safety levy for the purposes set out in subsection (2); and

(b) the manner in which any such payments are to be made.

(4) Subsections (2) and (3) are subject to subsections (5) to (7).

(5) The order may provide for amounts received by the Board under subsection (1) to be used by the administrator to make payments into the Consolidated Fund in respect of costs (or a proportion of costs) which have been or are expected to be incurred by the Secretary of State, in connection with the performance of functions conferred by or under section [carbon monoxide safety levy] and this section.'
(6) The order may prevent the Board using amounts to make payments in respect of costs of a specified description.

(7) In this section “the order”, means any order made under subsection (3).’.

Vehicle fuel receipts

Robert Halfon

To move the following Clause:—

‘That all vehicle fuel receipts must include the amount of fuel duty paid, how much of this is spent on road maintenance, and how much of it goes to oil companies.’.

Caroline Flint
Tom Greatrex
Luciana Berger

Negatived on division 1

Clause 10, page 8, line 8, at end insert—

‘( ) Section 41(4)(a) of the Energy Act 2008 (“specified maximum capacity”) is amended as follows:

“Specified maximum capacity” means the capacity specified by the Secretary of State by order, which must not be less than 10 megawatts.’.

Caroline Lucas
Mike Weatherley

Not called 42

Clause 10, page 8, line 8, at end insert—

‘( ) Regulations must—

(a) place a duty on the Secretary of State and the Authority to promote new generation capacity from distributed generation schemes; and

(b) define “distributed generation schemes”.’.

Caroline Lucas
Mike Weatherley

Not called 43

Clause 10, page 8, line 8, at end insert—

‘( ) In section 41(2)(a) of the Energy Act 2008, at end insert—

“( ) establishing, or making arrangements for the administration of, a scheme of financial incentives to encourage the distributed generation of electricity;”.’.
Report Stage Proceedings: 4 June 2013

Energy Bill, continued

Caroline Lucas
Mike Weatherley

Clause 10, page 8, line 8, at end insert—

‘( ) In section 41(2)(b) of the Energy Act 2008, at end insert—

“( ) requiring or enabling the holder of a distribution licence to make
arrangements for the distribution of electricity generated by
distributed generation;”.

Caroline Lucas
Mike Weatherley

Clause 10, page 8, line 8, at end insert—

‘( ) In section 41(2)(c) of the Energy Act 2008, at end insert—

“( ) requiring the holder of a licence to make arrangements related to
the matters mentioned in paragraph ( ) or ( ).”.

Caroline Lucas
Mike Weatherley

Clause 10, page 8, line 8, at end insert—

‘( ) Section 41(4)(a) of the Energy Act 2008 (“specified maximum capacity”) is
amended as follows—

“specified maximum capacity” means the capacity specified by the
Secretary of State by order, which must not exceed 50 megawatts.’.

Dr Alan Whitehead
Mike Weatherley
Caroline Lucas

Clause 15, page 10, line 13, at end insert—

‘(d) conferring on the Secretary of State the power to establish an auction
market (the “green power auction market”) in which generators are
entitled to offer, and holders of supply licences are entitled to bid for,
electricity generated from renewable sources.

(e) the Secretary of State must exercise the powers in subsection (d), and
take such other steps as they consider necessary, for the purposes of
ensuring that—

(i) the green power auction market begins to operate when the first
CFD is made and does not cease to operate until expiry of the last
CFD that has been made; and

(ii) the reference price under a CFD entered into by a generator who
is a party to any agreement made through the green power
auction market is based on the price payable to the generator
under that agreement,

(iii) in this section, “supply license” means a licence under the
section 6(1)(d) of the Energy Act 1989.’.
Energy Bill, continued

Clause 21, page 12, line 41, leave out ‘this section’ and insert ‘subsection (1)’.

Secretary Edward Davey

Clause 21, page 13, line 4, at end insert—

‘(3A) The provision which may be made about the meaning of “reducing demand for electricity” includes provision that reducing the consumption of electricity reduces demand for electricity.’.

Clause 21, page 13, line 6, at end insert—

‘(4A) The Secretary of State must within one year of the passing of this Act make regulations establishing a scheme or schemes to make payments for the purpose of rewarding the installation of energy saving measures.

(4B) Regulations under subsection (4A) are referred to in this Chapter as “demand reduction regulations”.

(4C) Prior to the making of regulations under subsection (4A), the Secretary of State must publish a report setting out the total potential for energy demand reduction and the extent to which this potential will be achieved by Government policies including—

(a) the scheme or schemes, and

(b) other relevant programmes, regulation or expenditure.’.
Clause 22, page 13, line 13, at end insert—

‘(1A) Demand reduction regulations must make provision about demand reduction payments.’.

Clause 22, page 13, line 21, at end insert—

‘(2A) Subject to any further provision made under this Chapter, a demand reduction payment is an instrument by virtue of which—

(a) an energy user is paid for reducing the demand for energy or investing in a technology which can be shown to reduce the demand for energy either permanently or for a specified period;

(b) all electricity suppliers may be required to make payments (‘demand reduction payments’) to or for the benefit of these users.’.
Energy Bill, continued

Clause 22, page 13, line 23, at end insert—

‘(3A) Provision included in regulations of demand reduction payments for the purposes of subsection (2A) may make provision about the meaning of “energy user”.’.

Clause 22, page 13, line 41, at end insert—

‘(4A) Provision included in regulations of demand reduction payments by virtue of subsection (2A) may include provision about—

(a) the terms of a demand reduction payment;
(b) the circumstances in which, and the process by which, a demand reduction payment may or must be made;
(c) the persons who may be paid;
(d) the circumstances in which and technologies for which payments may be made;
(e) the number and size of payments;
(f) the means by which demand reduction payments are to be calculated;
(g) a person or body who is to administer the settlement of demand reduction payments (“a settlement body”); 
(h) the enforcement of the terms relating to demand reduction payments;
(i) the resolution of disputes relating to a demand reduction payment payment;
(j) the circumstances in which a demand reduction payment may be terminated or reclaimed or varied;
(k) the circumstances in which a demand reduction payment may be assigned or traded;
(l) the means for monitoring and verifying the energy reduction for which demand reduction payments are made.’.
Clause 22, page 14, line 6, at end insert—

‘(5A) Provision falling within subsection (4A) includes provision—

(a) conferring on the national system operator the function of issuing demand reduction payments;

(b) about any conditions that must be satisfied by or in relation to a person before that person may receive a demand reduction payment;

(c) about any matters in relation to which a person must satisfy the national system operator before the person receives a demand reduction payment.’.
Energy Bill, continued

( ) If the review carried out by the Secretary of State by virtue of this section determines that the Regulator has underperformed the Secretary of State may take whatever action would, in his opinion, improve performance of the Regulator.

( ) Action by virtue of this section may include the replacement of the Regulator with a new body.

Secretary Edward Davey

Agreed to

Clause 133, page 102, line 30, after ‘operator’ insert ‘, a person or body on whom a function is conferred by virtue of section [Provision about electricity demand reduction]’.

Bill read a third time on division and passed.