



# House of Commons

Thursday 28 January 2016

## PUBLIC BILL COMMITTEE

*New Amendments handed in are marked thus ★*

☆ *Amendments which will comply with the required notice period at their next appearance*

### ENERGY BILL [*LORDS*]

#### NOTE

**This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in accordance with the Order of the Committee [26 January 2016].**

Dr Alan Whitehead  
Clive Lewis

16

Clause 79, page 46, line 43, at end insert—

“(2) Within six months from the date of this Act coming into force, the Secretary of State shall report to Parliament on the impact of this section and any other policy changes to the renewable energy sector with regards to how they affect the United Kingdom’s ability to comply with the 2020 EU renewable target.

(3) The report in subsection (2) must include an estimate of the cost to the taxpayer should the UK not comply with the 2020 EU renewable target.”

***Member’s explanatory statement***

*This amendment would require the Secretary of State to report within six months of this Act coming into force on how changes to renewable energy policy (including the changes stipulated in section 79 of the Act) have affected the UK’s ability to comply with the 2020 EU renewable target.*

Andrea Leadsom

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Page 47, line 3, leave out Clause 80

***Member’s explanatory statement***

*This removes provision that amends section 27 of the Climate Change Act 2008. The provision removed by the amendment would have altered the regulation-making powers for prescribing the*

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*basis for calculating how a carbon budget is being met from 2028 onwards (i.e. from the start of the fifth carbon budget).*

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Andrea Leadsom

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Clause 83, page 48, line 2, leave out “This Part comes” and insert “Sections [Onshore wind power: closure of renewables obligation on 31 March 2016], [Onshore wind power: circumstances in which certificates may be issued after 31 March 2016] and [Use of Northern Ireland certificates: onshore wind power] and this Part come”

**Member’s explanatory statement**

*This Amendment provides for New Clauses 1, 2 and 3 to come into force on Royal Assent of the Energy Bill.*

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Andrea Leadsom

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Clause 84, page 48, line 14, leave out subsection (4)

**Member’s explanatory statement**

*This removes provision which was inserted to avoid infringing the financial privileges of the Commons. Now that the money and ways and means resolutions have been passed this can be removed.*

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**NEW CLAUSES**

Andrea Leadsom

NC1

To move the following Clause—

**“Onshore wind power: closure of renewables obligation on 31 March 2016**

- (1) In Part 1 of the Electricity Act 1989 (electricity supply), after section 32LB insert—

**“32LC Onshore wind generating stations: closure of renewables obligation**

- (1) No renewables obligation certificates are to be issued under a renewables obligation order in respect of electricity generated after 31 March 2016 by an onshore wind generating station.
- (2) Subsection (1) does not apply to electricity generated in the circumstances set out in any one or more of sections 32LD to 32LL.
- (3) In this section and sections 32LD to 32LL “onshore wind generating station” means a generating station that—
- (a) generates electricity from wind, and

**Energy Bill [Lords], continued**

- (b) is situated in England, Wales or Scotland, but not in waters in or adjacent to England, Wales or Scotland up to the seaward limits of the territorial sea.
- (4) The reference in subsection (1) to a renewables obligation order is to any renewables obligation order made under section 32 (whenever made, and whether or not made by the Secretary of State).
- (5) Power to make provision in a renewables obligation order or a renewables obligation closure order (and any provision contained in such an order) is subject to subsection (1) and sections 32LD to 32LL.
- (6) This section is not otherwise to be taken as affecting power to make provision in a renewables obligation order or renewables obligation closure order.”
- (2) The Renewables Obligation Closure Order 2014 (S.I. 2014/2388) is amended as follows.
- (3) In article 2(1) (interpretation), after the definition of “network operator” insert—
  - ““onshore wind generating station” means a generating station that—
  - (a) generates electricity from wind, and
  - (b) is situated in England, Wales or Scotland, but not in waters in or adjacent to England, Wales or Scotland up to the seaward limits of the territorial sea;”.
- (4) In article 3 (closure of renewables obligation on 31st March 2017)—
  - (a) in the heading, after “solar pv stations” insert “or onshore wind generating stations”;
  - (b) in paragraph (1), after “solar pv station” insert “or an onshore wind generating station”.”

**Member’s explanatory statement**

*This New Clause prevents renewables obligation certificates from being issued in respect of electricity generated after 31 March 2016 by a generating station that generates electricity from wind and is located onshore in England, Wales or Scotland. There are exceptions to this in certain cases: see New Clause NC2.*

Andrea Leadsom

NC2

To move the following Clause—

**“Onshore wind power: circumstances in which certificates may be issued after 31 March 2016**

- (1) Part 1 of the Electricity Act 1989 (electricity supply) is amended as follows.
- (2) After section 32LC (inserted by section [*Onshore wind power: closure of renewables obligation on 31 March 2016*]) insert—

**“32LD Onshore wind generating stations accredited, or additional capacity added, on or before 31 March 2016**

The circumstances set out in this section are where the electricity is—

- (a) generated by an onshore wind generating station which was accredited on or before 31 March 2016, and

**Energy Bill [Lords], continued**

- (b) generated using—
  - (i) the original capacity of the station, or
  - (ii) additional capacity which in the Authority's view first formed part of the station on or before 31 March 2016.

**32LE Onshore wind generating stations accredited, or additional capacity added, between 1 April 2016 and 31 March 2017: grid or radar delay condition met**

The circumstances set out in this section are where the electricity is—

- (a) generated using the original capacity of an onshore wind generating station—
  - (i) which was accredited during the period beginning with 1 April 2016 and ending with 31 March 2017, and
  - (ii) in respect of which the grid or radar delay condition is met, or
- (b) generated using additional capacity of an onshore wind generating station, where—
  - (i) the station was accredited on or before 31 March 2016,
  - (ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 April 2016 and ending with 31 March 2017, and
  - (iii) the grid or radar delay condition is met in respect of the additional capacity.

**32LF Onshore wind generating stations accredited, or additional capacity added, on or before 31 March 2017: approved development condition met**

The circumstances set out in this section are where the electricity is—

- (a) generated using the original capacity of an onshore wind generating station—
  - (i) which was accredited on or before 31 March 2017, and
  - (ii) in respect of which the approved development condition is met, or
- (b) generated using additional capacity of an onshore wind generating station, where—
  - (i) the station was accredited on or before 31 March 2016,
  - (ii) in the Authority's view, the additional capacity first formed part of the station on or before 31 March 2017, and
  - (iii) the approved development condition is met in respect of the additional capacity.

**32LG Onshore wind generating stations accredited, or additional capacity added, between 1 April 2017 and 31 March 2018: grid or radar delay condition met**

The circumstances set out in this section are where the electricity is—

- (a) generated using the original capacity of an onshore wind generating station—
  - (i) which was accredited during the period beginning with 1 April 2017 and ending with 31 March 2018,
  - (ii) in respect of which the approved development condition is met, and

**Energy Bill [Lords], continued**

- (iii) in respect of which the grid or radar delay condition is met, or
- (b) generated using additional capacity of an onshore wind generating station, where—
  - (i) the station was accredited on or before 31 March 2016,
  - (ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 April 2017 and ending with 31 March 2018,
  - (iii) the approved development condition is met in respect of the additional capacity, and
  - (iv) the grid or radar delay condition is met in respect of the additional capacity.

**32LH Onshore wind generating stations accredited, or additional capacity added, between 1 April 2017 and 31 December 2017: investment freezing condition met**

The circumstances set out in this section are where the electricity is—

- (a) generated using the original capacity of an onshore wind generating station—
  - (i) which was accredited during the period beginning with 1 April 2017 and ending with 31 December 2017, and
  - (ii) in respect of which both the approved development condition and the investment freezing condition are met, or
- (b) generated using additional capacity of an onshore wind generating station, where—
  - (i) the station was accredited on or before 31 March 2016,
  - (ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 April 2017 and ending with 31 December 2017, and
  - (iii) both the approved development condition and the investment freezing condition are met in respect of the additional capacity.

**32LI Onshore wind generating stations accredited, or additional capacity added, between 1 January 2018 and 31 December 2018: grid or radar delay condition met**

The circumstances set out in this section are where the electricity is—

- (a) generated using the original capacity of an onshore wind generating station—
  - (i) which was accredited during the period beginning with 1 January 2018 and ending with 31 December 2018,
  - (ii) in respect of which both the approved development condition and the investment freezing condition are met, and
  - (iii) in respect of which the grid or radar delay condition is met, or
- (b) generated using additional capacity of an onshore wind generating station, where—
  - (i) the station was accredited on or before 31 March 2016,

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- (ii) in the Authority's view, the additional capacity first formed part of the station during the period beginning with 1 January 2018 and ending with 31 December 2018,
- (iii) both the approved development condition and the investment freezing condition are met in respect of the additional capacity, and
- (iv) the grid or radar delay condition is met in respect of the additional capacity.

**32LJ The approved development condition**

- (1) This section applies for the purposes of sections 32LF to 32LI.
- (2) The approved development condition is met in respect of an onshore wind generating station if the documents specified in subsections (4), (5) and (6) were provided to the Authority with the application for accreditation of the station.
- (3) The approved development condition is met in respect of additional capacity if the documents specified in subsections (4), (5) and (6) were provided to the Authority on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station.
- (4) The documents specified in this subsection are—
  - (a) evidence that—
    - (i) planning permission for the station or additional capacity was granted on or before 18 June 2015, and
    - (ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached,
  - (b) evidence that—
    - (i) planning permission for the station or additional capacity was refused on or before 18 June 2015, but granted after that date following an appeal or judicial review, and
    - (ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached,
  - (c) evidence that—
    - (i) an application for 1990 Act permission or 1997 Act permission was made on or before 18 June 2015 for the station or additional capacity,
    - (ii) the period allowed under section 78(2) of the 1990 Act or (as the case may be) section 47(2) of the 1997 Act ended on or before 18 June 2015 without any of the things mentioned in section 78(2)(a) to (b) of the 1990 Act or section 47(2)(a) to (c) of the 1997 Act being done in respect of the application,
    - (iii) the application was not referred to the Secretary of State, Welsh Ministers or Scottish Ministers in accordance with directions given under section 77 of the 1990 Act or section 46 of the 1997 Act,

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**Energy Bill [Lords], continued**

- (iv) 1990 Act permission or 1997 Act permission was granted after 18 June 2015 following an appeal, and
    - (v) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached, or
  - (d) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, planning permission is not required for the station or additional capacity.
- (5) The documents specified in this subsection are—
  - (a) a copy of an offer from a licensed network operator made on or before 18 June 2015 to carry out grid works in relation to the station or additional capacity, and evidence that the offer was accepted on or before that date (whether or not the acceptance was subject to any conditions or other terms), or
  - (b) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, no grid works were required to be carried out by a licensed network operator in order to enable the station to be commissioned or the additional capacity to form part of the station.
- (6) The documents specified in this subsection are a declaration by the operator of the station that, to the best of the operator's knowledge and belief, as at 18 June 2015 a relevant developer of the station or additional capacity (or a person connected, within the meaning of section 1122 of the Corporation Tax Act 2010, with a relevant developer of the station or additional capacity)—
  - (a) was an owner or lessee of the land on which the station or additional capacity is situated,
  - (b) had entered into an agreement to purchase or lease the land on which the station or additional capacity is situated,
  - (c) had an option to purchase or to lease the land on which the station or additional capacity is situated, or
  - (d) was a party to an exclusivity agreement in relation to the land on which the station or additional capacity is situated.
- (7) In this section—
  - “the 1990 Act” means the Town and Country Planning Act 1990;
  - “1990 Act permission” means planning permission under the 1990 Act (except outline planning permission, within the meaning of section 92 of that Act);
  - “the 1997 Act” means the Town and Country Planning (Scotland) Act 1997;
  - “1997 Act permission” means planning permission under the 1997 Act (except planning permission in principle, within the meaning of section 59 of that Act);
  - “exclusivity agreement”, in relation to land, means an agreement by the owner or a lessee of the land not to permit any person (other than the persons identified in the agreement) to construct an onshore wind generating station on the land;
  - “planning permission” means—
    - (a) consent under section 36 of this Act,
    - (b) 1990 Act permission,
    - (c) 1997 Act permission, or
    - (d) development consent under the Planning Act 2008.

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**Energy Bill [*Lords*], *continued***

**32LK The investment freezing condition**

- (1) This section applies for the purposes of sections 32LH and 32LI.
- (2) The investment freezing condition is met in respect of an onshore wind generating station if the documents specified in subsection (4) were provided to the Authority with the application for accreditation of the station.
- (3) The investment freezing condition is met in respect of additional capacity if the documents specified in subsection (4) were provided to the Authority on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station.
- (4) The documents specified in this subsection are—
  - (a) a declaration by the operator of the station that, to the best of the operator’s knowledge and belief, as at the Royal Assent date—
    - (i) the relevant developer required funding from a recognised lender before the station could be commissioned or additional capacity could form part of the station,
    - (ii) a recognised lender was not prepared to provide that funding until enactment of the Energy Act 2016, because of uncertainty over whether the Act would be enacted or its wording if enacted, and
    - (iii) the station would have been commissioned, or the additional capacity would have formed part of the station, on or before 31 March 2017 if the funding had been provided before the Royal Assent date, and
  - (b) a letter or other document, dated on or before the date which is 28 days after the Royal Assent date, from a recognised lender confirming (whether or not the confirmation is subject to any conditions or other terms) that the lender was not prepared to provide funding in respect of the station or additional capacity until enactment of the Energy Act 2016, because of uncertainty over whether the Act would be enacted or its wording if enacted.
- (5) In this section—
 

“recognised lender” means a provider of debt finance which has been issued with an investment grade credit rating by a registered credit rating agency;

“the Royal Assent date” means the date on which the Energy Act 2016 is passed.
- (6) For the purposes of the definition of “recognised lender” in subsection (5)—
 

“investment grade credit rating” means a credit rating commonly understood by registered credit rating agencies to be investment grade;

“registered credit rating agency” means a credit rating agency registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies.

**32LL The grid or radar delay condition**

- (1) This section applies for the purposes of sections 32LE, 32LG and 32LI.

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**Energy Bill [Lords], continued**

- (2) The grid or radar delay condition is met in respect of an onshore wind generating station if, on or before the date on which the Authority made its decision to accredit the station, the documents specified in subsection (4), (5) or (6) were—
  - (a) submitted by the operator of the station, and
  - (b) received by the Authority.
- (3) The grid or radar delay condition is met in respect of additional capacity if, on or before the date on which the Authority made its decision that the additional capacity could form part of an onshore wind generating station, the documents specified in subsection (4), (5) or (6) were—
  - (a) submitted by the operator of the station, and
  - (b) received by the Authority.
- (4) The documents specified in this subsection are—
  - (a) evidence of an agreement with a network operator (“the relevant network operator”) to carry out grid works in relation to the station or additional capacity (“the relevant grid works”);
  - (b) a copy of a document written by, or on behalf of, the relevant network operator which estimated or set a date for completion of the relevant grid works (“the planned grid works completion date”) which was no later than the primary date;
  - (c) a letter from the relevant network operator confirming (whether or not such confirmation is subject to any conditions or other terms) that—
    - (i) the relevant grid works were completed after the planned grid works completion date, and
    - (ii) in the relevant network operator’s opinion, the failure to complete the relevant grid works on or before the planned grid works completion date was not due to any breach by a generating station developer of any agreement with the relevant network operator; and
  - (d) a declaration by the operator of the station that, to the best of the operator’s knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if the relevant grid works had been completed on or before the planned grid works completion date.
- (5) The documents specified in this subsection are—
  - (a) evidence of an agreement between a generating station developer and a person who is not a generating station developer (“the radar works agreement”) for the carrying out of radar works (“the relevant radar works”);
  - (b) a copy of a document written by, or on behalf of, a party to the radar works agreement (other than a generating station developer) which estimated or set a date for completion of the relevant radar works (“the planned radar works completion date”) which was no later than the primary date;
  - (c) a letter from a party to the radar works agreement (other than a generating station developer) confirming, whether or not such confirmation is subject to any conditions or other terms, that—
    - (i) the relevant radar works were completed after the planned radar works completion date, and

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**Energy Bill [*Lords*], *continued***

- (ii) in that party's opinion, the failure to complete the relevant radar works on or before the planned radar works completion date was not due to any breach of the radar works agreement by a generating station developer; and
  - (d) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if the relevant radar works had been completed on or before the planned radar works completion date.
- (6) The documents specified in this subsection are—
- (a) the documents specified in subsection (4)(a), (b) and (c);
  - (b) the documents specified in subsection (5)(a), (b) and (c); and
  - (c) a declaration by the operator of the station that, to the best of the operator's knowledge and belief, the station would have been commissioned, or the additional capacity would have formed part of the station, on or before the primary date if—
    - (i) the relevant grid works had been completed on or before the planned grid works completion date, and
    - (ii) the relevant radar works had been completed on or before the planned radar works completion date.
- (7) In this section “the primary date” means—
- (a) in a case within section 32LE(a)(i) or (b)(i) and (ii), 31 March 2016;
  - (b) in a case within section 32LG(a)(i) and (ii) or (b)(i) to (iii), 31 March 2017;
  - (c) in a case within section 32LI(a)(i) and (ii) or (b)(i) to (iii), 31 December 2017.”
- (3) In section 32M (interpretation of sections 32 to 32M)—
- (a) in subsection (1), for “32LB” substitute “32LL”;
  - (b) at the appropriate places insert the following definitions—
    - ““accredited”, in relation to an onshore wind generating station, means accredited by the Authority as a generating station which is capable of generating electricity from renewable sources; and “accredit” and “accreditation” are to be construed accordingly;”;
    - ““additional capacity”, in relation to an onshore wind generating station, means any generating capacity which does not form part of the original capacity of the station;”;
    - ““commissioned”, in relation to an onshore wind generating station, means having completed such procedures and tests in relation to the station as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of generating station in order to demonstrate that it is capable of commercial operation;”;
    - ““generating station developer”, in relation to an onshore wind generating station or additional capacity, means—
      - (a) the operator of the station, or
      - (b) a person who arranged for the construction of the station or additional capacity;”;

**Energy Bill [Lords], continued**

““grid works”, in relation to an onshore wind generating station, means—

- (a) the construction of a connection between the station and a transmission or distribution system for the purpose of enabling electricity to be conveyed from the station to the system, or
- (b) the carrying out of modifications to a connection between the station and a transmission or distribution system for the purpose of enabling an increase in the amount of electricity that can be conveyed over that connection from the station to the system;”;

““licensed network operator” means a distribution licence holder or a transmission licence holder;”;

““network operator” means a distribution exemption holder, a distribution licence holder or a transmission licence holder;”;

““onshore wind generating station” has the meaning given by section 32LC(2);”;

““original capacity”, in relation to an onshore wind generating station, means the generating capacity of the station as accredited;”;

““radar works” means—

- (a) the construction of a radar station,
- (b) the installation of radar equipment,
- (c) the carrying out of modifications to a radar station or radar equipment, or
- (d) the testing of a radar station or radar equipment;”;

““relevant developer”, in relation to an onshore wind generating station or additional capacity, means a person who—

- (a) applied for planning permission for the station or additional capacity,
- (b) arranged for grid works to be carried out in relation to the station or additional capacity,
- (c) arranged for the construction of any part of the station or additional capacity,
- (d) constructed any part of the station or additional capacity, or
- (e) operates, or proposes to operate, the station;”.

***Member’s explanatory statement***

*This New Clause provides for cases in which renewables obligation certificates may continue to be issued in respect of electricity generated after 31 March 2016 by onshore wind generating stations in England, Wales or Scotland, despite the general closure effected by New Clause NCI. The cases are those described in the new sections 32LD to 32LI of the Electricity Act 1989.*

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**Energy Bill [Lords], continued**

Andrea Leadsom

NC3

To move the following Clause—

**“Use of Northern Ireland certificates: onshore wind power**

- (1) The Electricity Act 1989 is amended as follows.
- (2) Before section 32M insert—

**“32LM Use of Northern Ireland certificates: onshore wind power**

- (1) The Secretary of State may make regulations providing that an electricity supplier may not discharge its renewables obligation (or its obligation in relation to a particular period) by the production to the Authority of a relevant Northern Ireland certificate, except in the circumstances, and to the extent, specified in the regulations.
- (2) A “relevant Northern Ireland certificate” is a Northern Ireland certificate issued in respect of electricity generated—
  - (a) after 31 March 2016 (or any later date specified in the regulations), and
  - (b) by a Northern Ireland onshore wind generating station accredited after 31 March 2016 (or any later date specified in the regulations).
- (3) In this section—
 

“NIRO Order” means any order made under Articles 52 to 55F of the Energy (Northern Ireland) Order 2003;

“Northern Ireland certificate” means a renewables obligation certificate issued by the Northern Ireland authority under the Energy (Northern Ireland) Order 2003 and pursuant to a NIRO Order;

“Northern Ireland onshore wind generating station” means a generating station that—

  - (a) generates electricity from wind, and
  - (b) is situated in Northern Ireland, but not in waters in or adjacent to Northern Ireland up to the seaward limits of the territorial sea.
- (4) Power to make provision in a renewables obligation order by virtue of section 32F (and any provision contained in such an order) is subject to provision contained in regulations under this section.
- (5) This section is not otherwise to be taken as affecting power to make provision in a renewables obligation order.
- (6) Regulations under this section may amend a renewables obligation order.
- (7) Section 32K applies in relation to regulations under this section as it applies in relation to a renewables obligation order.”
- (3) In section 32M (interpretation)—
  - (a) in subsection (1), for “32LB” substitute “32LM”;
  - (b) in subsection (7), for “32L” substitute “32LM”.

***Member’s explanatory statement***

*This New Clause allows the Secretary of State to make regulations preventing an electricity supplier in England, Wales or Scotland from using a renewables obligation certificate issued in Northern Ireland to discharge its renewables obligation, where the certificate was issued in*

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**Energy Bill [Lords], continued**

*respect of onshore wind power generated in Northern Ireland after 31 March 2016. The regulations can specify exceptions.*

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Callum McCaig

NC4

To move the following Clause—

**“Carbon capture and storage strategy for the energy industry**

- (1) It is the duty of the Secretary of State to—
  - (a) develop, promote and implement a comprehensive national strategy for carbon capture and storage (CCS) for the energy industry to deliver the emissions reductions required to meet the fifth and subsequent, carbon budgets at the scale and pace required;
  - (b) develop that strategy in consultation with HM Treasury, the Department for Business, Innovation and Skills, the Oil and Gas Authority, the National Infrastructure Commission Scottish Ministers, Welsh Ministers and other relevant stakeholders including the CCS industry; and
  - (c) have that strategy in place by June 2017 and report to Parliament on the progress of its implementation every three years thereafter.
- (2) The strategy provided for by subsection (1) shall, amongst other things, include—
  - (a) the development of infrastructure for carbon dioxide transport and storage;
  - (b) a funding strategy for implementation including provision of market signals sufficient to build confidence for private investment in the CCS industry;
  - (c) priorities for such action in the immediate future as may be necessary to allow the orderly and timely development and deployment of CCS after 2020;
  - (d) promotion of cost-effective innovation in CCS; and
  - (e) clarification of the responsibilities of government departments with respect to the implementation of the strategy.”

***Member’s explanatory statement***

*This new Clause would compel the Secretary of State to bring forward a strategy for carbon capture and storage for the energy industry.*

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Energy Bill [*Lords*], *continued*

Callum McCaig

NC5

To move the following Clause—

**“Contract for Difference**

After section 13(3) of the Energy Act 2013 insert—

“(3A) An allocation round must be held at least once in each year in which the carbon intensity of electricity generation in the United Kingdom exceeds 100 grams per kilowatt hour.””

***Member’s explanatory statement***

*This new Clause would compel the Secretary of State to hold a Contract for Difference allocation round at least once in each year that the carbon intensity of electricity generation in the UK exceeds 100g per kilowatt hour.*

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Callum McCaig

NC6

To move the following Clause—

**“Contact for Difference: devolution**

In Section D1 of Part 2 of Schedule 5 of the Scotland Act 1998, in the exceptions, insert—

“Exception 2: The subject-matter of Chapter 1 of Part 2 of the Energy Act 2013.””

***Member’s explanatory statement***

*This new Clause would devolve control of Contract for Difference in Scotland to the Scottish Parliament.*

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Callum McCaig

NC7

To move the following Clause—

**“Decarbonisation**

- (1) Part 1 of the Energy Act 2013 (decarbonisation) is amended as follows.
- (2) In section 1, subsection 2, leave out “may” and insert “must.””

***Member’s explanatory statement***

*This new Clause would compel the Secretary of State to bring forward an order to set a decarbonisation target to be put in place for 2030.*

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**Energy Bill [Lords], continued**

Dr Alan Whitehead  
Clive Lewis

NC8

To move the following Clause—

**“Regulation of carbon storage activity**

- (1) The additional functions of the OGA related to offshore petroleum provided for by Part 2 of this Act, shall also be exercisable by the OGA in relating to the carbon storage activity of holders of offshore licences and licensees as defined in section 19.”

***Member’s explanatory statement***

*This amendment would extend the functions that the OGA has in relation to holders of offshore petroleum licences, so that they also apply to carbon capture activities by those licensees.*

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Dr Alan Whitehead  
Clive Lewis

NC9

To move the following Clause—

**“Report to Parliament on decommissioning costs**

Within one year of this Act coming into force, and annually thereafter, the Secretary of State shall report to each House of Parliament on estimated decommissioning costs for North Sea oil and gas infrastructure.”

***Member’s explanatory statement***

*This amendment would require the Secretary of State to make an annual report to Parliament on the estimated decommissioning costs for North Sea oil and gas infrastructure.*

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Dr Alan Whitehead  
Clive Lewis

NC10

To move the following Clause—

**“Carbon capture and storage strategy for the energy industry**

- (1) It is the duty of the Secretary of State to—
- (a) develop, promote and implement a comprehensive national strategy for carbon capture and storage (CCS) for the energy industry to deliver the emissions reductions required to meet the fifth and subsequent, carbon budgets at the scale and pace required;
  - (b) develop that strategy in consultation with HM Treasury, the Department for Business, Innovation and Skills, the Oil and Gas Authority, the National Infrastructure Commission and other relevant stakeholders including the CCS industry; and
  - (c) have that strategy in place by June 2017 and report to Parliament on the progress of its implementation every three years thereafter.

**Energy Bill [Lords], continued**

- (2) The strategy provided for by subsection (1) shall, amongst other things, include—
- (a) the development of infrastructure for carbon dioxide transport and storage;
  - (b) a funding strategy for implementation including provision of market signals sufficient to build confidence for private investment in the CCS industry;
  - (c) priorities for such action in the immediate future as may be necessary to allow the orderly and timely development and deployment of CCS after 2020.”
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Dr Alan Whitehead  
Clive Lewis

**NC11**

To move the following Clause—

**“Decarbonisation target range**

- (1) Section 1 of the Energy Act 2013 is amended as follows.
- (2) Leave out subsection (2) and insert—

“(2) The Secretary of State shall by order (“a decarbonisation order”) set a decarbonisation target range, which shall be reviewed annually thereafter.””

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Dr Alan Whitehead  
Clive Lewis

**NC12**

To move the following Clause—

**“Contracts for Difference**

After section 13(3) of the Energy Act 2013 insert—

- “(3A) An allocation round must be held no less than annually in each year in which the UK is not on target to meet the 2020 EU renewable energy target.””
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**Energy Bill [*Lords*], *continued***

Dr Alan Whitehead  
Clive Lewis

**NC13**

To move the following Clause—

**“Capacity mechanism**

After Section 42 (3) of the Energy Act 2013, insert—

- “(4) Fossil fuelled generating plant granted 15 year capacity contracts under the capacity mechanism established by this section shall be subject to—
- (a) a carbon price;
  - (b) a requirement to fit the best available technologies to mitigate air pollution, and
  - (c) the emissions performance standard as established by section 57 (2) of this Act.””
- 

Dr Alan Whitehead  
Clive Lewis

**NC14**

To move the following Clause—

**“Electricity storage**

- (1) Section 4 of the electricity Act 1989 is amended as follows.
- (2) After subsection (1)(c) insert—

“(d) stores electricity for the purpose of giving a supply to any premises or enabling a supply to be so given,”
- (3) At end of subsection (4) insert—

““Store” means the conversion of electricity into a form of energy which can be stored, the storing of the energy which has been so converted and the reconversion of the stored energy into electrical energy in devices with an individual capacity of more than 50MW.”
- (4) Section 6 of the electricity Act 1989 is amended as follows.
- (5) After subsection (1)(d) insert—

“(e) a licence authorising a person to store electricity for the purpose of giving a supply to any premises or enabling a supply to be so given (‘a storage licence’);”
- (6) After subsection (2) insert—

“(2ZA) In addition to holding a storage licence, the same person may be a holder of—

  - (a) a distribution licence,
  - (b) a transmission licence, or
  - (c) a generation licence.

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**Energy Bill [Lords], continued**

- (2ZB) The Secretary of State may by order determine the circumstances under which a person may hold a storage licence in addition to a distribution licence, a transmission licence or a generation licence under subsection (2ZA).””
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Callum McCaig

NC15

To move the following Clause—

**“Onshore wind power: renewables obligation**

The power to make a renewables obligation closure order in respect of electricity generated by an onshore wind generating station in Scotland may only be exercised by Scottish Ministers.”

***Member’s explanatory statement***

*This new Clause would return to the Scottish Ministers the power to close the renewables obligation in relation to electricity generated by onshore wind generating stations in Scotland.*

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Callum McCaig

NC16

To move the following Clause—

**“Strategy for incentivising competitiveness of UK-registered companies in decommissioning contracts**

- (1) By June 2017 the Secretary of State shall develop a comprehensive strategy for the Department of Energy and Climate Change to incentivise the competitiveness of UK-registered companies in bidding for supply chain contracts associated with the decommissioning of oil and gas infrastructure (“the strategy”), which shall be reviewed annually thereafter.
- (2) In developing the strategy the Secretary of State must consult—
  - (a) HM Treasury;
  - (b) the Department for Business, Innovation and Skills;
  - (c) the Oil and Gas Authority;
  - (d) Scottish Ministers, and
  - (e) any other relevant stakeholders that the Secretary of State thinks appropriate.
- (3) The strategy must include, though shall not be restricted to—
  - (a) an appraisal of tax incentives that can be extended to oil and gas operators to incentivise their use of UK-registered supply chain companies; and

*Energy Bill [Lords], continued*

- (b) an outline of other appropriate support that can be provided by the Government, or its agencies, to UK-registered companies which express interest in bidding for decommissioning contracts.”

*Member's explanatory statement*

*This new Clause would compel the Secretary of State to bring forward a strategy for ensuring that UK-registered supply chain companies benefit from decommissioning contracts.*

## ORDER OF THE HOUSE [19 JANUARY 2016]

That the following provisions shall apply to the Energy Bill [Lords]:

*Committal*

1. The Bill shall be committed to a Public Bill Committee.

*Proceedings in Public Bill Committee*

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 9 February 2016.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

*Proceedings on Consideration and up to and including Third Reading*

4. Proceedings on Consideration and proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Consideration and up to and including Third Reading.

*Other proceedings*

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.

## ORDER OF THE COMMITTEE [26 JANUARY 2016]

That—

- (1) the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 26 January) meet—
  - (a) at 2.00 pm on Tuesday 26 January;
  - (b) at 11.30 am and 2.00 pm on Thursday 28 January;
  - (c) at 9.25 am and 2.00 pm on Tuesday 2 February;
  - (d) at 11.30 am and 2.00 pm on Thursday 4 February;
  - (e) at 9.25 am and 2.00 pm on Tuesday 9 February;
- (2) the proceedings shall be taken in the following order: Clauses 1 and 2; Schedule 1; Clauses 3 to 73; Schedule 2; Clauses 74 to 84; new Clauses; new Schedules; remaining proceedings on the Bill;

**Energy Bill [*Lords*], *continued***

- (3) the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Tuesday 9 February.
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