House of Commons
Thursday 4 February 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This document includes all amendments tabled to date and includes any withdrawn amendments at the end.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, as amended on 28 January 2016].

NEW CLAUSES

Andrea Leadsom

To move the following Clause—

(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.”
In this section and sections 32LD to 32LL “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.

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).

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.

This section is not otherwise to be taken as affecting power to make provision in a renewables obligation order or renewables obligation closure order.”

The Renewables Obligation Closure Order 2014 (S.I. 2014/2388) is amended as follows.

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;”.

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.
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
(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
   (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,

(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,

(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.

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.
Energy Bill [Lords], continued

(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.

32L1. The grid or radar delay condition

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

(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 

(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;”;
Energy Bill [Lords], continued

““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;”;

““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
As Amendments to Andrea Leadsom’s proposed New Clause (NC2):—

Philip Boswell

Line 137, leave out “planning permission” and insert “an application for 1990 Act permission or 1997 Act permission”

(c)

Line 139, leave out “or judicial review”

(d)

Line 149, after “Act”, insert “(excluding an extension agreed for the purposes of section 78(2) of the 1990 Act or section 47(2) of the 1997 Act)”

(e)

Line 154, leave out paragraph (iii)

(f)

Line 159, leave out “following an appeal” and insert “or after a decision made by the Secretary of State, Welsh Ministers or Scottish Ministers following directions given under section 77 of the 1990 Act or section 46 of the 1997 Act, and”

Member’s explanatory statement

This amendment covers cases where the statutory period for the determination of planning applications expired on or before 18 June 2015, but where a time extension had been agreed between the developer and the Planning Authority. It would also address cases in which a project’s statutory period for the determination of planning applications expired on or before 18 June 2015, and which are subsequently “called in” by a relevant Minister and approved.

Dr Alan Whitehead
Clive Lewis
Stephen Kinnock

Line 165, at end insert—

“(da) evidence that either—

(i) a grant of planning permission was resolved by the relevant planning authority on or before 18 June 2015,

(ii) planning permission was granted after 18 June 2015 but not later than 18 September 2015, or

(iii) planning permission, consent or development consent was granted after 18 June 2015 under section 73 of the 1990 Act, section 42 of the 1997 Act, section 36(C) of this Act, or under the Planning Act 2008 varying a planning permission, consent or development consent granted on or before 18 June 2015,”
Energy Bill [Lords], continued

(d) evidence that—
   (i) any condition as to the time period within which the development to which
       the permission relates must be begun have not been breached.”

Member's explanatory statement
This amendment would include schemes within the grace period that have received planning consent from local planning authorities by the relevant date, but have not received final documentation, providing that final documentation is received by three months after this date.

Philip Boswell

Line 165, at end insert—
“( ) 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 (excluding an extension agreed for the purposes of section
        78(2) of the 1990 Act or section 47(2) of the 1997 Act) ended on or before 18 June
        2015 without the things mentioned in section 78(2)(a) or (aa) of the 1990 Act or
        section 47(2)(a) or (b) of the 1997 Act being done in respect of the application,
   (iii) the application was 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,
   (iv) 1990 Act permission or 1997 Act permission was granted after 18 June 2015, 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.”

Philip Boswell

Line 165, at end insert—
“( ) 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 for additional capacity,
   (ii) the relevant planning authority resolved to grant 1990 Act permission or 1997 Act
       permission on or before 18 June 2015,
   (iii) 1990 Act permission or 1997 Act permission was granted after 18 June 2015, and
   (iv) any conditions as to the time period within which the development to which the
       permission relates must be begun have not been breached.”
Line 165, at end insert—
“( ) evidence that—

(i) an application for consent for the station or for additional capacity was made under section 36 of this Act,
(ii) the consultation period prescribed by Regulations made under paragraphs 2(3) or 3(1)(c) of Schedule 8 to this Act had expired on or before 18 June 2015,
(iii) the Secretary of State caused a public inquiry to be held under paragraph 2(2) or 3(3) of Schedule 8 to this Act or decided that a public inquiry need not be held,
(iv) consent was granted by the Secretary of State after 18 June 2015, 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.”

Line 165, at end insert—
“( ) evidence that—

(i) an application for development consent for the station or for additional capacity was made under section 37 of the Planning Act 2008,
(ii) the deadline for receipt of representations under section 56(4) of the Planning Act 2008 had expired on or before 18 June 2015,
(iii) consent was granted by the Secretary of State after 18 June 2015, and
(iv) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”

Line 165, at end insert—
“( ) evidence that—

(i) planning permission for the station or additional capacity was granted on or before 18 June 2015,
(ii) planning permission under sections 73, 90(2), 90(2ZA) or 96A of the 1990 Act or sections 42, 57(2), 57(2ZA) or 64 of the 1997 Act, a consent under section 36C of this Act, or an order under section 153 of, and paragraph 2 or 3 of Schedule 6 to, the Planning Act 2008 varying the planning permission under Clause 32LJ(4)(i)(i) was granted after 18 June 2015, and
(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”
Line **165**, at end insert—
“( ) evidence that—

(i) 1990 Act permission or 1997 Act permission for the station or additional capacity was granted on or before 18 June 2015,

(ii) consent under section 36 of this Act that permits a greater capacity for the station than that permitted by the planning permission under Clause 32LJ(4)(j)(i) was granted after 18 June 2015, and

(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”

Line **165**, at end insert—
“( ) evidence that—

(i) planning permission for the station or additional capacity was granted on or before 18 June 2015,

(ii) planning permission under Clause 32LJ(4)(k)(i) was superseded by a subsequent planning permission granted after 18 June 2015 permitting a station with the same or a lower capacity than that granted under the planning permission referred to in Clause 32LJ(4)(k)(i), and

(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”

Line **165**, at end insert—
“( ) evidence that—

(i) planning permission for the station or additional capacity was granted or refused on or before 18 June 2015, and was subsequently confirmed or granted after that date following a statutory challenge under section 288 of the 1990 Act, section 237 of the 1997 Act or section 118 of the Planning Act 2008, or following a 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.”

Line **167**, leave out sub-paragraph 5(a) and insert—
“(a) evidence of an agreement with a network operator to carry out grid works in relation to the station or additional capacity and was originally made on or before 18 June 2015 notwithstanding the fact that may have subsequently been amended or modified, and

(ab) a copy of a document written by, or on behalf of, the network operator which estimated or set a date for completion of the grid works which was no later than 31 March 2017; or”
Philip Boswell

Line 195, at end insert “and includes planning permission deemed to be granted in accordance with section 90 of that Act.”

(r) Line 199, at end insert “and includes planning permission deemed to be granted in accordance with section 57 of that Act.”

(s) Line 223, leave out “from a recognised lender”

(t) Line 243, leave out to end of line 245 and insert—

“in this section “recognised lender” means a bank or financial institution or trust or fund or other financial entity which is regulated by the relevant jurisdiction and which is engaged in making, purchasing or investing in loans, securities or other financial instruments.”

(u) Line 248, leave out subsection (6)

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

As an Amendment to Andrea Leadsom’s proposed New Clause (NC3):—

Philip Boswell
Mark Durkan

Line 12, leave out subsection (a) and insert “which—
(i) is a 33kV connected onshore wind generating station consented after 30 September 2015, or
(ii) a cluster connected onshore wind generating station consented after 31 October 2015”
Callum McCaig

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.

Callum McCaig

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.
Callum McCaig  
To move the following Clause—

“Contract 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.

Callum McCaig  
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.

Dr Alan Whitehead  
Clive Lewis  
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.
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.

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.

(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.”
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.”

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.”

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.”
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.

(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).”’

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.
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
   (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.
Energy Bill [Lords], continued

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, AS AMENDED ON 28 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 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;

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