Local Electricity Bill

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BILL

TO

Enable electricity generators to become local electricity suppliers; and for connected purposes.

B E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows: —

1 Purpose

The purpose of this Act is to encourage and enable the local supply of electricity.

2 Local electricity suppliers

(1) An electricity generator may be a local electricity supplier. *5*

(2) In this section "electricity generator" has the same meaning as in section 6 of the Electricity Act 1989.

(3) A local electricity supplier must—
    (a) hold a local electricity supply licence, and
    (b) adhere to the conditions of that local electricity supply licence. *10*

3 Amendment of the Electricity Act 1989

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

(2) In section 6 (licences authorising supply, etc.), after subsection (1)(d), insert—
    "(da) a licence authorising a person to supply electricity to premises within a designated local area ("a local electricity supply *15* licence");"

(3) After section 6 insert—

"6ZA Local electricity supply licences

    (1) Subject to it exercising its other functions under this Act the Gas and Electricity Markets Authority ("the Authority") may grant a local *20*

electricity supply licence to a person who meets local electricity supply licence conditions.

(2)   The Authority must set local electricity supply licence conditions.

(3)   The Authority must specify the designated local area for each local electricity supply licence.   *5*

(4)   Before making any specification under subsection (3) the Authority must consult—

    (a)   any relevant local authority;

    (b)   any existing local electricity suppliers;

    (c)   any persons who have, to the knowledge of the Authority, expressed an interest in becoming local electricity suppliers;   *10*

    (d)   any other person who, in its opinion, has an interest in that matter.

(5)   The Authority may specify different designated local areas and different local electricity supply licence conditions for different local supply licences.   *15*

(6)   It is a duty of the Authority to ensure that—

    (a)   any fees or other costs of an application for a local electricity supply licence are in its view proportionate to the size of the applicant's business, and   *20*

    (b)   the conditions of the local supply licence are as simple and straightforward as is consistent with the Authority fulfilling its principal objective and general duties under section 3A."

4   Short title, commencement and extent

(1)   This Act may be cited as the Local Electricity Act 2020.   *25*

(2)   This Act (other than this section) comes into force on such day as the Secretary of State may by regulations appoint.

(3)   The power to make regulations under this section is exercisable by statutory instrument.

(4)   The Secretary of State may not make regulations under this section which apply to Scotland without first consulting the Scottish Ministers.   *30*

(5)   The Secretary of State may not make regulations under this section which apply to Wales without first consulting the Welsh Government.

(6)   This Act extends to England and Wales, and Scotland.

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To enable electricity generators to become local electricity suppliers; and for connected purposes.

Presented by Peter Aldous
supported by Sir Graham Brady, Rosie Duffield,
Wera Hobhouse, Dame Diana Johnson,
David Johnston, Ben Lake,
Caroline Lucas, John McNally,
John Penrose, Selaine Saxby
and Mr Barry Sheerman.

Ordered, by The House of Commons,
to be Printed, 10 June 2020