

Electricity Grid (Review) Bill

[AS INTRODUCED]

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[AS INTRODUCED]

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Require the Government and Ofgem to conduct and act on a review of the electricity transmission grid and associated charges, to include consideration of abolishing charge differentials based on geographic location, incentivising renewable energy generation to maximise energy output, and minimising the passing on of charge fluctuation risk to consumers in the form of higher prices; and for connected purposes.

BE 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 Review of electricity grid

- (1) The Secretary of State must establish a review of the electricity transmission grid and associated charges.
- (2) The objectives of the review are to—
 - (a) consider the optimal modern electricity transmission grid to promote the efficient generation of clean and renewable energy; 5
 - (b) assess what infrastructure upgrades to the existing grid will be required to facilitate the creation of such a grid, the associated investment necessary and the fairest methodology of charging to facilitate such investment. 10
- (3) The review must consider —
 - (a) charges payable for electricity generators and suppliers for connecting to the grid, including those based on geographic location;
 - (b) the extent to which current charges and other connection requirements incentivise renewable energy generation occurring at locations where energy output would be maximised; 15
 - (c) means of minimising the passing on of charge fluctuation risk to consumers in the form of higher prices;
 - (d) charging regimes in European Union countries;
 - (e) the extent to which the existing charging regime incentivises electricity imports via interconnectors; 20
 - (f) other matters as the participants in the review see fit.
- (4) The participants in the review must include representatives of—

- (a) the Gas and Electricity Markets Authority (“Ofgem”),
 - (b) the UK Government,
 - (c) the Scottish Government,
 - (d) the Welsh Government,
 - (e) renewable energy providers, and 5
 - (f) consumers.
- (5) The Secretary of State must lay a report of the review, including its recommendations, before Parliament before the end of the period of one year beginning on the day on which this Act is passed.
- (6) The Secretary of State and Ofgem must take all reasonable steps to give effect 10 to the recommendations of the review.

2 Extent, commencement and short title

- (1) This Act extends to England and Wales and Scotland.
- (2) This Act comes into force on the day on which it is passed.
- (3) This Act may be cited as the Electricity Grid (Review) Act 2022. 15

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Ordered, by The House of Commons, to be
Printed, 26th October 2021.

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