

Electricity (Microgeneration) Bill

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TO

Promote microgeneration of electricity 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 Interpretation

In this Act—

“energy conservation authority” has the meaning given in section 1(1) of the Home Energy Conservation Act 1995 (c. 10);

“fuel poverty” shall be construed in accordance with the provisions of section 1 of the Warm Homes and Energy Conservation Act 2000 (c. 31); 5

“licensed electricity supplier” means any person falling within the definition of “electricity supplier” in section 6(9) of the Electricity Act 1989 (c. 29);

“microgeneration” has the meaning given by section 82 of the Energy Act 2004 (c. 20); 10

“public authority” has the same meaning as in section 6 of the Human Rights Act 1998 (c. 42);

“relevant sources of energy and technologies” means the sources of energy and technologies listed in subsection (7) of section 82 of the Energy Act 2004. 15

2 National targets

(1) It shall be the duty of the Secretary of State to establish an overall target for the take-up of microgeneration in Great Britain.

(2) The target established in accordance with subsection (1) may be expressed in relation to— 20

(a) the reduction in emissions of carbon dioxide in Great Britain as a result of the increase of the take-up of microgeneration within a specified period of time, or

(b) the number of microgeneration installations operating within a specified period of time, or 25

- (c) both those things.
- (3) The target established in accordance with subsection (1) shall be contained within a report that is laid before each House of Parliament.
- (4) A report under subsection (3) shall contain such information as the Secretary of State considers appropriate relating to the expected contribution towards meeting the target to be made by each of the relevant sources of energy and technologies. 5
- (5) *It shall be the duty of the Secretary of State to take such steps as he considers necessary to secure that the target established in accordance with subsection (1) is met.*
- 3 Local targets** 10
- (1) It shall be the duty of each energy conservation authority in England and Wales to consider the contribution that microgeneration can make to the fulfilment of the authority's statutory duties and other functions relating to—
- (a) reducing emissions of carbon dioxide, and
- (b) combatting fuel poverty. 15
- (2) In pursuance of its duty under subsection (1), an energy conservation authority may establish local targets relating to microgeneration.
- (3) Targets established under subsection (2) shall be published in such form as the authority establishing them considers appropriate.
- 4 Duty to amend Permitted Development Order** 20
- (1) The Secretary of State shall by order amend Schedule 2 to the Town and Country Planning (General Permitted Development) Order 1995 (S.I. 1995/418) to provide that a "small renewable energy development" is classed as a permitted development within the meaning of that Order.
- (2) A development is a "small renewable energy development" if it meets the criteria set out in subsections (3) and (4). 25
- (3) The first criterion is that the source of energy or the technology is one of the following—
- (a) photovoltaics;
- (b) wind; 30
- (c) solar power; or
- (d) a combined heat and power system.
- (4) The second criterion is that the capacity of the development is the generation of electricity of 10 kilowatts or less.
- (5) In making an order under subsection (1), the Secretary of State may make provision about conditions relating to the environmental impact of a small renewable energy development that need to be met in order for it to be classed as a permitted development, including provision about appearance and noise. 35
- 5 Sale of electricity produced by domestic microgeneration**
- (1) It shall be the duty of the Secretary of State, within twelve months of the coming into force of this Act, to make an order establishing a scheme enabling electricity produced by domestic microgeneration to be sold. 40

(2) After the coming into force of the order made under subsection (1), a licensed electricity supplier may only supply electricity to a domestic customer if that supplier also undertakes to buy at market rate any electricity produced by that customer (or any group of customers of which that customer is a member) by microgeneration. 5

(3) In this section—
 (a) “domestic customer”,
 (b) “domestic microgeneration”,
 (c) “group of customers”, and
 (d) “market rate”, 10
 have the meaning to be prescribed by regulations made by the Secretary of State.

6 Building regulations

(1) The Building Act 1984 (c. 55) is amended as follows.
 (2) In section 1 (power to make building regulations), after subsection (1), insert— 15
 “(1A) In exercising his power to make regulations under subsection (1), the Secretary of State shall have regard to the desirability of promoting the availability of microgeneration in new buildings.”

7 Microgeneration and procedures relating to certification

(1) This section applies to the exercise of any power or functions conferred by any enactment, order or regulations relating to— 20
 (a) Renewable Obligation Certificates,
 (b) Levy Exemptions Certificates, and
 (c) Renewable Electricity Guarantee of Origin Certificates.

(2) In exercising powers to which this section applies, a public authority shall have regard to the desirability of— 25
 (a) promoting microgeneration, and
 (b) minimising the cost and administrative burdens for domestic customers installing or operating, or seeking to instal or operate, microgeneration installations. 30

(3) In this section—
 “domestic customers” has the meaning to be prescribed by the Secretary of State by regulations;
 “Levy Exemption Certificates” means certificates of that name issued in exercise of powers under the Climate Change Levy (General) Regulations 2001 (S.I. 2001/838); 35
 “Renewable Electricity Guarantee of Origin Certificates” means certificates issued in exercise of powers under the Electricity (Guarantees of Origin of Electricity Produced from Renewable Energy Sources) Regulations 2003 (S.I. 2003/2562); 40
 “Renewable Obligation Certificates” means any certificate certifying the matters in section 32B(2A) of the Electricity Act 1989 (c. 29).

8 Orders and regulations

- (1) Any power of the Secretary of State to make an order or regulations under this Act is exercisable by statutory instrument.
- (2) Any order or regulations under this Act shall be laid before Parliament after being made and is subject to annulment in pursuance of a resolution of either House of Parliament. 5

9 Expenses

There shall be paid out of money provided by Parliament –

- (a) *any expenditure incurred by the Secretary of State by virtue of this Act; and*
- (b) *any increase attributable to this Act in the sums payable out of money so provided under any other enactment.* 10

10 Short title, commencement and extent

- (1) This Act may be cited as the Electricity (Microgeneration) Act 2005.
- (2) This Act shall come into force on 1 April 2006.
- (3) Section 3 extends to England and Wales only. 15
- (4) The following sections do not extend to Northern Ireland –
 - (a) sections 1 and 2,
 - (b) sections 4 to 9, and
 - (c) this section.

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To promote microgeneration of electricity and for connected purposes.

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supported by
Mr Andrew Stunell, Mr Peter Ainsworth,
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