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29<sup>th</sup> November 2021

Dear Alan,

During the Public Bill Committee debate on the morning of Thursday 25th November, you requested further information on the omission of non-GB companies in clause 33, and the explanation for the repeals in paragraph 4 of the Schedule. As agreed in the Committee, I am responding to both questions in one letter.

With regards to the first question and the omission of non-GB companies, Clause 33 of the Bill applies, with necessary modification, parts of the Energy Act 2004 to the special administration regime in Part 3.

The special administration regimes in the Energy Act 2004, Energy Act 2011 and the Smart Meters Act 2018 made provision for a company incorporated outside of Great Britain entering special administration. This was required as section 6(1) of the Electricity Act 1989 allows electricity licences to be granted to companies registered outside of Great Britain.

However, the definition of "company" adopted throughout this Bill means that only a company registered under the Companies Act 2006 in England and Wales or Scotland may be designated and have the Regulated Asset Base ("RAB") conditions included within its electricity generation licence. As such, there is no need for the special administration regime in Part 3 of the Bill to make provision for unregistered companies or companies registered outside of Great Britain. In applying the provisions of the Energy Act 2004 this Bill omits the provisions that relate to "non-GB" and unregistered companies, including the definition in section 171(1) which was referred to in Committee. Clause 33 does not change the legal effect of the "non-GB" or unregistered company definitions in the Energy Act 2004, or other Acts which apply those definitions.

In response to your second question regarding consequential repeals in paragraph 4 of the Schedule. These are closely linked to the amendment made at paragraph 2. The purpose of this is to make the necessary consequential amendment to existing legislation and removing duplicative labelling.

An amendment is required to section 33(1) of the Utilities Act 2000 to include the Bill in the list of provisions which confer powers on the Secretary of State to modify the standard conditions of electricity licences. These powers are contained in Clauses 6(7), 29(1)(b) and 35(5) of the Bill. This is the primary purpose of the amendment contained in paragraph 2 of the Schedule to the Bill.

Section 33(1) of the Utilities Act has been amended by other Acts where a similar power has been conferred on the Secretary of State, including the Domestic Gas and Electricity (Tariff Cap) Act 2018 and the Smart Meters Act 2018. Both of these acts inserted a new paragraph "h" into section 33(1) of the Utilities Act, which means that the section currently contains two subparagraphs labelled "h". To address this duplication and add the Bill to that section, it is

necessary to repeal the provisions which inserted the paragraphs "h" and amend section 33(1) of the Utilities Act so that the provisions are correctly labelled as paragraphs "h", "i" and "j".

I would like to thank you for requesting further information on both of these points, and for your robust diligence of the Bill throughout the Committee Stage.

I have copied this letter to the Committee and will place a copy in the House of Commons library.

I hope this is helpful.

Yours ever,



**THE RT HON GREG HANDS MP**  
Minister of State for Energy, Clean Growth and Climate Change