

ENERGY ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Decarbonisation

Section 4: Meaning and calculation of “carbon intensity of electricity generation in the United Kingdom”

76. *Subsection (1)* defines the term “carbon intensity of electricity generation in the United Kingdom” as grams of “carbon dioxide equivalent” emissions, measured per kilowatt hour of electricity generated in the United Kingdom. It is a measure of the amount of carbon dioxide (or other greenhouse gases) produced per unit of electricity generated and is to be calculated consistently with “international carbon reporting practice”.
77. *Subsection (2)* provides definitions of the terms “carbon dioxide equivalent” and “the United Kingdom” referred to in *subsection (1)*:
- *Paragraph (a)* of this subsection sets out what is meant by “carbon dioxide equivalent” (it includes both carbon dioxide and other greenhouse gases) and requires consideration of the global warming potential of each greenhouse gas. The different gases have different properties relevant to climate change - for example, each gas has a different ability to trap heat in the atmosphere and each gas remains in the atmosphere for a different length of time before being broken down – and these properties can be expressed as a comparable “global warming potential”. Global warming potentials of gases are redefined from time to time as scientific analysis of each gas improves and this is catered for as global warming potential is to be calculated “consistently with international carbon reporting practice”;
 - *Paragraph (b)* of this subsection also makes it clear that electricity which is generated offshore in the territorial sea adjacent to the United Kingdom (which extends to 12 nautical miles) and in the Renewable Energy Zone will be captured when calculating the carbon intensity of the electricity generation sector in the United Kingdom.
78. *Subsection (3)* incorporates the definitions of “greenhouse gas” and “international reporting practice” contained in the Climate Change Act 2008 into this Act. This is intended to ensure consistency and coherence between the regimes established by the 2008 Act and this Act.
79. *Subsection (4)* allows the Secretary of State, by order, to make further provision about the definition of “carbon intensity of electricity generation in the United Kingdom”, the means by which carbon intensity is to be calculated and the meaning of “in relation to any year”.
80. *Subsection (5)* requires that any order made under this section must be made by statutory instrument and is subject to the affirmative resolution procedure.
81. *Subsection (6)* provides that an order made under this section can make incidental, supplementary and consequential provisions, any transitory, transitional and saving

*These notes refer to the Energy Act 2013 (c.32)
which received Royal Assent on 18 December 2013*

provisions, different provisions for different cases or circumstances or for different purposes, and provision subject to exceptions.

82. *Subsection (7)* requires the Secretary of State to consult the Department of Enterprise, Trade and Investment in Northern Ireland, and Scottish and Welsh Ministers on any such order before it is laid before Parliament.