

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

ENERGY ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: Electricity Market Reform

Chapter 4: Investment contracts

Schedule 2, Part 2

Paragraph 8: Payments to electricity suppliers

212. This paragraph expressly enables regulations to require the Secretary of State, an investment contract counterparty, or a CFD counterparty to make payments to licensed electricity suppliers. The underlying purpose of the power is to ensure that regulations can require that payments are made to licensed suppliers (where for example the reference price is higher than the strike price) and in circumstances where regulations are made imposing the supplier obligation under *paragraphs 7(1) or 7(2)*.