



Energy Act 2023

2023 CHAPTER 52

PART 2

CARBON DIOXIDE CAPTURE, STORAGE ETC AND HYDROGEN PRODUCTION, TRANSPORT AND STORAGE

CHAPTER 1

REVENUE SUPPORT CONTRACTS

Carbon capture

67 Designation of carbon capture counterparty

- (1) The Secretary of State may by notice given to a person designate the person to be—
 - (a) a counterparty for carbon capture revenue support contracts;
 - (b) a counterparty for any one or more descriptions of carbon capture revenue support contract.
- (2) A “carbon capture revenue support contract” is a contract to which a carbon capture counterparty is a party and which was entered into by a carbon capture counterparty in pursuance of a direction given to it under [section 68\(1\)](#) or a notification given to it under [section 75\(2\)](#).
- (3) A person designated under [subsection \(1\)](#) is referred to in this Chapter as a “carbon capture counterparty”.
- (4) A designation may be made only with the consent of the person designated (except where that person is the Secretary of State).
- (5) The Secretary of State may—
 - (a) exercise the power under paragraph (a) of [subsection \(1\)](#) so that more than one designation has effect under that paragraph;

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2023, Cross Heading: Carbon capture. (See end of Document for details)

- (b) exercise the power under [paragraph \(b\)](#) of that subsection so that more than one designation has effect in respect of any description of carbon capture revenue support contract.
- (6) As soon as reasonably practicable after a designation ceases to have effect, the Secretary of State must make one or more transfer schemes under [section 86](#) to ensure the transfer of all rights and liabilities under any carbon capture revenue support contract to which the person who has ceased to be a carbon capture counterparty was a party.
- (7) In this section—
 - “carbon capture entity” means a person who carries on (or is to carry on) in the United Kingdom, with a view to the storage of carbon dioxide, activities of capturing carbon dioxide (or any substance consisting primarily of carbon dioxide) that—
 - (a) has been produced by commercial or industrial activities,
 - (b) is in the atmosphere, or
 - (c) has dissolved in sea water;
 “storage”, in relation to carbon dioxide, means any storage with a view to the permanent containment of carbon dioxide.
- (8) In [subsection \(7\)](#) the reference to carrying on activities in the United Kingdom includes carrying on activities in, above or below—
 - (a) the territorial sea adjacent to the United Kingdom;
 - (b) waters in a Gas Importation and Storage Zone (within the meaning given by section 1 of the Energy Act 2008).

Commencement Information

II [S. 67](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

68 Direction to offer to contract with eligible carbon capture entity

- (1) The Secretary of State may, in accordance with any provision made by revenue support regulations, direct a carbon capture counterparty to offer to contract with an eligible carbon capture entity specified in the direction, on terms specified in the direction.
- (2) Revenue support regulations may make further provision about a direction under this section and in particular about—
 - (a) the circumstances in which a direction may or must be given;
 - (b) the terms that may or must be specified in a direction.
- (3) Provision falling within [subsection \(2\)](#) may include provision for—
 - (a) the determination of a matter on a competitive basis,
 - (b) calculations or determinations to be made under the regulations, including by such persons, in accordance with such procedure and by reference to such matters and to the opinion of such persons, as may be specified in the regulations.
- (4) Revenue support regulations must make provision for determining the meaning of “eligible” in relation to a carbon capture entity.

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(5) Regulations within [subsection \(4\)](#) may in particular make provision by reference to standards or other published documents (as they have effect from time to time).

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Commencement Information

I2 [S. 68](#) in force at 26.12.2023, see [s. 334\(3\)\(b\)](#)

Changes to legislation:

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