



Energy Act 2023

2023 CHAPTER 52

PART 3

LICENSING OF HYDROGEN PIPELINE PROJECTS

Grant etc of gas transporter licence

134 Grant, extension or restriction of gas transporter licence by Secretary of State

- (1) The Secretary of State may exercise the power under section 7(2) of the Gas Act 1986 (grant of gas transporter licences) so as to grant a gas transporter licence to a designated person, subject to subsection (2).
- (2) The Secretary of State may only grant a gas transporter licence which authorises the conveyance of hydrogen through pipes for the purposes of the person's designated project.
- (3) The Secretary of State may exercise the power under section 7(4) of the Gas Act 1986 (direction to extend licence) so as to extend a gas transporter licence where—
 - (a) the licence is held by a designated person, and
 - (b) the extension authorises the conveyance of hydrogen through pipes for the purposes of the person's designated project.
- (4) The Secretary of State may exercise the power under section 7(4A) of the Gas Act 1986 (direction to restrict licence) so as to restrict a gas transporter licence where—
 - (a) the licence is or was held by a designated person, and
 - (b) the restriction is in connection with the revocation of the person's designation in relation to a hydrogen pipeline project.
- (5) In its application for the purposes of subsections (1), (3) and (4), the Gas Act 1986 has effect as if—
 - (a) in the following provisions, references to the GEMA were to the Secretary of State—
 - (i) section 7(5) and (6)(a);

Changes to legislation: There are currently no known outstanding effects for the Energy Act 2023, Section 134. (See end of Document for details)

- (ii) section 7B(9);
 - (iii) section 8(3), (4) and (5)(a);
 - (b) in sections 7(6)(b) and 8(5)(b), references to the Secretary of State were to the GEMA;
 - (c) in section 7B(4)(c), the reference to the GEMA included a reference to the Secretary of State, but only for the purpose of enabling the inclusion of conditions requiring the rendering of a payment on the grant of a licence;
 - (d) section 7B(9) also required a copy of the licence to be sent to the GEMA.
- (6) When granting or extending a gas transporter licence by virtue of this section, the Secretary of State must have regard to—
- (a) costs, expenditure or liabilities of any description that the designated person may reasonably be expected to incur in carrying out its activities;
 - (b) the need to secure that the designated person is able to finance its activities;
 - (c) the need to secure that the designated person has appropriate incentives in relation to the carrying on of its activities;
 - (d) such other matters as the Secretary of State considers appropriate.
- (7) References in subsection (6) to a designated person’s activities are to the person’s activities for the purposes of—
- (a) the designated project to which the grant or extension relates, and
 - (b) in the case of an extension, any other designated project already authorised by the person’s gas transporter licence.
- (8) A gas transporter licence granted, extended or restricted by the Secretary of State by virtue of [this section](#) has effect for all purposes as if it had been granted, extended or restricted by the GEMA.

Commencement Information

II [S. 134](#) in force at 26.12.2023, see [s. 334\(3\)\(c\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Energy Act 2023, Section 134.