

Reference to Gas Act 1986 on Internet

[www.legislation.gov.uk/ukpga/1986/44](http://www.legislation.gov.uk/ukpga/1986/44)

(1) The principal objective of the Secretary of State and the Gas and Electricity Markets Authority (in this Act referred to as “the Authority”) in carrying out their respective functions under this Part is to protect the interests of [F5existing and future] consumers in relation to gas conveyed through pipesF6....

[F7(1A) Those interests of existing and future consumers are their interests taken as a whole, including—

(a) their interests in the reduction of gas-supply emissions of targeted greenhouse gases; F8...

(b) their interests in the security of the supply of gas to them[F9; and

(c) their interests in the fulfilment by the Authority, when carrying out its functions as designated regulatory authority for Great Britain, of the objectives set out in Article 40(a) to (h) of the Gas Directive.]

(1B) The Secretary of State and the Authority shall carry out their respective functions under this Part in the manner which the Secretary of State or the Authority (as the case may be) considers is best calculated to further the principal objective, wherever appropriate by promoting effective competition between persons engaged in, or in commercial activities connected with, the shipping, transportation or supply of gas conveyed through pipes.

(1C) Before deciding to carry out functions under this Part in a particular manner with a view to promoting competition as mentioned in subsection (1B), the Secretary of State or the Authority shall consider—

(a) to what extent the interests referred to in subsection (1) of consumers would be protected by that manner of carrying out those functions; and

(b) whether there is any other manner (whether or not it would promote competition as mentioned in subsection (1B)) in which the Secretary of State or the Authority (as the case may be) could carry out those functions which would better protect those interests.]

(2)[F10In performing the duties under subsections (1B) and (1C), the Secretary of State or the Authority shall have regard to] —

(a) the need to secure that, so far as it is economical to meet them, all reasonable demands in Great Britain for gas conveyed through pipes are met; and

(b) the need to secure that licence holders are able to finance the activities which are the subject of obligations imposed by or under this Part[F11, the Utilities Act 2000 [F12, Part 5 of the Energy Act 2008 or section 4, Part 2, or sections 26 to 29 of the Energy Act 2010]] [F13; and

(c)the need to contribute to the achievement of sustainable development.]

(3)In performing [F14the duties under subsections (1B), (1C) and (2)] , the Secretary of State or the Authority shall have regard to the interests of—

(a)individuals who are disabled or chronically sick;

(b)individuals of pensionable age;

(c)individuals with low incomes; and

(d)individuals residing in rural areas;

but that is not to be taken as implying that regard may not be had to the interests of other descriptions of consumer.

(4)The Secretary of State and the Authority may, in carrying out any function under this Part, have regard to—

F15(a)the interests of consumers in relation to electricity conveyed by distribution systems (within the meaning of the M1Electricity Act 1989); and

(b)any interests of consumers in relation to—

[F16(i)communications services and electronic communications apparatus, or]

(ii)water services or sewerage services (within the meaning of the M2Water Industry Act 1991),

which are affected by the carrying out of that function.

(5)Subject to [F17subsections (1B) and] (2) [F18and to section 132(2) of the Energy Act 2013 (duty to carry out functions in manner best calculated to further delivery of policy outcomes)] , the Secretary of State and the Authority shall carry out their respective functions under this Part in the manner which he or it considers is best calculated—

(a)to promote efficiency and economy on the part of persons authorised by licences or exemptions to carry on any activity, and the efficient use of gas conveyed through pipes;

(b)to protect the public from dangers arising from the conveyance of gas through pipes or from the use of gas conveyed through pipes [F19or the provision of a smart meter communication service] ;

F20(ba). . . . .

(c)to secure a diverse and viable long-term energy supply,

[F21and F22... shall] have regard, in carrying out those functions, to the effect on the environment of activities connected with the conveyance of gas through pipes [F23or the provision of a smart meter communication service] .

[F24(5A)]In carrying out their respective functions under this Part in accordance with the preceding provisions of this section the Secretary of State and the Authority must each have regard to—

(a)the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed; and

(b)any other principles appearing to him or, as the case may be, it to represent the best regulatory practice.]

[F25(5B)]In subsection (1A)—

“emissions” has the same meaning as in the Climate Change Act 2008 (see section 97 of that Act);

“gas-supply emissions” in relation to emissions of a targeted greenhouse gas, means any such emissions (wherever their source) that are wholly or partly attributable to, or to commercial activities connected with, the shipping, transportation or supply of gas conveyed through pipes;

“targeted greenhouse gases” has the same meaning as in Part 1 of the Climate Change Act 2008 (see section 24 of that Act).]

(6)In [F26subsections [F27(1C),] (3) and (4) references to consumers include] both existing and future consumers.

(7)In this section and sections 4AB and 4A, references to functions of the Secretary of State or the Authority under this Part include a reference to functions under the Utilities Act 2000 which relate to gas conveyed through pipes.

(8)In this Part, unless the context otherwise requires,—

“exemption” means an exemption granted under section 6A;

“licence” means a licence under section 7[F28, 7ZA] [F29, 7A or 7AB] and “licence holder” shall be construed accordingly.]