

# Renewable Electricity Generation Bill

[AS INTRODUCED]

## LEGISLATIVE COMPETENCE

At Introduction the Minister for the Economy had made the following statement under section 9 of the Northern Ireland Act 1998:

*“In my view the Renewable Electricity Generation Bill would be within the legislative competence of the Northern Ireland Assembly.”*



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A

## BILL

TO

Confer powers to provide financial assistance for the purposes of encouraging low carbon electricity generation.

**B**E IT ENACTED by being passed by the Northern Ireland Assembly and assented to by His Majesty as follows:

### *Introductory*

#### **Overview of this Act**

5 **1.**—(1) This Act confers powers on the Department for the Economy for the purpose of providing financial assistance to encourage electricity generation which in the opinion of the Department will contribute to a reduction in emissions of greenhouse gases, within the meaning given by section 60 of the Climate Change Act (Northern Ireland) 2022.

(2) The assistance is to take the form of contracts for difference between an eligible generator of electricity and a counterparty.

10 (3) A “contract for difference” (referred to in this Act as a “CfD”) is a contract which has effect in relation to electricity generated by an eligible generating station and under which—

15 (a) the generator receives sums from the counterparty in respect of periods during which the market reference price for electricity generated by the station is lower than the strike price, and

(b) the generator pays sums to the counterparty in respect of periods during which the market reference price for electricity generated by the station is higher than the strike price.

20 For the meaning of terms used in this subsection and for further provision about the meaning of “CfD”, see section 2.

(4) CfDs are to be awarded to generators in accordance with a scheme for their allocation, under which generators are to apply for those contracts.

(5) The costs of the exercise by the counterparty of its functions under this Act are to be met by a supplier levy.

(6) In this Act—

- 5 (a) “eligible generator” and “eligible generating station” are to be read in accordance with section 3;
- (b) “counterparty” is to be read in accordance with section 4;
- (c) sections 5 to 9 make provision about schemes of allocation and how they are to operate;
- 10 (d) sections 10 to 12 make provision for and in connection with the supplier levy.

### *Key concepts*

#### **Contracts for Difference**

2.—(1) The Department may by regulations make provision about the terms and conditions of CfDs.

15 (2) That provision includes provision—

- (a) about the meaning of “market reference price” and “strike price” for the purposes of subsection (3) of section 1;
- (b) about how the periods mentioned in that subsection are to be determined;
- (c) about how the sums mentioned in that subsection are to be calculated;
- 20 (d) about circumstances in which the generator is not to receive sums even though the condition in paragraph (a) of that subsection is met;
- (e) about circumstances in which the generator is not to pay sums even though the condition in paragraph (b) of that subsection is met.

#### **Eligible generators and eligible generating stations**

25 3.—(1) For the purposes of this Act, a person is an “eligible generator” of electricity if (and only if) the person—

- (a) is a generator of electricity (within the meaning given by subsection (2)), and
- 30 (b) meets such conditions as to eligibility for the purposes of applying for CfDs as are set out in regulations made by the Department under this section.

(2) A person is a generator of electricity if the person carries out, or intends to carry out, an eligible generating activity at, or otherwise in connection with, an eligible generating station.

35 (3) The Department must by regulations make provision about the activities and generating stations that are “eligible” for the purposes of this Act.

(4) A person who is a generator of electricity within the meaning of subsection (2) is referred to in this Act as a generator in respect of the generating station in question.

## Counterparty

4.—(1) The Department may by regulations designate a person to be the counterparty for the purposes of this Act.

(2) A person may be designated under this section only if the person is—

- 5 (a) a company formed and registered under the Companies Act 2006, or
- (b) a public authority, including any person any of whose functions are of a public nature.

(3) A designation under this section may be made only with the consent of the person designated.

10 (4) Neither the Department nor the system operator is, by virtue of the exercise of a power conferred by or under this Act, to be regarded as—

- (a) a person occupying in relation to the counterparty the position of director;
- (b) being a person in accordance with whose directions or instructions the directors of the counterparty are accustomed to act;
- 15 (c) exercising any function of management in the counterparty;
- (d) a principal of the counterparty.

(5) Schedule 1 (which makes further provision about designations) has effect.

## *Allocation of Contracts for Difference*

### Allocation rounds

20 5.—(1) The power to allocate CfDs may be exercised from time to time, with limitations or conditions for each occasion (which may be determined, in particular, by matters such as the type of generating station in respect of which CfDs will be allocated or the total generating capacity of such stations).

25 (2) The exercise of the power to allocate one or more CfDs on one occasion is referred to in this Act as an “allocation round”.

(3) For each allocation round, the Department must—

- (a) publish a notice before the round is commenced (an “allocation round notice”);
- 30 (b) issue and publish standard terms for the CfDs to be allocated in that round (see also subsections (5) and (6));
- (c) make and publish rules about the procedure to be followed in that round (an “allocation scheme”) (see section 6).

(4) The Department may by regulations make provision about the procedure for allocating CfDs to eligible generators, including—

- 35 (a) further provision about the Department’s functions in an allocation round;
- (b) provision about how generators are to apply for contracts;
- (c) provision about determining which applications are to be successful.

(5) The Department may, from time to time, issue and publish revised standard terms for an allocation round.

40 (6) In issuing standard terms under subsection (3)(b), the Department may designate particular standard terms that may be modified (see section 7).

**Allocation schemes**

- 6.—(1) An allocation scheme must confer the functions of—
- (a) determining the outcome of the allocation round, and
  - (b) notifying the counterparty of that outcome.
- 5 (2) The function under subsection (1)(b) may include (in particular) the giving of one or more CfD notifications (as to which, see section 8).
- (3) The functions under subsection (1) are to be conferred on the system operator, unless the allocation scheme specifies otherwise.
- (4) An allocation scheme may—
- 10 (a) confer other functions with respect to the allocation of CfDs;
  - (b) specify conditions that applications are required to meet (such as a maximum strike price);
  - (c) include provision for the determination of a matter on a competitive basis;
  - 15 (d) include provision for calculations or determinations to be made under the scheme, 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 scheme;
  - (e) specify targets to be met or taken into account in allocating CfDs, including targets relating to—
    - 20 (i) the means by which electricity is generated;
    - (ii) the generating capacity of generating stations in respect of which CfDs are to be allocated;
    - (iii) the geographical location of generating stations in respect of which CfDs are to be allocated;
  - 25 (f) specify limits which must not be exceeded in the allocation of CfDs under the scheme, which limits may be determined, in particular, by reference to—
    - (i) the value of CfDs to be allocated;
    - 30 (ii) the generating capacity of generating stations in respect of which CfDs are to be allocated;
    - (iii) a combination of those or other matters;
  - (g) impose duties or restrictions on the Department.
- (5) An allocation scheme may—
- 35 (a) include incidental, supplementary and consequential provision;
  - (b) make transitory or transitional provision and savings.

**Agreements to modify certain standard terms**

- 7.—(1) This section applies where a generator applies, or proposes to apply, for a CfD in an allocation round.
- 40 (2) The counterparty and the generator may agree to modify one or more of the standard terms for the purposes of any CfD that would be entered into by the generator in that allocation round (a “modification agreement”).

(3) The counterparty may enter into a modification agreement providing for the modification of a standard term only if—

(a) the term has been designated under section 5 as a term that may be modified under this section, and

5 (b) the counterparty is satisfied that—

(i) the effect of the modification is minor, and

(ii) the modification is necessary.

(4) The Department may by regulations make further provision about modification agreements, including—

10 (a) the circumstances in which a generator may apply for a modification agreement;

(b) the time by which such an application must be made;

(c) the procedure to be followed, and the information to be given, by the generator;

15 (d) how the counterparty is to determine an application (including how it is to determine whether the effect of a modification is minor and whether it is necessary);

(e) the time by which determinations must be made;

(f) the form of modification agreements.

20 (5) Provision under subsection (4)(d) may include provision under which the counterparty may make alternative proposals for modifications in response to an application.

(6) In this section “modify” includes add to, alter or omit.

### **CfD notifications**

25 **8.**—(1) This section applies where, in accordance with an allocation scheme, it is determined that an offer to enter into a CfD should be made to an eligible generator.

(2) A notification must be given to the counterparty specifying—

(a) the generator,

30 (b) the strike price for the proposed CfD, and

(c) such other information as may be required by the counterparty for the purpose of making an offer under section 9.

(3) A notification under this section is referred to in this Act as a “CfD notification”.

35 (4) The Department may by regulations make further provision about CfD notifications and in particular provision about—

(a) the circumstances in which a CfD notification may or must be given;

(b) the kinds of information mentioned in subsection (2)(c) that must be specified in a CfD notification;

40 (c) appeals against decisions not to give CfD notifications.

**Allocation: offer to contract on standard terms**

9.—(1) Where a CfD notification is given to the counterparty, the counterparty must offer to contract with the generator, at the strike price specified in the notification—

- 5 (a) on the standard terms for the allocation round in question, or  
 (b) if a modification agreement with the generator is in place, on those standard terms as modified by that agreement.
- (2) The Department may by regulations make further provision about an offer to contract made under this section, including provision about—
- 10 (a) how the counterparty is to apply or complete standard terms in relation to the offer in accordance with information specified in a CfD notification;  
 (b) the time within which the offer must be made;  
 (c) how the generator to whom it is made may enter into a CfD as a result of the offer;
- 15 (d) what is to happen if the generator does not enter into a CfD as a result of it.

*Finance***Supplier levy**

20 10.—(1) The Department must make regulations that require electricity suppliers to pay the counterparty sums (“supplier levy”) for the purposes set out in subsection (2).

- (2) Those purposes—
- (a) must include the purpose of enabling the counterparty to make payments under CfDs;
- 25 (b) may include the purposes of enabling the counterparty—
- (i) to meet such other descriptions as the Department considers appropriate of the counterparty’s costs in connection with the performance of any function conferred by or by virtue of this Act;  
 (ii) to hold sums in reserve;
- 30 (iii) to cover losses in the case of insolvency or default of an electricity supplier.

(3) The regulations may require that the sum to be paid by each supplier is to be calculated by reference to either of the following (or a combination of them)—

- 35 (a) the amount of electricity supplied, or expected to be supplied, by that supplier to its customers during a specified period;  
 (b) any other specified matter.

(4) The regulations may provide that supplies of electricity of a specified description, or a specified part of such supplies, are to be disregarded for the purposes of subsection (3)(a) (and the specified supply, or part, is referred to as an “exempt supply”).

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(5) The regulations may provide that where a supplier makes an exempt supply of electricity to a customer, any cost to the supplier that is attributable to supplier

levy is to be disregarded for the purposes of calculating the amount to be charged to the customer for that supply.

(6) Regulations under this section may make provision requiring electricity suppliers to provide financial collateral to the counterparty (whether in cash, securities or any other form).

### **Supplier levy: supplementary**

**11.**—(1) Provision made by virtue of section 10 may include provision for—

(a) the counterparty to determine the form and terms of any financial collateral;

(b) the counterparty to calculate or determine, in accordance with such criteria as may be provided for by or under the regulations, amounts which are owed by a supplier or are to be provided as financial collateral by a supplier;

(c) the issuing of notices by the counterparty requiring the payment or provision of such amounts;

(d) the enforcement of obligations arising under notices under paragraph (c).

(2) Provision under subsection (1)(d) may include provision about—

(a) costs;

(b) interest on late payments under notices;

(c) references to arbitration;

(d) appeals.

(3) Any sum which—

(a) a supplier is required by virtue of regulations under section 10 to pay to the counterparty, and

(b) has not been paid by the date on which it is required to be paid,

may be recovered from the supplier as a civil debt due to the counterparty.

(4) The counterparty must exercise the functions conferred on it by or under this Act in the manner best calculated to ensure the collection of all amounts which are required to be paid to it by suppliers.

### **Payments to electricity suppliers**

**12.**—(1) The Department may by regulations make provision that requires the counterparty to make payments to electricity suppliers.

(2) Regulations under subsection (1) may, in particular, include provision for the counterparty to calculate or determine, in accordance with such criteria as may be specified, amounts which are owed by the counterparty.

(3) The Department may by regulations make provision that imposes, on an electricity supplier who receives a payment from the counterparty, a requirement to secure that customers of the supplier receive a specified benefit from the payment by a specified time.

**Community benefit**

13.—(1) The Department may make regulations that provide that, where a CfD has been entered into by a generator in respect of a generating station, the generator must make arrangements for the payment of specified sums to specified persons.

5 (2) Regulations under subsection (1) may in particular—

(a) provide for payments to be made annually (or at other intervals) during the period for which the CfD has effect or during the period for which the generating station operates;

(b) provide for the amount of payments to be—

10 (i) calculated by reference to the amount of electricity generated by the generating station during a specified period;

(ii) subject to a specified maximum;

15 (c) provide for the persons who are eligible to receive payments to be determined by reference to whether they own or reside at property within the locality of the station (and for the meaning of “within the locality” for these purposes);

20 (d) provide for the matters mentioned in paragraphs (a), (b) and (c) to be determined also by, or by reference to matters specified in, the standard terms or the allocation scheme for the allocation round in which the CfD was allocated;

(e) provide that it is to be a condition of eligibility for a payment that a person makes an application in such form and manner as may be specified;

25 (f) require the generator to take specified steps for the purpose of ensuring that the existence of the arrangements is brought to the attention of any persons who might be eligible to receive a payment;

(g) make provision about deciding applications, the giving of reasons for decisions and the review of, or appeal against, those decisions;

30 (h) make provision about monitoring compliance with, and about enforcing, the requirements of the regulations (including by conferring functions on public authorities and by providing that any sum payable may be recovered as a civil debt).

**Sums held by, and liabilities of, the counterparty**

14.—(1) The Department may by regulations make provision about the use by the counterparty of sums held by it.

35 (2) Provision under subsection (1) may include—

(a) provision that sums of a specified description (including a description by reference to who paid the sum to the counterparty or how the payment was calculated) are, or are not, to be used for specified purposes;

(b) provision that sums are to be paid into the Consolidated Fund.

40 (3) The Department must by regulations—

(a) make such provision as the Department considers necessary for the purpose of securing that the counterparty can meet its liabilities under any CfD to which it is a party; and

- (b) make provision that, where the sums available for that or any other specified purpose are insufficient to wholly meet the purpose, how the available sums are to be apportioned.

*Supplementary*

5 **Information and advice**

- 15 **15.**—(1) The Department may by regulations make provision about—
- (a) the provision and publication of information;
  - (b) the provision of advice.
- 10 (2) Provision under subsection (1)(a) may include—
- (a) provision for the Department to require any of the persons listed in subsection (4) (a “provider”) to provide information to the Department or to any specified person;
  - (b) provision for any of the persons listed in subsection (3) (a “requester”) to require a provider to provide information to the requester.
- 15 (3) The requesters are—
- (a) the Utility Regulator;
  - (b) the system operator;
  - (c) the counterparty.
- 20 (4) The providers are—
- (a) the Utility Regulator;
  - (b) the system operator;
  - (c) the counterparty;
  - (d) the distributor;
  - (e) an electricity supplier;
  - 25 (f) a generator who is party to a CfD.
- (5) Provision under subsection (1)(b) may include provision for the Department to require any of the following persons to provide advice to the Department or to any specified person—
- (a) the Utility Regulator;
  - 30 (b) the system operator;
  - (c) the counterparty.
- (6) Provision under subsection (1) may include provision—
- (a) for the classification and protection of confidential or sensitive information;
  - 35 (b) for the enforcement of any requirement imposed by or under the regulations.
- (7) The prohibition on disclosure of information under Article 63(1) of the Energy (Northern Ireland) Order 2003 does not apply to a disclosure required by regulations under this section.

**Oversight and resolution of disputes**

- 16.—(1) The monitoring functions are—
- (a) to monitor the exercise of the allocation functions for an allocation round;
  - 5 (b) if the monitor has any concerns that the allocation functions are not being exercised properly, to report those concerns—
    - (i) to the person exercising the allocation functions, and
    - (ii) if the monitor determines that it is appropriate to do so, to the Department and the Utility Regulator;
  - 10 (c) if the monitor determines that it is appropriate to do so, to submit a report to the Department and the Utility Regulator, after the outcome of the allocation round has been determined but before any CfDs have been entered into, setting out its assessment of whether the allocation functions have been exercised properly.
- (2) The review functions are—
- 15 (a) to review the exercise of the allocation functions for an allocation round;
  - (b) to prepare a report of that review which—
    - (i) must contain the reviewer's assessment of whether the functions conferred by the scheme were exercised properly;
    - 20 (ii) may include recommendations as to the operation of future allocation rounds.
- (3) The Department may by regulations make further provision in connection with the monitoring functions and the review functions.
- (4) Provision under subsection (3) in connection with the monitoring functions may, in particular—
- 25 (a) require any person on whom an allocation scheme confers functions to give the monitor such access to premises and information, and such other assistance, as the monitor may reasonably request for the purpose of exercising its functions;
  - 30 (b) include provision about determinations under subsection (1)(b)(ii) and (c), including by specifying matters that the monitor must or may consider in making those determinations.
- (5) Provision under subsection (3) in connection with the review functions may, in particular—
- 35 (a) require the review to be conducted, or the report to be prepared, to a specified standard;
  - (b) make further provision about what the report must, may or must not contain;
  - (c) impose requirements relating to drafts of the report before its adoption;
  - 40 (d) impose requirements relating to the publication of the report after its adoption.
- (6) The Department must—
- (a) make arrangements for a person (or persons) to exercise the monitoring functions and the reviewing functions, or

- (b) exercise those functions itself (in which case, the references in subsection (1) to making reports to the Department are to be disregarded).
- (7) Arrangements under subsection (6)(a) may, in particular, include—
- (a) appointing a person to exercise some or all of those functions;
- 5 (b) directing the Utility Regulator or the system operator to exercise some or all of those functions.
- (8) A direction under subsection (7)(b) may authorise or require the Utility Regulator or the system operator to appoint another person to exercise some or all of those functions on its behalf.
- 10 (9) If, having received a report under subsection (1)(b) or (c) (or having exercised the monitoring function itself), the Department considers that there has been a material failure to exercise the allocation functions properly, the Department may—
- (a) bring the allocation round to an end immediately (without any CfDs having
- 15 been entered into);
- (b) give such directions as the Department considers appropriate for the purpose of remedying the failure (including that some or all parts of the allocation round be re-run).
- (10) Directions under this section—
- 20 (a) must be given in writing, and
- (b) may be amended or revoked by a further direction.
- (11) In this section—
- (a) “allocation functions” means functions conferred by each allocation scheme
- 25 in connection with the determination of the outcome of the allocation round in question; and
- (b) references to those functions being exercised “properly” are to their being exercised in accordance with the requirements of the scheme.
- (12) The Department may by regulations make provision conferring functions on the Utility Regulator for the purpose of determining disputes arising in
- 30 connection with the exercise of functions conferred by or by virtue of this Act.

### **Further provision in connection with CfDs**

- 35 **17.**—(1) The Department may by regulations make further provision in connection with CfDs, including, in particular, provision specifying the form or manner in which anything permitted or required by or under this Act may or must be done.
- (2) The provision that may be made by regulations under subsection (1) or under any of sections 2 to 14 includes provision for—
- (a) the determination of a matter on a competitive basis;
- 40 (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.
- (3) Any power under sections 2 to 9 to make or issue any document must be exercised in accordance with provision made by any regulations under those

sections; and (accordingly) in the event of any inconsistency between any such document and the regulations, the latter are to prevail.

(4) The Department may by regulations—

- 5 (a) make provision requiring the counterparty to enter into arrangements or to offer to contract for purposes connected to a CfD;
- (b) specify things that the counterparty may or must do, or things that the counterparty may not do;
- (c) confer on the Department further powers to direct the counterparty to do, or not to do, things specified in the regulations or in the direction;
- 10 (d) provide that the functions conferred under or by virtue of this Act on the system operator are to be conferred instead on a specified body or person.

(5) The provision that may be made under subsection (4) includes in particular provision—

- 15 (a) in the case of subsection (4)(b), requiring the counterparty to consult, or obtain the consent of, the Department before taking any specified step;
- (b) in the case of subsection (4)(c), conferring the power to direct the counterparty to consult, or obtain the consent of, the Department before taking any step specified in the regulations or in the direction.

### **Making of regulations**

20 **18.**—(1) Before making regulations under this Act, the Department must consult such of the following persons as it considers appropriate—

- (a) the Utility Regulator,
- (b) the system operator,
- (c) the distributor,
- 25 (d) electricity suppliers, and
- (e) any other such persons, or representatives of such persons, as the Department considers may be affected by the regulations.

(2) A requirement under this section to consult may be satisfied by consultation before, as well as consultation after, the passing of this Act.

30 (3) Regulations of the following kinds may not be made unless the regulations have been laid before, and approved by a resolution of, the Assembly—

- (a) regulations under section 2, 3, 10, 12, 13, 14 or 17;
- (b) regulations under any provision of this Act which amend or repeal Northern Ireland legislation or an Act of Parliament.

35 (4) Regulations under section 5, 7, 8, 9, 15, 16, 19 or 20 (except those falling within subsection (3)(b)) are subject to negative resolution.

(5) Any other regulations under this Act must be laid before the Assembly after being made.

**Consequential etc. provision**

19.—(1) Schedule 2 makes amendments that are consequential on the provisions of this Act.

(2) The Department may by regulations make—

- 5 (a) such further consequential, supplementary and incidental provision, and  
(b) such transitory or transitional provision or savings,

as it considers necessary for the purposes of, or in consequence of, this Act or regulations under it.

10 (3) The provision that may be made under subsection (2)(a) includes provision amending or repealing any statutory provision (including a provision of this Act).

*General provisions***Interpretation**

20. In this Act—

“the Department” means the Department for the Economy;

15 “distributor” means any person who is a holder of a licence under Article 10(1)(bb) of the Electricity (Northern Ireland) Order 1992;

“electricity supplier” means, subject to any provision made by regulations, a person who is a holder of a licence to supply electricity under Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992;

20 “specified”, in relation to regulations, means specified in, or determined in accordance with, the regulations;

“statutory provision” has the meaning given by section 1(f) of the Interpretation Act (Northern Ireland) 1954;

25 “the system operator” means the holder of a licence under Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992 for the whole of Northern Ireland;

“the Utility Regulator” means the Northern Ireland Authority for Utility Regulation.

**Commencement**

30 21. This Act comes into operation on the day after the day on which it receives Royal Assent.

**Short title**

22. This Act may be cited as the Renewable Electricity Generation Act (Northern Ireland) 2027.

## SCHEDULES

## SCHEDULE 1

Section 4

## DESIGNATION OF OTHER PERSONS TO BE COUNTERPARTY

5

*Cessation of designation*

1. A designation under section 4 ceases to have effect if—
  - (a) the Department by regulations revokes the designation, or
  - (b) the person withdraws consent to the designation by giving not less than 12 months' notice in writing to the Department.

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*Counterparty at all times*

2. The Department must, so far as reasonably practicable, ensure that there is at all times a person who is designated as the counterparty.

*Transfer schemes*

- 3.—(1) The Department may make one or more schemes (“a transfer scheme”) for the transfer of designated property, rights or liabilities of a person who is to cease to be, or who has ceased to be, the counterparty (“the transferor”) to a person who is to be, or who is, the counterparty (“the transferee”).

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- (2) On the transfer date, the designated property, rights and liabilities are transferred and vest in accordance with the scheme.

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- (3) The rights and liabilities that may be transferred by a scheme include those arising under or in connection with a contract of employment.

- (4) A certificate by the Department that anything specified in the certificate has vested in any person by virtue of a scheme is conclusive evidence for all purposes of that fact.

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- (5) In relation to a transfer scheme—

“designated” means specified in or determined in accordance with the scheme;

“property” includes interests of any description;

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“the transfer date” means a date specified by the scheme as the date on which it is to have effect.

*Contents of transfer scheme*

- 4.—(1) A transfer scheme may make provision—
  - (a) for anything done by or in relation to the transferor in connection with any property, rights or liabilities transferred by the scheme to be treated as done, or to be continued, by or in relation to the transferee;

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- (b) for references to the transferor in any agreement (whether written or not), instrument or other document relating to any property, rights or liabilities transferred by the scheme to be treated as references to the transferee;
- (c) about the continuation of legal proceedings;
- 5 (d) for transferring property, rights or liabilities which could not otherwise be transferred or assigned;
- (e) for transferring property, rights and liabilities irrespective of any requirement for consent which would otherwise apply;
- 10 (f) for preventing a right of pre-emption, right of reverter, right of forfeiture, right to compensation or other similar right from arising or becoming exercisable as a result of the transfer of property, rights or liabilities;
- (g) for dispensing with any formality in relation to the transfer of property, rights or liabilities by the scheme;
- 15 (h) for transferring property acquired, or rights or liabilities arising, after the scheme is made but before it takes effect;
- (i) for apportioning property, rights or liabilities;
- (j) for creating rights, or imposing liabilities, in connection with property, rights or liabilities transferred by the scheme;
- 20 (k) for requiring the transferee to enter into any agreement of any kind, or for a purpose, specified in or determined in accordance with the scheme.
- (2) Sub-paragraph (1)(b) does not apply to a reference in a statutory provision.
- (3) A transfer scheme may contain provision for the payment of compensation by the Department to any person whose interests are adversely affected by it.
- (4) A transfer scheme may—
- 25 (a) include incidental, supplementary and consequential provision;
- (b) make transitory or transitional provision or savings.

*Transfer of all rights and liabilities under CfDs*

5. Where a designation of a person as the counterparty ceases to have effect, the Department must make one or more transfer schemes to ensure that, as soon as reasonably practicable after the cessation of the designation, all rights and liabilities under any CfD to which the person was a party are transferred.
- 30

*Modification of schemes*

- 6.—(1) The Department may modify a transfer scheme.
- (2) But if a transfer under the scheme has taken effect, any modification under sub-paragraph (1) that relates to the transfer may be made only with the agreement of the person (or persons) affected by the modification.
- 35
- (3) A modification takes effect from such date as the Department may specify; and that date may be the date when the scheme came into effect.

*Transitional provision for designations*

7. The Department may by regulations make other transitional provision relating to the cessation or commencement of a designation of a person as the counterparty.
- 40

## SCHEDULE 2

Section 19

## CONSEQUENTIAL AMENDMENTS

*Enforcement of requirements by or under this Act*

- 5 1. In Article 41A of the Energy (Northern Ireland) Order 2003 (meaning of “relevant requirement” for the purposes of Part 6), after paragraph (1) insert—

“(1A) In respect of any regulated person, the Renewable Electricity Generation Act (Northern Ireland) 2027 is specified for the purposes of paragraph (1).”.

- 10 *Repeal of powers conferred by Part 2 of the Energy Act 2013*

2. Chapter 2 of Part 2 of the Energy Act 2013 (contracts for difference), which is superseded by this Act, is repealed.



# **Renewable Electricity Generation Bill**

[AS INTRODUCED]

A Bill to confer powers to provide financial assistance for the purposes of encouraging low carbon electricity generation.

Introduced by: Dr Caoimhe Archibald, Minister for the Economy

On: 30 June 2026

Bill Type: Executive Bill

## **ACCOMPANYING DOCUMENTS**

**An Explanatory and Financial Memorandum is printed separately as  
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