*Draft Regulations laid before Parliament under sections 6(8) and 40(5) of the Energy Act 2013 and section 15(7) of the Nuclear Energy (Financing) Act 2022, for approval by resolution of each House of Parliament.*

DRAFT STATUTORY INSTRUMENTS

# 2026 No.

# ELECTRICITY

# NUCLEAR ENERGY

# The Electricity Supplier Payments (Amendment) Regulations 2026

*Made - - - -* ***

*Coming into force in accordance with regulation 1(2)*

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 6(1) and (6), 9(1) and (2), 27, 30, and 40(1) of the Energy Act 2013(**a**); and sections 15(1) and (5) and 19(1) and (2) of the Nuclear Energy (Financing) Act 2022(**b**).

The Secretary of State has before making these Regulations—

(a) consulted the persons listed in sections 24(1) and 40(2) of the Energy Act 2013 and section 25(1) of Nuclear Energy (Financing) Act 2022, and

(b) had regard to the matters in section 5(2) of the Energy Act 2013.

A draft of this instrument was laid before and approved by a resolution of each House of Parliament in accordance with sections 6(8) and 40(5) of the Energy Act 2013 and section 15(7) of the Nuclear Energy (Financing) Act 2022.

**Citation, commencement and extent**

**1.**—(1) These Regulations may be cited as the Electricity Supplier Payments (Amendment) Regulations 2026.

(2) These Regulations come into force on the day after the day on which these Regulations are made, except for regulations 2 and 4 which come into force on 1st April 2026.

(3) These Regulations extend to England and Wales, Scotland and Northern Ireland, except for regulations 3 and 4 which extend to England and Wales and Scotland only.

(**a**) 2013 c. 32. Section 6 was amended by section 18(2)(a) of the Energy Prices Act 2022 (c. 44).
(**b**) 2022 c. 15.

**Amendment of the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014**

**2.** In regulation 23(7)(a) (operational costs levy rate) of the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014(**a**), for paragraphs (i) to (iv), substitute—

"(i) £0.1089 per megawatt hour for any day during the operational cost period that begins on 1st April 2025;

(ii) £0.1463 per megawatt hour for any day during the operational cost period that begins on 1st April 2026;

(iii) £0.1714 per megawatt hour for any day during the operational cost period that begins on 1st April 2027;

(iv) £0.1900 per megawatt hour for any day during the operational cost period that begins on 1st April 2028 or during any subsequent operational cost period; and".

**Amendment of the Electricity Capacity (Supplier Payment etc.) Regulations 2014**

**3.**—(1) In regulation 9(2) (settlement costs levy) of the Electricity Capacity (Supplier Payment etc.) Regulations 2014(**b**), for paragraphs (a) to (c), substitute—

"(a) £9,112,000 where year Y is the relevant financial year commencing in 2026;

(b) £10,346,000 where year Y is the relevant financial year commencing in 2027;

(c) £11,474,000 where year Y is the relevant financial year commencing in 2028 or any subsequent financial year.".

(2) Paragraph (1) does not apply in respect of any financial year commencing before 2026.

(3) In paragraph (2) "financial year" means a period of one year commencing with 1st April.

**Amendment of the Nuclear Regulated Asset Base Model (Revenue Collection) Regulations 2023**

**4.** In regulation 23(7)(a) (operational costs levy rate) of the Nuclear Regulated Asset Base Model (Revenue Collection) Regulations 2023(**c**), for paragraphs (i) to (iii), substitute—

"(i) £0.0028 per megawatt hour for any day during the period that begins with 1st April 2025 and ends on 31st March 2026;

(ii) £0.0063 per megawatt hour for any day during the period that begins with 1st April 2026 and ends on 31st March 2027;

(iii) £0.0068 per megawatt hour for any day during the period that begins with 1st April 2027 and ends on 31st March 2028;

(iv) £0.0073 per megawatt hour for any day after 31st March 2028;".

*Name*
Minister
Department for Energy Security and Net Zero

(**a**) S.I. 2014/2014; relevant amending instruments are S.I. 2018/449, 2021/235, 2022/401.
(**b**) S.I. 2014/3354; relevant amending instruments are S.I. 2018/449, 2021/235, 2022/401.
(**c**) S.I. 2023/254.

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make amendments to the Contracts for Difference (Electricity Supplier Obligations) Regulations 2014 (S.I. 2014/2014) (the "ESO Regulations"); the Electricity Capacity (Supplier Payment etc.) Regulations 2014 (S.I. 2014/3354) (the "Supplier Payment Regulations"); and the Nuclear Regulated Asset Base Model (Revenue Collection) Regulations 2023 (S.I. 2023/254) (the "Revenue Collection Regulations").

Those Regulations each impose an obligation on electricity suppliers to pay an "operational costs levy" (as per the ESO Regulations and Revenue Collection Regulations) and a "settlement costs levy" (as per the Supplier Payment Regulations) in order to fund the operational costs of the respective schemes.

This instrument makes the following three changes. Firstly, regulation 2 amends the rate for the annual operational costs levy in the ESO Regulations from 1st April 2026, and for the next two operational cost periods and subsequent such periods. Secondly, regulation 3(1) provides an amended figure for the settlement costs levy in regulation 9(2) of the Supplier Payment Regulations from 1st April 2026, for the next two years and subsequent financial years. The revised figure does not apply in respect of any financial year before 2026. A financial year for this purpose means a period of one year commencing with 1st April. Thirdly, regulation 4 amends the rate for the annual operational costs levy in the Revenue Collection Regulations from 1st April 2026, and for the next two operational cost periods and subsequent such periods.

A full impact assessment has not been produced for this instrument as no, or no significant impact on the private, voluntary or public sectors is foreseen.

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