Draft Regulations laid before Parliament under sections 9(6) and 26(4) of, and paragraph 7(4) of Schedule 5 to, the Energy Prices Act 2022 (c. 44), for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2024 No.

ENERGY

The Energy Bill Relief Scheme and Energy Bills Discount Scheme (Amendment) Regulations 2024

Made - - - - ***

Coming into force in accordance with regulation 1(1)

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 9(1) and (2) and 26(2)(a) of, and paragraphs 2 and 4 of Schedule 1 and paragraph 7(3) of Schedule 5 to, the Energy Prices Act 2022(**a**).

In accordance with sections 9(6) and 26(4) of, and paragraph 7(4) of Schedule 5 to, that Act, a draft of these Regulations was laid before and approved by a resolution of each House of Parliament.

PART 1

Introductory

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Energy Bill Relief Scheme and Energy Bills Discount Scheme (Amendment) Regulations 2024 and come into force 21 days after the day on which they are made.

(2) Part 1 of these Regulations extends to England and Wales, Scotland and Northern Ireland.

(3) Parts 2 and 3 of these Regulations extend to England and Wales and Scotland.

(4) Part 4 of these Regulations extends to Northern Ireland only.

(**a**) 2022 c. 44.

PART 2

Amendment of the Energy Bill Relief Scheme Regulations 2022

Amendment of the Energy Bill Relief Scheme Regulations 2022

2. The Energy Bill Relief Scheme Regulations 2022(**a**) are amended as follows.

Amendment to regulation 19 (duty of suppliers to provide the discount)

3. In regulation 19, after paragraph (3) insert—

"(3A) Subject to the exceptions in paragraph (3B), the duties in paragraphs (1) and (3) (the "discount duties") do not apply to a supplier on and after the date (the "discount duties end date") which is the later of—

(a) the reconciliation run-off date in respect of that supplier, or

(b) the date the Energy Bill Relief Scheme and Energy Bills Discount Scheme (Amendment) Regulations 2024 come into force.

(3B) The discount duties continue to apply to a supplier on and after the discount duties end date in relation to energy—

(a) in respect of which the supplier has billed the customer before the discount duties end date,

(b) supplied in a billing period in respect of which the supplier has not billed the customer before the discount duties end date, or

(c) in respect of which unreasonable delay or other failure by the supplier has led to it not billing the customer for the energy accurately or at all before the discount duties end date.".

Amendment to regulation 39 (adjustment of discount in relation to arrangements which alter a customer's exposure to the wholesale price)

4. In regulation 39, after paragraph (1)(d) insert—

"(e) on and after the discount duties end date for a supplier, sub-paragraph (d) is to be read in relation to that supplier as though the words "in relation to a variable price contract" were omitted;

(f) sub-paragraph (e) does not apply to a supplier in relation to energy—

(i) in respect of which the supplier has billed the customer before the discount duties end date,

(ii) supplied in a billing period in respect of which the supplier has not billed the customer before the discount duties end date, or

(iii) in respect of which an unreasonable delay or other failure by the supplier has led to it not billing the customer for the energy accurately or at all before the discount duties end date;

(g) in sub-paragraphs (e) and (f), "discount duties end date" has the same meaning as in regulation 19(3A).".

(**a**) S.I. 2022/1100, to which there are amendments not relevant to these Regulations.

Amendment to regulation 63 (referrals in respect of disagreement between contract parties)

5. In regulation 63—

(a) at the beginning of paragraph (3) insert "Subject to the exception in paragraph (3A),";

(b) after paragraph (3) insert—

"(3A) Where the disagreement is not resolved and the matter concerns a determination made by the supplier under or by virtue of regulations 19(3A) and (3B) or 39(1)(e) and (f)—

(a) paragraph (3) does not apply, and

(b) the supplier's determination remains effective.".

PART 3

Amendment of the Energy Bills Discount Scheme Regulations 2023

Amendment of the Energy Bills Discount Scheme Regulations 2023

6. The Energy Bills Discount Scheme Regulations 2023(**a**) are amended as follows.

Amendment to regulation 30 (duty of suppliers to provide the discount)

7. In regulation 30, after paragraph (3) insert—

"(3A) Subject to the exceptions in paragraph (3B), the duties in paragraphs (1) and (3) (the "discount duties") do not apply to a supplier on and after the date (the "discount duties end date") which is the later of—

(a) the reconciliation run-off date in respect of that supplier, or

(b) the date the Energy Bill Relief Scheme and Energy Bills Discount Scheme (Amendment) Regulations 2024 come into force.

(3B) The discount duties continue to apply to a supplier on and after the discount duties end date in relation to energy—

(a) in respect of which the supplier has billed the customer before the discount duties end date,

(b) supplied in a billing period in respect of which the supplier has not billed the customer before the discount duties end date, or

(c) in respect of which unreasonable delay or other failure by the supplier has led to it not billing the customer for the energy accurately or at all before the discount duties end date.".

Amendment to regulation 49 (adjustment of discount in relation to arrangements which alter a customer's exposure to the wholesale price)

8. In regulation 49, after paragraph (1)(d) insert—

"(e) on and after the discount duties end date for a supplier, sub-paragraph (d) is to be read in relation to that supplier as though the words "in relation to a variable price contract" were omitted;

(f) sub-paragraph (e) does not apply to a supplier in relation to energy—

(**a**) S.I. 2023/453, to which there are amendments not relevant to these Regulations.

(i) in respect of which the supplier has billed the customer before the discount duties end date,

(ii) supplied in a billing period in respect of which the supplier has not billed the customer before the discount duties end date, or

(iii) in respect of which unreasonable delay or other failure by the supplier has led to it not billing the customer for the energy accurately or at all before the discount duties end date;

(g) in sub-paragraphs (e) and (f), "discount duties end date" has the same meaning as in regulation 30(3A).".

Amendment to regulation 68 (referrals in respect of disagreement between contract parties)

9. In regulation 68—

(a) at the beginning of paragraph (3) insert "Subject to the exception in paragraph (3A),";

(b) after paragraph (3) insert—

"(3A) Where the disagreement is not resolved and the matter concerns a determination made by the supplier under or by virtue of regulations 30(3A) and (3B) or 49(1)(e) and (f)—

(a) paragraph (3) does not apply, and

(b) the supplier's determination remains effective.".

PART 4

Amendment of the Energy Prices Act 2022

Amendment to Schedule 5 to the Energy Prices Act 2022

10. In paragraph 7(1) of Schedule 5 to the Energy Prices Act 2022, for the words from "the first" to the end substitute—

"—

(a) for the purposes of paragraph 5, the first period of 26 months to end after this Act is passed during the whole of which both the First Minister and deputy First Minister in Northern Ireland have held office, and

(b) for the purposes of paragraph 6, the first period of 6 months to end after this Act is passed during the whole of which both of those Ministers have held office.".

Parliamentary Under Secretary of State
Date Department for Energy Security and Net Zero

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Energy Bill Relief Scheme Regulations 2022 (S.I. 2022/1100) (the "EBRS Regulations") and the Energy Bills Discount Scheme Regulations 2023 (S.I. 2023/453) (the "EBDS Regulations"). The amendments achieve the same effects in relation to both Regulations. These Regulations also amend the Energy Prices Act 2022 (c. 44).

Both the EBRS Regulations and the EBDS Regulations provide for a date ("the reconciliation run-off date") to be determined in respect of an energy supplier after which the discount recovery provisions no longer apply. These amending Regulations provide that after the later of the reconciliation run-off date or the date these Regulations come into force, an energy supplier is no longer generally under duties to provide discount to customers (regulation 3 in relation to the EBRS Regulations, regulation 7 in relation to the EBDS Regulations). However these discount duties continue to apply in relation to energy: (1) that was billed previously when the discount duties applied; (2) that was supplied in a billing period that the supplier has not issued a bill for before the discount duties ended; or (3) in respect of which unreasonable delay or other failure by the supplier has led to it not billing the customer for the energy accurately or at all before the discount duties ended.

The duty to discount is also similarly removed from a supplier where the customer has entered into arrangements which increased its exposure to wholesale energy prices (regulations 4 and 8 respectively). Again the duty continues to apply in certain specified cases, the same as those provided in regulations 3 and 7.

Where a customer disagrees with certain determinations made by a supplier, the customer or supplier may refer the matter to the Secretary of State for determination. However any matter which the supplier is required to determine as a result of the changes made by these Regulations is not referable to the Secretary of State (regulations 5 and 9 respectively).

Regulation 10 substitutes a period of 26 months for 6 months in paragraph 7(1) of Schedule 5 to the Energy Prices Act 2022. The effect is to enable the Department for the Economy in Northern Ireland to exercise certain specified powers in the Act for the duration of the longer period. This includes power to amend the Energy Bill Relief Scheme (Northern Ireland) Regulations 2022 (S.I. 2022/1106) and the Energy Bills Discount Scheme (Northern Ireland) Regulations 2023 (S.I. 2023/454), which were both made under section 11 of the Act.

A de minimis impact assessment of the effect that this instrument will have is available from the Department for Energy Security and Net Zero, 3-8 Whitehall Place, London, SW1A 2HH.

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