
STATUTORY INSTRUMENTS

2022 No. 1101

The Energy Bill Relief Scheme Pass-through Requirement (Heat Suppliers) (England and Wales and Scotland) Regulations 2022

Calculation of pass-through amount

6.—(1) The amount which an intermediary must pass on to an end user under the pass-through requirement is an amount in pounds sterling or in pounds sterling per kWh of energy which comprises all of the scheme benefit, or if less than the amount of scheme benefit, a just and reasonable amount calculated in accordance with this regulation (“pass-through amount”).

(2) If the pass-through amount is less than the amount of scheme benefit, the intermediary must provide evidence to the end user showing what factors it took into account in determining that the pass-through amount was just and reasonable.

(3) In determining what is a just and reasonable pass-through amount, the intermediary may take account of—

- (a) the amount the intermediary paid for the energy in respect of which the scheme benefit was provided (“the input energy”);
- (b) other costs incurred by the intermediary in supplying heating or hot water to its end users in the period for which the scheme benefit was provided (“relevant period”); and
- (c) any loss incurred where, as a result of a relevant change in the price of energy⁽¹⁾, the total amount charged to end users for the supply of heating and hot water in the relevant period is less than the amount paid for the total quantity of input energy.

(4) Subject to paragraph (3), a pass-through amount is just and reasonable where—

- (a) at the time the intermediary was provided with the scheme benefit, the intermediary was charging the end user either—
 - (i) based on the proportion of the total quantity of input energy which the end user’s usage represented; or
 - (ii) based on the proportion of the total amount paid by the intermediary for energy in a period which the amount paid by the end user for the supply of heating and hot water in that period represented; and
- (b) the intermediary calculates the pass-through amount for the end user on this basis.

(5) If paragraph (4) does not apply, the intermediary in determining what is a just and reasonable pass-through amount—

- (a) must apply the best available information to allocate the scheme benefit amongst end users; and
- (b) may take into account the basis on which the intermediary was allocating charges amongst end users at the time the intermediary was provided with the scheme benefit.

(6) The pass-through amount for a person who is an end user for part of a relevant period must be calculated only for that part of the relevant period for which they were an end user.

⁽¹⁾ See section 28(2) of the Act for the meaning of this term.

- (7) In calculating a pass-through amount—
- (a) an intermediary is not required to pass on to its end users an aggregate amount that exceeds the amount of scheme benefit provided to the intermediary;
 - (b) an intermediary which is also an end user must not retain more of the scheme benefit for itself—
 - (i) than is proportionate to its own end user’s usage; or
 - (ii) than the proportion of the amount the intermediary paid for the total quantity of input energy that the intermediary itself bears (where it is not practicable to assess the quantity of its own end user’s usage);
 - (c) an intermediary may include the quantity of heating or hot water supplied to common areas in a building as part of its own end user’s usage if the intermediary was not charging end users for this as part of the arrangements in place at the time the intermediary was provided with the scheme benefit.
- (8) In this regulation, “end user’s usage” means the total quantity of input energy in kWh used in a relevant period to supply heating and hot water to an end user in that period.

Commencement Information

II Reg. 6 in force at 1.11.2022, see [reg. 1\(2\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Energy Bill Relief Scheme Pass-through Requirement (Heat Suppliers) (England and Wales and Scotland) Regulations 2022, Section 6.