
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision about the Energy Bills Discount Scheme for Non-Standard Customers in Great Britain and Northern Ireland (“the Scheme”) by which the Secretary of State provides non-domestic customers with financial assistance to meet costs related to the use of electricity and gas that is not supplied by a licensed supplier. Assistance is provided under “scheme agreements”, that incorporate published “Scheme Terms”. Amongst other things, the Scheme Terms set out the criteria that customers, and the energy that they consume, must meet if they are to receive assistance.

Regulation 2 introduces a number of defined terms that reflect the operation of the Scheme.

Regulations 3 and 4 provide the Secretary of State with a power to obtain information about the supply of gas or electricity to persons who are or may be eligible for assistance under the Scheme.

Regulation 5 implies terms into certain descriptions of contract connected with the provision of energy to persons who are or may be eligible for assistance under the Scheme.

Regulations 6 to 9 provide for the determination of “ETII proportions” and “QHS proportions”. These are used in calculating the benefits that certain non-standard customers operating in energy and trade intensive industries, or as heat suppliers, are entitled to under the Scheme Terms.

These Regulations also make provision for pass-through requirements in relation to the Scheme. Pass-through requirements are imposed on a “relevant intermediary” and establish that they must pass-through the benefits of the scheme to an “end user” to whom energy, heating or hot water has been made available. These provisions apply in respect of relevant intermediaries other than those providing certain types of hospitality accommodation (defined as “excluded persons” under these Regulations).

Regulation 11 establishes the requirement for relevant intermediaries to pass-through a just and reasonable amount of the benefit provided to them under the Scheme to each of their end users.

Regulation 12 provides for the calculation of the pass-through amount and sets out the way in which relevant intermediaries are to determine what is a just and reasonable amount for the purposes of regulation 11.

Regulation 13 sets out the information which relevant intermediaries are required to provide to each of their end users about the scheme benefit provided to them, the amount or proportion the relevant intermediary intends to provide to the end user, and supporting details about how they have calculated that this is a just and reasonable amount.

Regulation 14 makes provision about the way in which the pass-through is to be given effect including that it must be provided to the end user as soon as reasonably practicable after the scheme benefit has been provided to the relevant intermediary.

Regulation 15 provides for unpaid pass-through amounts to be recoverable from the relevant intermediary by the end user as a civil debt.

A full impact assessment of the effect the Scheme, including the related pass-through requirements, will have on the costs of business and the voluntary sector is available from the Department for Energy Security and Net Zero, 1 Victoria Street, London, SW1H 0ET and is published with the Explanatory Memorandum alongside the instrument on www.legislation.gov.uk.