

Energy Act 2010

## **2010 CHAPTER 27**

## PART 2

## SCHEMES FOR REDUCING FUEL POVERTY

## 9 Schemes for reducing fuel poverty

- (1) The Secretary of State may by regulations make one or more schemes for the purpose of reducing fuel poverty.
- (2) A scheme under this section ("a support scheme") must make provision requiring benefits to be provided by licensed suppliers to whom the scheme applies.
- (3) A scheme must provide for the benefits provided under it, taken as a whole, to be provided wholly or mainly to customers determined by or in accordance with the scheme.
- (4) A support scheme may apply to—
  - (a) licensed gas suppliers,
  - (b) licensed electricity suppliers, or
  - (c) both licensed gas suppliers and licensed electricity suppliers,

and, in any of those cases, may apply to such suppliers of any description, including any description specified by reference to supplies, whether of gas or electricity, or both, and whether made by the suppliers or by them and associated persons.

- (5) A support scheme may in particular provide for scheme customers to be determined in any of the following ways—
  - (a) by reference to membership of, or to family or other relationship to a member of, a fuel poverty risk group;
  - (b) by scheme suppliers;
  - (c) by, or by reference to evidence provided by, the Secretary of State (or a person providing services to the Secretary of State).

- (6) Provision included in a support scheme by virtue of subsection (5)(b) may specify requirements about criteria to be applied in determining who are to be scheme customers.
- (7) A support scheme may specify—
  - (a) the form of benefits and ways in which they are to be provided under the scheme;
  - (b) the amounts of any benefits to be so provided.
- (8) Subsection (7)(a) includes, in particular, power to provide for—
  - (a) payments to be made to or in respect of scheme customers;
  - (b) charges for supplies of gas or electricity to scheme customers to be lower than charges for comparable supplies to other customers;
  - (c) benefits to be provided in the form of goods or services.
- (9) Subsection (7)(b) includes, in particular, power for a support scheme to make provision—
  - (a) as to the aggregate amount of benefits to be provided under it (or any part of it) by scheme suppliers, or any scheme supplier, in any period specified in the scheme;
  - (b) as to the amount of any benefit to be provided under it to any scheme customer;
  - (c) as to how any amount is to be determined for the purposes of the scheme, including, in particular, provision—
    - (i) for determining the amount of any benefit provided under the scheme;
    - (ii) for any determination to be made by a scheme supplier;
    - (iii) for any amount of a benefit or benefits to be provided under the scheme to be determined by reference to the amount of any benefit or benefits provided or to be provided under any other support scheme;
    - (iv) for payments by a scheme supplier to be treated as amounts of benefits provided under the scheme;
    - (v) for amounts of benefits provided by a scheme supplier under the scheme to be adjusted by reference to payments made or received, or to be made or received, by the scheme supplier under a relevant reconciliation mechanism;
    - (vi) for benefits provided under the scheme in any period specified in the scheme to be treated as having been provided in any other period so specified.
- (10) Payments by a scheme supplier within subsection (9)(c)(iv) include, in particular—
  - (a) the whole, or any part specified in the scheme, of payments in respect of costs incurred for the purposes of determining scheme customers (including to the Secretary of State or the Authority under a requirement imposed under section 10(3));
  - (b) payments under pre-existing arrangements.
- (11) In this section, "relevant reconciliation mechanism", in relation to a support scheme, means a reconciliation mechanism operated in relation to the scheme (or any part of it) under section 11.