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DRAFT STATUTORY INSTRUMENTS

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**2011 No.**

The Warm Home Discount Regulations 2011

PART 4

Non-core spending

CHAPTER 2

The broader group

**Broader group customers**

**18.**—(1) A compulsory scheme electricity supplier must, in each scheme year, provide the prescribed rebate to domestic customers selected by the supplier (“broader group customers”), who appear to the supplier to meet eligibility criteria determined by the supplier and approved by the Authority in accordance with this Chapter.

(2) Paragraph (1) does not require a compulsory scheme electricity supplier to provide the prescribed rebate to every domestic customer meeting its eligibility criteria.

(3) A compulsory scheme electricity supplier may not treat a rebate as being provided under this Chapter if it is provided to a core group customer pursuant to a notice under regulation 6.

**Eligibility criteria and verification measures**

**19.**—(1) A compulsory scheme electricity supplier must determine, and notify to the Authority—

- (a) eligibility criteria which the supplier proposes to apply in selecting broader group customers; and
- (b) measures (“verification measures”) to be taken before providing the prescribed rebate to a broader group customer, for the purpose of verifying so far as reasonably practicable that the customer meets the supplier’s eligibility criteria.

(2) A supplier may make—

- (a) a notification for the purposes of one or more scheme years; and
- (b) more than one notification in respect of a scheme year.

(3) When the Authority receives a notification, it must decide whether to approve—

- (a) the eligibility criteria; and
- (b) the verification measures.

(4) The Authority must approve a supplier’s eligibility criteria if, but only if—

- (a) they satisfy Condition 1; and
- (b) in the case of eligibility criteria notified for the purposes of any of scheme years 2, 3 and 4, they also satisfy Condition 2.

(5) Condition 1 is that either—

- (a) the eligibility criteria consist of—
    - (i) one or more of the descriptions of persons in Part 1 of Schedule 2; or
    - (ii) a description, or descriptions, of persons, all the members of which fall within one or more of the descriptions of persons in Part 1 of Schedule 2; or
  - (b) the Authority is satisfied that customers meeting the criteria will wholly or mainly be persons in fuel poverty, or in a fuel poverty risk group.
- (6) Condition 2 is that the criteria are such as to ensure that in scheme years 2, 3 and 4, customers meeting the criteria will wholly or mainly be persons who were not core group customers in the previous scheme year.
- (7) The Authority must approve a supplier's proposed verification measures if, but only if—
- (a) they include all the measures specified in Part 2 of Schedule 2; or
  - (b) the Authority is satisfied that the measures will be at least as effective as those specified in Part 2 of Schedule 2 for the purpose of verifying so far as reasonably practicable that customers provided with the prescribed rebate under this Chapter meet the supplier's eligibility criteria.

#### **Provision of rebate to broader group customers**

**20.**—(1) Where a compulsory scheme electricity supplier provides the prescribed rebate to a domestic customer, that rebate is only to be treated as being provided under this Chapter if—

- (a) the supplier has notified eligibility criteria and verification measures to the Authority;
  - (b) either—
    - (i) the rebate is provided after the Authority has approved the eligibility criteria and verification measures; or
    - (ii) in scheme year 1, the rebate is provided before the Authority has decided whether to approve the eligibility criteria and verification measures, and the Authority subsequently approves them;
  - (c) the supplier applies its verification measures; and
  - (d) it appears to the supplier that the customer meets its eligibility criteria.
- (2) A compulsory scheme electricity supplier must provide the prescribed rebate to a broader group customer by—
- (a) crediting to the customer's electricity account an amount as a result of which the amount (including Value Added Tax) charged to the customer is reduced by the amount of the prescribed rebate;
  - (b) tendering payment of the amount of the prescribed rebate to the customer; or
  - (c) providing a customer who pre-pays for electricity with credit in the amount of the prescribed rebate against the cost (including Value Added Tax) of future electricity use.
- (3) The date on which a compulsory scheme electricity supplier provides the prescribed rebate to a customer is the date on which the supplier complies with paragraph (2).
- (4) Where a compulsory scheme electricity supplier provides the prescribed rebate to a domestic customer under this Chapter, it must—
- (a) specify on the customer's bill; or
  - (b) otherwise notify the customer in writing,
- that the customer has been given a rebate under the Warm Home Discount scheme.