



# Energy Prices Act 2022

## 2022 CHAPTER 44

### *Reduction of domestic energy bills in Northern Ireland*

#### **5 Domestic energy price reduction schemes for Northern Ireland**

- (1) The Secretary of State may establish a domestic electricity price reduction scheme for Northern Ireland.
- (2) A “domestic electricity price reduction scheme for Northern Ireland” is a scheme (including any other related arrangements) that makes provision for and in connection with—
  - (a) reducing the amount that would otherwise be charged for NI domestic electricity supply by licensed electricity suppliers who are parties to the scheme, and
  - (b) making payments to those suppliers in respect of those reductions in charges.
- (3) The Secretary of State may establish a domestic gas price reduction scheme for Northern Ireland.
- (4) A “domestic gas price reduction scheme for Northern Ireland” is a scheme (including any other related arrangements) that makes provision for and in connection with—
  - (a) reducing the amount that would otherwise be charged for NI domestic gas supply by licensed gas suppliers who are parties to the scheme, and
  - (b) making payments to those suppliers in respect of those reductions in charges.
- (5) The Secretary of State may modify or revoke a domestic electricity or gas price reduction scheme for Northern Ireland.
- (6) But if the scheme includes provision about modification or revocation of the scheme, the Secretary of State’s power to modify or revoke it is subject to that provision.
- (7) Any such provision of the scheme does not prevent the Secretary of State from modifying the scheme if—
  - (a) the Secretary of State considers that a licensed electricity supplier or licensed gas supplier may make, or has made, arrangements whose primary purpose is to increase payments to the supplier under the scheme, and

- (b) the purpose of the modification of the scheme is to prevent the increased payments or require repayment of increased payments.
- (8) For provision about time limits on the exercise of the powers conferred by this section, see Schedule 6.

## **6 NI electricity scheme: supplementary provision**

- (1) This section—
- (a) applies in relation to a domestic electricity price reduction scheme for Northern Ireland that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and
  - (b) applies in relation to the designated scheme as it has effect from time to time.
- (2) A licensed electricity supplier who provides NI domestic electricity supply—
- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable;
  - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme;
  - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it.
- (3) The Northern Ireland Regulator may give an NI domestic electricity supplier directions in relation to the supplier’s performance of the terms of the designated scheme.
- (4) An NI domestic electricity supplier must comply with any direction given to it under subsection (3).
- (5) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so.
- (6) The provision made by Article 41A(4)(1) of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) (enforcement by the Northern Ireland Regulator) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract).
- (7) The Secretary of State is not liable in the law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme.
- (8) Regulations under this section are subject to the negative procedure.

## **7 NI gas scheme: supplementary provision**

- (1) This section—
- (a) applies in relation to a domestic gas price reduction scheme for Northern Ireland that is designated for the purposes of this section in regulations made by the Secretary of State (the “designated scheme”); and
  - (b) applies in relation to the designated scheme as it has effect from time to time.
- (2) A licensed gas supplier who provides NI domestic gas supply—

- (a) must take all reasonable steps to become a party to the designated scheme as soon as is reasonably practicable;
  - (b) must, after becoming a party to the designated scheme, remain a party unless and until it ceases to be a party in accordance with the terms of the designated scheme;
  - (c) must, while a party to the designated scheme, comply with the terms of the designated scheme that are applicable to it.
- (3) The Northern Ireland Regulator may give an NI domestic gas supplier directions in relation to the supplier's performance of the terms of the designated scheme.
- (4) An NI domestic gas supplier must comply with any direction given to it under subsection (3).
- (5) The Secretary of State must publish the designated scheme (as it has effect from time to time), so far as the Secretary of State considers it appropriate to do so.
- (6) The provision made by Article 41B(3)(k) of the Energy (Northern Ireland) Order 2003 (S.I. 2003/419 (N.I. 6)) (enforcement by the Northern Ireland Regulator) does not prevent any other remedy from being pursued or obtained in respect of non-compliance with the terms of the designated scheme (including any remedy in the law of contract).
- (7) The Secretary of State is not liable in the law of contract for things done or omitted in the performance or purported performance of the terms of the designated scheme, unless the liability relates to payment of an amount under the scheme.
- (8) Regulations under this section are subject to the negative procedure.

## **8 Interpretation of sections 5 to 7**

- (1) This section applies for the purposes of sections 5 to 7 and this section.

### *Expressions relating to electricity*

- (2) A "licensed electricity supplier" is a person who holds an electricity supply licence.
- (3) An "electricity supply licence" is a licence granted under Article 10(1)(c) of the Electricity (Northern Ireland) Order 1992 (S.I. 1992/231 (N.I. 1)).
- (4) "NI domestic electricity supply" has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure.

### *Expressions relating to gas*

- (5) A "licensed gas supplier" is a person who holds a gas supply licence.
- (6) A "gas supply licence" is a licence granted under Article 8(1)(c) of the Gas (Northern Ireland) Order 1996 (S.I. 1996/275 (N.I. 2)).
- (7) "NI domestic gas supply" has the meaning specified in, or determined in accordance with, regulations made by the Secretary of State; and regulations under this subsection are subject to the affirmative procedure.

### *Other expressions*

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*Status: This is the original version (as it was originally enacted).*

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- (8) A reference to a charge for NI domestic electricity supply or NI domestic gas supply includes a reference to a charge that does not relate to electricity or gas supplied (such as a standing charge).