
STATUTORY INSTRUMENTS

2023 No. 454

**The Energy Bills Discount Scheme
(Northern Ireland) Regulations 2023**

PART 4

Adjustment of discount or supply quantity in certain cases

CHAPTER 2

Arrangements for customer to deliver electricity to the grid

Interpretation of this Chapter

51.—(1) For the purposes of this Chapter—

- (a) “Chapter 2 arrangement” means an arrangement of the kind described in regulation 52(1)(b);
- (b) a “declaration period” is the period between the initial declaration date and the first periodic declaration date, or between a later periodic declaration date and the next periodic declaration date;
- (c) the “initial declaration date” in respect of a supply contract is—
 - (i) the scheme introduction date, if on that date the customer has made a Chapter 2 arrangement and is party to the supply contract;
 - (ii) in any other case, the date on which the customer—
 - (aa) enters into the supply contract, having already made a Chapter 2 arrangement, or
 - (bb) makes a Chapter 2 arrangement, being already a party to the supply contract;
- (d) “periodic declaration dates” are dates chosen by the supplier, falling at intervals of not more than one month, of which the first must be not more than 31 days after the initial declaration date and the last must be the last day of the second scheme period;
- (e) references to the storage of electricity include the use of electricity to create potential energy which is used at a different time to generate electricity.

Application of this Chapter

52.—(1) Subject to paragraph (2), this Chapter applies in respect of a supply contract where—

- (a) it may reasonably be expected that—
 - (i) the quantity of energy supplied to the customer at the premises to which the supply contract relates in the 12 month period starting on 1st April 2023 will exceed 0.5 gigawatt hours, or
 - (ii) the maximum rate at which energy is supplied under the contract at any time will exceed 0.5 megawatts, and

- (b) the customer has made arrangements under which—
 - (i) gas supplied to the customer under the supply contract may be used for the purpose of generating electricity (whether or not in conjunction with the production of heat), or
 - (ii) electricity supplied to the customer under the supply contract may be stored by or for the customer, and
 some or all of the electricity generated or stored, may be delivered to an electricity system (such electricity being “grid-delivered”).
- (2) This Chapter does not apply where—
 - (a) the capacity of the facility in which electricity supplied to the customer under the supply contract and generated or stored as described in paragraph (1)(b) is not material;
 - (b) the quantities in which that electricity is or may be delivered to an electricity system are not material;
 - (c) the application of this Chapter would be disproportionate, having regard to the complexity of determining ineligible quantities and to the capacity or quantities referred to in subparagraphs (a) or (b).

Customer declaration where this Chapter applies

- 53.**—(1) A customer must, as soon as practicable and in any event within the period of 21 days beginning with the initial declaration date—
- (a) determine whether this Chapter applies in respect of a supply contract to which it is party;
 - (b) if it so determines, send to the supplier a declaration to that effect.
- (2) A supplier must in accordance with paragraph (3)—
- (a) determine whether either of the circumstances in regulation 52(1)(a) applies, and
 - (b) if so, give the customer notice of that determination, drawing this Chapter to the attention of the customer, unless the customer has already sent a declaration under paragraph (1)(b).
- (3) A supplier must comply with paragraph (2)—
- (a) when it enters into a supply contract, or
 - (b) in the case of a supply contract entered into before the scheme introduction date, within the period of 45 days beginning with the scheme introduction date.

Determination of ineligible quantity

- 54.**—(1) Where this Chapter applies in respect of a supply contract, that part of—
- (a) the quantity of gas supplied in any period which was used to generate grid-delivered electricity, or
 - (b) the quantity of electricity supplied in any period which, having been stored, was grid-delivered, together with a corresponding proportion of the electricity used or lost in storage,
- is an “ineligible quantity” for the purposes of the scheme.
- (2) In paragraph (1)(b) the corresponding proportion is the proportion of all of the electricity stored and not used or lost in storage that corresponds to the amount of grid-delivered electricity.
- (3) Where this Chapter applies in respect of a supply contract—
- (a) the supplier must as soon as practicable after receiving the customer’s declaration under regulation 53(1)(b) give notice to the customer of each periodic declaration date and the declaration period for each such date;

- (b) the customer must, as soon as practicable and in any event within the period of 14 days beginning with each periodic declaration date, determine and send to the supplier a declaration of the quantity of electricity supplied in the relevant declaration period which is an ineligible quantity;
- (c) the supplier must, on the basis of the ineligible quantity declared in each such declaration—
 - (i) determine the amount of the supply quantity for the declaration period to which the discounted supply price is to apply;
 - (ii) determine or redetermine its charges for energy supplied in the declaration period accordingly.
- (4) The contract parties may agree a basis on which—
 - (a) an estimate of the ineligible quantity will be used in determining charges for a billing period before the steps in paragraph (3) are completed, and
 - (b) a subsequent reconciliation will be performed when those steps are completed.

Rules in relation to this Chapter

- 55.**—(1) The Secretary of State may make rules about Chapter 2 arrangements.
- (2) Rules made under paragraph (1) may in particular make provision about—
- (a) the kinds of arrangements which fall or do not fall, or factors which indicate whether arrangements fall or do not fall, within regulation 52(1)(b);
 - (b) the circumstances in which, by virtue of regulation 52(2), this Chapter does not apply;
 - (c) the method by which it is to be determined what part of the quantity of electricity or gas supplied is an ineligible quantity;
 - (d) the basis on which a corresponding proportion (as referred to in regulation 54(2)) is to be determined;
 - (e) the form and content of a declaration to be made by the customer.