
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 3

Abuse of scheme

Interpretation of this Chapter

56. In this Chapter—

“abusive arrangement” means an arrangement of the kind described in regulation 57(1);

“benefit of the scheme” means the amount by which the charges to a customer for energy supplied under a supply contract are reduced under the scheme.

Application of this Chapter and declaration of abusive arrangement

57.—(1) This Chapter applies in respect of a supply contract if either or both of the customer or the supplier is party to an arrangement the purpose or main purpose of which is to achieve an increase in the benefit of the scheme (an “abusive arrangement”).

(2) Where this Chapter applies in relation to a supply contract, each contract party which is party to the abusive arrangement must send to the other contract party a declaration to that effect.

(3) The declaration must be sent as soon as practicable and in any event within the period of 21 days beginning with—

- (a) the date on which the abusive arrangement is made, or
- (b) if the abusive arrangement was made before the scheme introduction date, the scheme introduction date.

Reduction of discount

58.—(1) If in relation to a supply contract either the customer or the supplier is party to an abusive arrangement—

- (a) the base discount and (in the case of an EIIII supply contract) the increased discount is to be reduced by such amount as will ensure that the benefit of the scheme is not increased by that arrangement;
- (b) the party specified in paragraph (2) must promptly and as frequently as is required to give effect to this regulation—
 - (i) determine the reduction in the discount required under sub-paragraph (a);
 - (ii) give notice of that reduction to the other contract party;

- (c) the supplier must—
 - (i) reduce the base discount and (in the case of an ETII supply contract) the increased discount by the amount determined under sub-paragraph (a);
 - (ii) determine or redetermine its charges for energy supplied accordingly.
- (2) The party is—
 - (a) the supplier, if it is party to the abusive arrangement;
 - (b) otherwise, the customer.

Rules in relation to this Chapter

- 59.** The Secretary of State may make rules about—
- (a) the kinds of arrangements which are or are not, or factors which indicate whether arrangements are or are not, abusive arrangements;
 - (b) the determination of the amount by which the benefit of the scheme is increased by an abusive arrangement;
 - (c) how the discount is to be reduced to ensure such increase is not achieved.