
STATUTORY INSTRUMENTS

2023 No. 454

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

PART 2

Discounted supply price

CHAPTER 1

Determination of prices

Reference wholesale price – flexible price contracts

10.—(1) In relation to a flexible price contract, the reference wholesale price for any period in which energy is supplied (a “relevant period”) is the volume-weighted average contracted wholesale price for the relevant period.

(2) The volume-weighted average contracted wholesale price for a relevant period is determined by reference to any of the following that apply under that contract—

- (a) any elections (and the quantities, periods and prices subject to those elections) made by the customer to fix the contracted wholesale price;
- (b) any cancellations by the customer of such an election;
- (c) any amounts (so far as relating to wholesale prices) payable by or to the customer in respect of such elections or cancellations;
- (d) any amounts payable by the customer in respect of quantities of energy in default of such elections;
- (e) the quantities, periods and prices on the basis of which the contracted wholesale price was fixed under any other mechanism under the contract;
- (f) other amounts referable to the wholesale cost of electricity in accordance with the principle in paragraph (3),

each so far as attributable to energy supplied under the contract in the relevant period.

(3) The principle is that amounts payable by the customer under the supply contract—

- (a) should be included in the contracted wholesale price where such payment has the effect of passing through to the customer a cost or risk incurred by the supplier and related to the cost of wholesale energy;
- (b) should not be included in the contracted wholesale price where such amount is payable to compensate or reward the supplier for bearing, and not passing through to the customer, such a cost or risk.

(4) A supplier must—

- (a) establish a methodology setting out the basis on which it will determine the reference wholesale price under each flexible price contract, or each kind of flexible price contract, that it enters or has entered into;
 - (b) keep the methodology under review and update it if appropriate;
 - (c) maintain, in respect of each flexible price contract, the data necessary to make those determinations in accordance with the relevant methodology;
 - (d) apply the relevant methodology in making those determinations.
- (5) The Secretary of State may make rules about the determination (including as to what is, and what is not, to be taken into account in the determination) of volume-weighted average contracted wholesale prices in respect of flexible supply contracts in accordance with this regulation.

Commencement Information

II Reg. 10 in force at 26.4.2023, see [reg. 1\(1\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Energy Bills Discount Scheme (Northern Ireland) Regulations 2023, Section 10.