
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 1

Arrangements in respect of customer's financial exposure to wholesale price

Adjustment of discount

49.—(1) In respect of any period and supply contract in respect of which Chapter 1 arrangements apply—

- (a) subject to paragraph (d), the “arrangement benefit” is the amount calculated as—

$$\{CFE - EFE\}$$

Where—

CFE is the contract financial exposure

EFE is the effective financial exposure;

- (b) the “unit arrangement benefit” (expressed in p/kWh) is the arrangement benefit (expressed in pence) divided by the supply quantity in respect of that period;
- (c) the reference wholesale price applicable to the supply contract in that period is determined as—

$$\{RWP' - UAB\}$$

Where—

RWP' is the price that would otherwise be determined (under regulation 9 or in accordance with regulation 10) as the reference wholesale price;

UAB is the unit arrangement benefit;

- (d) in relation to a variable price contract, if the term $\{CFE - EFE\}$ in paragraph (a) is negative, the arrangement benefit in respect of that period is zero.
- (2) 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 48(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 amount of the arrangement benefit in respect of the relevant declaration period, unless the arrangement benefit is less than £100 per day of the declaration period;
- (c) the supplier must, on the basis of the arrangement benefit declared in each such declaration—
- (i) calculate the unit arrangement benefit for the declaration period;
 - (ii) calculate the reference wholesale price under paragraph (1)(c);
 - (iii) calculate the base discount under regulation 28 on the basis of that wholesale reference price;
 - (iv) determine or redetermine its charges for energy supplied in the declaration period on the basis of that discount.
- (3) Where this Chapter applies and the customer is party to more than one supply contract, the effect of the Chapter 1 arrangements is to be determined in respect of the supply contracts collectively and the arrangement benefit is to be allocated between the supply contracts on an appropriate basis.
- (4) The contract parties may agree a basis on which—
- (a) an estimate of the arrangement benefit will be used in determining charges for a billing period before the steps in paragraph (2) are completed, and
 - (b) a subsequent reconciliation will be made when those steps are completed.

Commencement Information

II Reg. 49 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 49.