

Research Briefing

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By Becky Mawhood,
Hazel Armstrong,
Jennifer Brown

Constituency casework: Government support for energy bills



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Summary

This briefing covers the universal energy bill support schemes introduced by the Government in 2022 and 2023 to help households and businesses with rising energy prices, as part of its wider support with the rising cost of living. It provides a guide to relevant sources that answer frequent questions on the schemes.

Where complex issues are raised it may be more appropriate to refer constituents to specialist bodies and organisations or to a solicitor if legal advice is sought.

The Library briefing [Help with energy bills](#) (March 2019) provides information on pre-existing, targeted support schemes for households such as the Winter Fuel Payments, Cold Weather Payments and Warm Home Discount.

The support schemes covered

This briefing covers the support schemes listed below. Constituents may be eligible for multiple schemes, depending on their circumstances. Section 1 has a quick reference guide to help you identify which schemes are relevant to any given constituent.

- **Energy Price Guarantee (EPG):** a discount on domestic electricity and gas prices over the period 1 October 2022 to 31 March 2024
- **Energy Bills Support Scheme (EBSS),** including the **EBSS Alternative Fund:** a one-off £400 payment to households to help with bills over winter 2022-23
- **Energy Bills Discount Scheme (EBDS):** a discount on non-domestic electricity and gas prices over the period 1 April 2023 to 31 March 2024
- **Energy Bill Relief Scheme (EBRS),** including the **EBRS for non-standard customers:** a discount on non-domestic electricity and gas prices over the period 1 October 2022 to 31 March 2023
- **Alternative Fuel Payments (AFP),** including the **AFP Alternative Fund** and the **Non-Domestic AFP:** a one-off payment for households (£200) and non-domestic customers (at least £150) who are not on the mains gas grid and use an alternative fuel (such as heating oil) for heating.

- **Pass-through requirements for the EBSS, EPG, EBRs and AFP**, including specific pass-through requirements for **heat networks**: these require third party intermediaries to pass on benefits to end users

The [Energy Prices Act 2022](#) created powers to set up, or deliver aspects of, each of these schemes. For more information see the Library briefing on the [Energy Prices Bill 2022-23](#).

Key resources

- **Households**: The government guide [help with your energy bills](#) summarises the various support schemes and includes links to further information.
- **Businesses, charities and public sector organisations**: There is a Government guide to the [Energy Bills Discount Scheme](#). Older guidance on the [Energy Bill Relief Scheme](#) also provides information on wider support schemes for non-domestic customers.

The guidance documents referred to in this briefing are current at the time of writing. However, information on the new schemes is being updated frequently, so it is advisable to check the relevant websites, particularly the [Department for Energy Security and Net Zero \(DESNZ\)](#), for updates.

Further reading

The Government's [Help for Households website](#) has advice on actions that households can take to cut their energy use and save money this winter. Its webpage on [Help with your energy bills](#) has links to various cost of living and energy bill support schemes.

The following Library briefings provide more information on energy bills and wider support available to help constituents with these:

- [Gas and electricity prices under the Energy Price Guarantee and beyond](#)
- [Domestic energy prices](#)
- [Help with energy bills](#) (March 2019): this provides information on longer-term support schemes, practical steps households can take to reduce their bills, and sources of information and advice.
- [Help with energy efficiency, heating and renewable energy in homes](#) (July 2022)

- [Heat networks and energy prices](#) (April 2022)
- [Constituency casework: Help with energy bills for businesses, public sector organisations and charities](#) (December 2022)

1 Quick guide: which schemes are relevant to my constituent?

The tables below provide a reference to help you identify which of the support schemes covered by this briefing are likely to be relevant for any given household (Table 2) or non-domestic constituent (including businesses, charities and public sector organisations) (Table 3).

The key to scheme abbreviations (Table 1) gives directions to the relevant sections of this briefing for each scheme.

Table 1 Key to scheme abbreviations

Abbreviation	Name of scheme	Where to find information in this briefing
AFP	Alternative Fuel Payments	Section 6
AFP AF	Alternative Fuel Payments Alternative Fund	Section 6.1
AFP (PTR)	Alternative Fuel Payments (pass through requirements)	Sections 6 and 7
EBDS	Energy Bill Discount Scheme	Section 4
EBRS	Energy Bill Relief Scheme	Section 5
EBRS (PTR)	Energy Bill Relief Scheme (pass through requirements)	Sections 5 and 7
EBRS NSC	Energy Bill Relief Scheme for non-standard customers	Section 5.3
EBSS	Energy Bills Support Scheme	Section 3
EBSS (PTR)	Energy Bills Support Scheme (pass through requirements)	Sections 3 and 7
EBSS AF	Energy Bills Support Scheme Alternative Funding	Section 3.2
EPG	Energy Price Guarantee	Section 2
EPG (PTR)	Energy Price Guarantee (pass through requirements)	Sections 2 and 7
ND AFP	Non-domestic Alternative Fuel Payments	Section 6
ND AFP (PTR)	Non-domestic Alternative Fuel Payments (pass through requirements)	Sections 6 and 7

Table 2 Support schemes for households: to identify all schemes that may be relevant for your constituent, please review all of questions 1-4

Question	Answer	Relevant schemes
1. Does the constituent live in Northern Ireland?	Yes	EBSS AFP See also Qs 2-4
	No	n/a See Qs 2-4
2. How does the constituent pay for their electricity?	They pay a licensed energy supplier ^a directly, and they have a domestic electricity supply contract	EBSS EPG
	They pay a licensed energy supplier ^a directly, but they have a non-domestic electricity supply contract. (This may be the case for constituents who share one electricity supply for their home and their business.)	EBSS AF EBRS (until 31/3/2023) EBDS (from 1/4/2023)
	They pay a third party intermediary (e.g. a landlord) and the intermediary has a domestic electricity supply contract.	EBSS (PTR) EPG (PTR)
	They pay a third party intermediary (e.g. a landlord, park site owner, university halls of residence, or 'private wire' electricity network) and the intermediary has a non-domestic electricity supply contract.	EBSS AF EBRS (PTR) (until 31/3/2023) Consultation on further support expected summer 2023 ^b
	They do not have an electricity supply linked to the national electricity grid. (Some constituents may be off the electricity grid, e.g. those living on canal boats or in very remote areas.)	EBSS AF
3. Does the constituent have a mains gas supply, and if so, how do they pay for it?	Yes, and they pay a licensed energy supplier ^a directly for a domestic gas supply contract	EPG
	Yes, and they pay a licensed energy supplier ^a directly, but they have a non-domestic gas supply contract. (This may be the case for constituents who share one gas supply for their home and their business.)	EBRS (until 31/3/2023) EBDS (from 1/4/ 2023)
	Yes, and they pay a third party intermediary (e.g. a landlord) and the intermediary has a domestic gas supply contract.	EPG (PTR)
	Yes, and they pay a third party intermediary (e.g. a landlord, park site owner, university halls of residence, or communal network) and the intermediary has a non-domestic gas supply contract.	EBRS (PTR) (until 31/3/2023) Consultation on further support expected summer 2023 ^b
	No, they do not have a mains gas connection.	n/a
4. What is the main way that the constituent heats their home?	Electricity (e.g. with electric heaters or a heat pump)	See Q2
	Mains gas (e.g. with a gas boiler)	See Q3
	Heat network, where this is fuelled by electricity or gas	EBRS (PTR) (until 31/3/2023) ^b New support will be introduced ^c
	Heat network, where this is fuelled by an "alternative fuel" eg: heating oil (kerosene) or biomass (wood-based fuels such as wood pellets)	ND AFP (PTR)
	An "alternative fuel", where they purchase this from the fuel supplier directly. Alternative fuels include: heating oil (kerosene), liquified petroleum gas (LPG), coal, biomass (wood-fuel or biogas).	AFP (if they have a domestic electricity supply contract) AFP AF (if they do not)
	An "alternative fuel", where they purchase this from an intermediary (e.g. landlord). Alternative fuels include: heating oil (kerosene), liquified petroleum gas (LPG), coal, biomass (wood-fuel or biogas).	AFP (PTR) or ND AFP (PTR) depending on the support received by the intermediary

Notes:

a. A licensed energy supplier is an electricity or gas supplier which holds a licence from Ofgem to supply domestic or non-domestic customers, or both. This includes well-known retail energy companies such as the "big five" energy companies (British Gas, EDF, E.ON, Scottish Power, Ovo), as well as smaller energy suppliers such as Octopus Energy and Boost Energy. Third party intermediaries (for example, a park site owner, a landlord or a heat network) are not usually licensed energy suppliers. Instead these intermediaries usually buy energy from a licensed supplier, and then sell it on to the end users.

b. In the 2023 Spring Budget, the Government announced it is developing new support for households on a non-domestic meter where they face lower levels of support than other domestic consumers. It announced DESNZ will issue a call for evidence on this before the summer.

c. In the 2023 Spring Budget, the Government announced heat network customers on non-domestic heating contracts will receive a new, sector specific support rate to ensure they do not face disproportionately higher energy bills than consumers under the EPG. It has yet to announce further details.

Table 3 Support schemes for non-domestic customers (including businesses, charities and public sector organisations): to identify all schemes that may be relevant for your constituent, please review both questions 5 and 6

Question	Answer	Relevant schemes
5. How does the constituent pay for their electricity and/or gas?	They pay a licensed energy supplier ^a , and they have a non-domestic electricity/gas supply contract	EBRS (until 31/3/2023) EBDS (from 1/4/ 2023)
	They pay a licensed energy supplier ^a , but they have a domestic electricity/gas supply contract. (This may be the case for some microbusinesses.)	EBSS EPG
	They pay a third party intermediary (e.g. a landlord, heat network, or 'private wire' electricity network) and the intermediary has a non-domestic electricity/gas supply contract.	EBRS (PTR) (until 31/3/2023)
	They take their energy from the public electricity/gas grid, but they pay an unlicensed provider or they participate in the wholesale market directly	EBRS NSC (until 31/3/2023) EBDS (from 1/4/ 2023)
6. What is the main way that the constituent heats their property?	Electricity (e.g. with electric heaters or a heat pump)	See Q5
	Mains gas (e.g. with a gas boiler or a combined heat and power (CHP) plant)	See Q5
	Heat network, where the heat network is fuelled by electricity or gas	EBRS (PTR) (until 31/3/2023)
	Heat network, where the heat network is fuelled by an "alternative fuel", for example: heating oil (kerosene) or biomass (wood-fuel or biogas)	ND AFP (PTR)
	An "alternative fuel", where they purchase this from the fuel supplier directly. Alternative fuels include: heating oil (kerosene), liquified petroleum gas (LPG), coal, biomass (wood-fuel or biogas).	ND AFP
	An "alternative fuel", where they purchase this from an intermediary (e.g. landlord). Alternative fuels include: heating oil (kerosene), liquified petroleum gas (LPG), coal, biomass (wood-fuel or biogas).	ND AFP (PTR)

Notes:

a. A licensed energy supplier is an electricity or gas supplier which holds a licence from Ofgem to supply domestic or non-domestic customers, or both. This includes well-known retail energy companies such as the “big five” energy companies (British Gas, EDF, E.ON, Scottish Power, Ovo), as well as smaller energy suppliers such as Octopus Energy and Boost Energy. Third party intermediaries (for example, a park site owner, a landlord or a heat network) are not usually licensed energy suppliers. Instead these intermediaries usually buy energy from a licensed supplier, and then sell it on to the end users.

2

Energy Price Guarantee (EPG)

The [Energy Price Guarantee \(EPG\)](#) reduces the amount customers on domestic contracts can be charged per unit of gas and electricity over the period 1 October 2022 to 31 March 2024. For customers on a standard variable tariff in Great Britain the EPG caps unit prices; for all other customers (including those in Northern Ireland) it provides a discount on unit prices. The actual cost of a customer's bill will depend on the amount of electricity and gas they use.

The level of the EPG limit is set as follows:

- Between 1 October 2022 to 30 June 2023 the EPG is set at a level equivalent to an annual bill of £2,500 for a “typical” household in Great Britain, or £1,950 in Northern Ireland.¹
- Between 1 July 2023 to 31 March 2024 the EPG will be increased so that a typical household in Great Britain will pay £3,000 per year.²

Plans laid out in the 2022 Autumn Statement would have seen the EPG rise from £2,500 to £3,000 on 1 April 2023. The Chancellor announced he would extend the EPG by three months in the 2023 Spring Budget as falling gas prices cut the cost of the scheme. The government estimates the scheme will now save the typical family £1,500 total, factoring in the extension.³ This is compared to what energy prices would have been under the Default Tariff Cap (commonly known as the energy price cap).⁴ Box 1 (below) explains the relationship between the EPG and the Default Tariff Cap.

The Government has said households who are not on standard domestic electricity and/or gas supply contracts will receive “equivalent support” to the EPG.⁵ For more information see section 2.2.

The [Energy Price Guarantee in Northern Ireland](#) provides support to households in Northern Ireland: for more information see section 2.3.

¹ HM Treasury (HMT), [Cost of living support Factsheet](#), GOV.UK, 21 November 2022; HMT, Energy bills support extended for an extra three months, 15 March 2023

² HMT, [Cost of living support Factsheet](#), GOV.UK, 21 November 2022

³ HMT, Energy bills support extended for an extra three months, 15 March 2023

⁴ The Library briefing [Energy bills and the price cap](#) provides background on the default tariff cap. This has been superseded by the Energy Price Guarantee for the period 1 October 2022 to 31 March 2024. Ofgem has also published [guidance on how the EPG supersedes the Energy Price Cap](#).

⁵ BEIS, [Energy bills support factsheet](#), GOV.UK, 1 November 2022

1 The Energy Price Guarantee (EPG) and the Default Tariff Cap

The EPG either caps or discounts domestic electricity and gas unit prices, depending on the customer's tariff. From 1 October 2022 to 31 March 2024, the EPG supercedes the Default Tariff Cap (also known as the energy price cap). However the Default Tariff Cap continues to operate in the background.

The co-existence of the two schemes has confused some customers. In short:

- The [Default Tariff Cap](#) was introduced in 2019. It sets an absolute, top-level price per unit of electricity and gas for customers on domestic default tariffs (also known as standard variable tariffs) in Great Britain. It also sets a limit on daily standing charges. The electricity and gas regulator Ofgem reviews the level of the cap every three months.
- The [Energy Price Guarantee \(EPG\)](#) is a temporary, additional protection on **all** domestic electricity and gas domestic tariffs. While (from the customer's perspective) the Default Tariff Cap is superceded by the EPG, the Government still uses it to determine how much support to provide to energy suppliers to enable companies to cover costs while supplying consumers at discounted EPG prices. For this reason, announced [changes to the Default Tariff Cap](#) continue to attract media attention.
- [Wholesale prices have been falling since December 2022](#). This has reduced the gap between the prices energy companies pay for their supplies and the prices they can charge their customers under the EPG – and so the Government's level of support can also reduce. **The EPG's unit price discounts will reduce on 1 April to reflect lower wholesale prices, but it will still peg consumer prices such that a 'typical' domestic customer pays £2,500 per year for their energy over the period to 30 June 2023.**
- [The fall in wholesale prices will also be reflected in the Default Tariff Cap](#). This will fall on 1 April 2023, from £4,279 per year for a 'typical' customer to £3,280. **Because of the EPG, the changes to the Default Tariff Cap level will not directly affect customers (i.e. a 'typical' customer will still pay the equivalent of £2,500 per year over the period to 30 June 2023).**

The following Library briefings have more information on the relationship between the EPG and the Default Tariff Cap:

- [Gas and electricity prices under the Energy Price Guarantee and beyond](#)
- [Domestic energy prices](#)

For more information on the Default Tariff Cap see the Library briefing [Energy bills and the price cap](#) (September 2022). Please note the briefing was last updated before the introduction of the EPG; we will update it in due course.

2.1

How does the EPG reduce domestic energy prices?

A policy paper on the [Energy Price Guarantee](#) sets out how customers in a range of circumstances are receiving it.⁶

The EPG is applied automatically to domestic electricity and gas bills. Customers do not need to apply for the discount, and prepayment meter customers do not need vouchers.

The value of the unit price reductions varies according to the tariff which the customer is currently on. For customers on a standard variable tariff, the reductions also vary by payment method and region.

Standard variable tariff

For customers on a **standard variable tariff** (SVT) (also known as a default tariff) the EPG sets a limit on the unit rate of gas and electricity. Between October 2022 and June 2023:

- The average unit price for customers with a **dual fuel SVT paying by direct debit** will be **limited to 33.2 pence per kilowatt-hour (p/kWh)** for electricity and 10.3p/kWh for gas.⁷ However, the actual limits vary according to how the customer pays their bills and by region. The Government has published [details of the different rates applied across Great Britain since the start of the scheme](#).⁸
- **Prepayment meter customers** with a variable contract will receive a **unit price reduction** of 16.6p/kWh for electricity and 2.2p/kWh for gas between April and June 2023. They received a reduction of 31.8p/kWh for electricity and 6.4p/kWh for gas from January to March 2023, and a reduction of 17p/kWh for electricity and 4.2p/kWh for gas from October to December 2022.⁹
- For customers on **multi-register tariffs such as Economy 7**, suppliers can apply slightly different discounts to help balance-out the reduction of more expensive day rates with cheaper night-time electricity rates.¹⁰

⁶ BEIS, [Energy Price Guarantee](#), GOV.UK, 29 November 2022

⁷ BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2023

⁸ BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2023

⁹ BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2023

¹⁰ BEIS, [Energy Price Guarantee: regional rates, October to December 2022](#), GOV.UK, 29 November 2022; BEIS, [Energy Price Guarantee: regional rates, January to March 2023](#), GOV.UK, 29 November 2022

Standing charges – a daily fixed charge on energy bills that covers the fixed costs of supplying energy irrespective of usage – are also capped.¹¹ Under the EPG, standing charges for customers on SVTs will remain capped at the levels set by Ofgem for the default tariff cap from 1 April 2023:

Between April and June 2023 average standing charges for customers on default tariffs will remain capped in line with the levels set (in Great Britain) by Ofgem in their price cap, at 50.4p per day for electricity and 22.7p per day for gas, excluding VAT, for a typical dual fuel customer paying by direct debit.¹²

The cap levels for standing charges vary by payment method and by region. For more information see the Library briefing [Gas and electricity prices under the Energy Price Guarantee and beyond](#).

Removing the pre-payment premium

In the 2023 Spring Budget the Chancellor announced the premium those on pre-payment meters (PPMs) pay would be removed for the lifetime of the EPG.¹³ A [government press release](#) says this will be delivered by introducing “fairness reforms to energy bills” which will bring the costs for pre-payment meter customers in line with direct debit customers. This should save PPM customers £45 a year on energy bills. The change is expected to come into effect from 1 July 2023.¹⁴

The Spring Budget says the government will ensure the PPM premium is ended on a permanent basis. The government has asked Ofgem to report by the autumn on “additional regulatory options” to ensure they are ready for April 2024 (the end of the EPG).¹⁵

Variable tariffs not subject to the default tariff cap

Some variable tariffs are not subject to the default tariff cap (energy price cap) because they have a “derogation”. This includes some 100% renewable energy tariffs.¹⁶

From April to June 2023 customers on these tariffs will receive a **unit price reduction** of 16.6p/kWh for electricity and 2.2p/kWh for gas. From 1 January

¹¹ Ofgem, [Energy price cap explained](#), accessed 23 November 2022

¹² BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2023

¹³ HM Treasury, [Spring Budget](#), 15 March 2023, para 2.25

¹⁴ Department for Energy Security and Net Zero, [Support for households and energy security at the heart of Budget](#), 16 March 2023

¹⁵ HM Treasury, [Spring Budget](#), 15 March 2023, para 2.25

¹⁶ Ofgem awarded permanent derogations from the default tariff cap to three energy suppliers in 2019. It has not since awarded any further such derogations. For more information on the derogations, see Energy Live News, [Ofgem confirms permanent energy price cap exemptions for three green suppliers](#), 1 August 2019.

to 31 March 2023 they received a reduction of 31.8p/kWh for electricity and 6.4p/kWh for gas.¹⁷

Fixed rate tariffs

Customers on a fixed rate tariff with higher unit rates than the EPG will receive a **unit price reduction** on electricity and gas:

- From April to June 2023 they will receive a discount of **up to** 16.6p/kWh for electricity and 2.2p/kWh for gas. They received **up to** 31.8p/kWh for electricity and 6.4p/kWh for gas from January to March 2023.¹⁸
- These customers' unit prices will be reduced down to (but not below) a 'floor' (minimum) unit price. As an example, for direct debit customers the average floor unit prices are 34p/kWh for electricity and 10.3p/kWh for gas, over the period 1 October 2022 to 30 June 2023.
- If the customer's fixed rate tariff is already below the floor price, they will not receive a further discount for the duration of their fixed term contract.
- If the customer's fixed rate is above the level of the default tariff cap set by Ofgem they will receive the maximum unit price reduction, but the unit rates they pay will remain above the EPG unit rates for standard variable tariffs.¹⁹

The Government's [Energy Price Guarantee](#) policy paper has more information.

2.2

Do households without a domestic electricity and/or gas contract receive the EPG?

Households who are not on standard domestic electricity and/or gas supply contracts will not receive the EPG directly. However, the Government has said that they will receive "equivalent support":²⁰

- Some households pay an intermediary (such as a landlord, heat network or park site owner) for their energy:
 - If the intermediary has a domestic electricity and/or gas supply they may benefit from the EPG.

¹⁷ BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2022

¹⁸ BEIS, [Energy Price Guarantee](#), GOV.UK, 29 November 2022

¹⁹ BEIS, [Energy bills support factsheet](#), GOV.UK, 1 November 2022

²⁰ BEIS, [Energy bills support factsheet](#), GOV.UK, 1 November 2022

- If the intermediary has a non-domestic electricity and/or gas supply they may benefit from the **Energy Bill Relief Scheme (EBRS)** and/or **the Energy Bills Discount Scheme (EBDS)**. For more information see sections 4 and 5.
- If the intermediary has uses alternative fuels for heating, they may benefit from the **Non-Domestic Alternative Fuel Payment**. For more information see section 6.
- The [pass-through regulations](#) require intermediaries to pass on benefits received under the EPG, EBRS and AFP to end-users in a “just and reasonable” way. For more information see section 7.
- The **Alternative Fuels Payment** provides a one-off payment of £200 to households who use alternative fuels (such as heating oil, liquified petroleum gas (LPG), coal or biomass) for their heating. For more information see section 6.
- Under plans announced in the Spring Budget, **heat network customers** on non-domestic heating contracts will receive a new, sector specific support rate. The government says it will ensure these customers do not face disproportionately higher energy bills than consumers under the EPG but have yet to announce the details.²¹

2.3 Energy Price Guarantee in Northern Ireland

The Energy Price Guarantee in Northern Ireland (EPG NI) limits the amount domestic customers can be charged per unit of gas and electricity from 1 November 2022 to 31 March 2024. It provides “equivalent support” to the EPG in Great Britain.²²

The EPG NI applies a discount to gas and electricity unit prices for all customers. This is different to the EPG in Great Britain, which caps unit prices for customers on a standard variable tariff, and provides a discount on unit prices for all other customers.

Between April and June 2023 customers in Northern Ireland will receive a unit rate discount of **up to 3.8p/kWh** for electricity and **2.6p/kWh** for gas.²³ From January to March 2023 customers received a unit rate discount of **up to**

²¹ HM Treasury, [Spring Budget](#), 15 March 2023, para 2.23

²² HMT, [Autumn Statement 2022](#) [PDF], GOV.UK, 17 November 2022, para 5.1; BEIS, Northern Ireland Office, The Rt Hon Grant Shapps MP and The Rt Hon Chris Heaton-Harris MP, [Energy bill support for Northern Ireland households launches](#), GOV.UK, 1 November 2022; BEIS, [How households and businesses will be supported by the Energy Prices Bill](#), GOV.UK, 21 October 2022

²³ BEIS, [Energy Price Guarantee](#), GOV.UK, 15 March 2023

13.6p/kWh for electricity and 3.9p/kWh for gas; this rate included backdated support to account for increased energy costs over October 2022.

[NI Direct](#), the [Consumer Council](#) and the Government's [EPG policy paper](#) provide more information.

3 Energy Bills Support Scheme (EBSS)

The [Energy Bills Support Scheme \(EBSS\)](#) provided a £400 non-repayable discount to households with a domestic electricity connection in Great Britain to help with energy bills between October 2022 to March 2023.

Households without a domestic electricity connection could also apply to receive support, and can still do so: see section 3.2.

The [Energy Bills Support Scheme Northern Ireland \(EBSS NI\)](#) provided £400 support to households in Northern Ireland, as part of a single £600 payment combining support under the Alternative Fuel Payments scheme: see section 3.3.

3.1 How did households receive the EBSS?

The discount was automatically applied to domestic electricity bills. Customers with a domestic electricity contract did not need to apply for the discount. It was paid in monthly instalments. Customers received:

- £66 in October and November 2022
- £67 in December 2022 and in January, February and March 2023.²⁴

Customers should have received their first instalment by the end of October 2022. They should contact their energy supplier if they did not receive the monthly instalments.

Customers received the EBSS in different ways, depending on how they paid for their energy bills: ²⁵

- Direct debit customers received either a reduction to their monthly direct debit amount, or a refund to their bank account following their monthly direct debit collection;
- Customers who pay by standard credit or payment card had the discount applied as a credit to their account in the first week of each month;

²⁴ BEIS, [Getting the Energy Bills Support Scheme discount](#), GOV.UK, 1 April 2022

²⁵ BEIS, [Getting the Energy Bills Support Scheme discount](#), GOV.UK, 1 April 2022

- Smart prepayment meter customers had the discount credited directly to their smart prepayment meters in the first week of each month;
- Traditional prepayment meter customers were provided with either redeemable vouchers sent by SMS text, email or post, or an automatic credit when they topped up at their usual top up point;
 - Customers who received vouchers need to redeem these at a top-up point. The vouchers are valid for 90 days from the date of issue.²⁶
 - Customers can request the reissue of an expired voucher up to 30 June 2023; all vouchers must be redeemed by this date.²⁷

The [EBSS guidance for electricity suppliers](#) [PDF] has more detailed information about how the scheme was delivered.²⁸ This includes information on how payments should have been made to customers, including customers who were in arrears and debt.

The guidance for electricity suppliers notes that where a supplier provides both electricity and gas to a customer, the EBSS payment could be split over the bills for both fuels.

The [EBSS guidance for householders](#) has more information on [eligibility for the EBSS](#) and [how householders should have received the EBSS discount](#).

3.2

How could households without a domestic electricity connection receive the EBSS?

Pass-through requirements: for customers who pay an intermediary for their electricity, where the intermediary has a domestic electricity supply

Some households pay a third-party intermediary (such as a landlord) for their energy. The intermediary would have received the EBSS if they had a domestic electricity supply. New [pass through requirements](#) require intermediaries to pass on support received under the EBSS to end users (such as tenants) in a “just and reasonable” way. For more information see section 7.

²⁶ BEIS, [Energy Bills Support Scheme: Guidance for Electricity Suppliers](#) [PDF], GOV.UK, 22 September 2022, para 5.49

²⁷ PQ 77426 [on [Energy Bills Rebate](#)], 11 November 2022

²⁸ BEIS, [Energy Bills Support Scheme: Guidance for Electricity Suppliers](#) [PDF], GOV.UK, 22 September 2022

EBSS Alternative Funding: for other customers without a domestic electricity contract

The [EBSS Alternative Funding](#) scheme is providing £400 support to households across the UK who do not have a domestic electricity supply, either directly or through an intermediary, and who therefore did not receive the EBSS automatically.²⁹

Eligible households in Great Britain can apply for the support via an [online form on GOV.UK](#). **The deadline to apply is 31 May 2023.**³⁰

Those who cannot apply online or need help with their application can contact a helpline (0808 175 3287). They may also nominate another person to apply on their behalf.³¹

The support is being delivered by local authorities, with the money paid directly into the bank account of eligible applicants.³²

Households eligible for the EBSS Alternative Funding include those living in:

- a residential park home
- on a boat on a permanent residential mooring
- on a permanent Gypsy and Traveller site
- part of a heat network without an electricity meter
- in social or private rented accommodation which has a business energy connection or a communal electricity supply
- off the mains electricity or gas grid
- in a care home or assisted living facility and you pay for some or all of your care (directly or through loss of pension or other benefits)
- in a separate domestic home within a non-domestic property (such as a farmhouse or a flat above a shop).³³

Customers who are eligible for support under the main EBSS are not eligible for EBSS Alternative Funding.

²⁹ BEIS, [How households and businesses will be supported by the Energy Prices Bill](#), GOV.UK, 21 October 2022

³⁰ DESNZ, [900,000 more households to benefit from £400 of government energy bill support](#), 27 February 2023

³¹ DESNZ, [900,000 more households to benefit from £400 of government energy bill support](#), 27 February 2023

³² DESNZ, [900,000 more households to benefit from £400 of government energy bill support](#), 27 February 2023

³³ GOV.UK, [Apply for energy bill support if you do not get it automatically](#), undated

The date that a household receives the EBSS Alternative Funding payment depends on when they apply and when their local authority can process the payment.

3.3

Energy Bills Support Scheme Northern Ireland (EBSS NI)

Households in Northern Ireland with a domestic meter (known as a T01 meter) and an electricity contract received a single £600 payment, combining £400 of support under the **Energy Bill Support Scheme Northern Ireland** (EBSS NI) and £200 of support under the **Alternative Fuel Payments** (AFP).³⁴

How did households receive the EBSS NI?

All households with a domestic meter (T01) and electricity contract were eligible for the payment. They received the payment automatically. Customers did not need to apply for the support.

Customers received the payment in different ways, depending on how they pay for their energy bills:

- Direct debit customers received the payment directly to their bank account between 16 January and 28 February 2023.
- Customers who pay by standard credit (without a direct debit arrangement) or by prepayment (keypad) meter received a voucher from their energy supplier in the form of a letter with a barcode. Vouchers were delivered between 16 January and 28 February 2023.
 - Customers need to redeem the voucher at a Post Office, either by depositing it in a bank or credit union account, or by redeeming it as cash (subject to cash availability at the Post Office).
 - The vouchers can be re-issued if lost. **They will be valid until 31 March 2023.**³⁵

The guidance on [Getting household energy bill support in Northern Ireland](#) explains the documentation that customers need to take to the Post Office to redeem their voucher. It also explains how customers unable to take the

³⁴ BEIS, Northern Ireland Office, Graham Stuart MP and The Rt Hon Chris Heaton-Harris MP, [Northern Ireland households to receive voucher support for energy bills starting in January](#), GOV.UK, 30 December 2022

³⁵ BEIS, [Getting household energy bill support in Northern Ireland](#), GOV.UK, 12 January 2023; BEIS, Northern Ireland Office, Graham Stuart MP and The Rt Hon Chris Heaton-Harris MP, [Northern Ireland households to receive voucher support for energy bills starting in January](#), GOV.UK, 30 December 2022

voucher to the Post Office can nominate another person to do this on their behalf.

The [EBSS NI and AFP NI: guidance for electricity suppliers](#) has more detailed information about how the scheme was delivered.³⁶

Could households without a domestic meter or with a non-domestic electricity contract receive the EBSS NI?

Pass through requirements: for customers who pay an intermediary for their electricity, where the intermediary has a domestic electricity supply

Some households pay a landlord for their electricity. If the landlord has a domestic electricity supply and they are reselling this electricity to the tenant based on usage, then they must comply with the Utility Regulator's [maximum resale price rules](#) which say they must not charge more than they paid. This means that any discounts the landlord received through the EBSS NI should have been reflected in the tenant's bills.³⁷

If the tenant pays an "all inclusive rent", including a fixed cost for energy usage, then the landlord is required to pass "the appropriate share" of the £600 to the customer. For more information see section 7.

EBSS Alternative Funding: for other customers without a domestic electricity contract

Households without a domestic meter or with a non-domestic electricity meter can also receive a £600 payment. The payment combines £400 of **Energy Bills Support Scheme Alternative Funding** and a £200 **Alternative Fuel Payment**.³⁸

Eligible households in Northern Ireland can apply for support via an [online form on GOV.UK](#). Those that cannot apply online, can instead phone the Northern Ireland customer support team (0808 175 3894). **Households must apply by 31 May 2023.**³⁹

³⁶ BEIS, [Energy Bills Support Scheme and Alternative Fuels Payment Northern Ireland: guidance for electricity suppliers](#), GOV.UK, 30 December 2022

³⁷ BEIS, [Getting household energy bill support in Northern Ireland](#), GOV.UK, 19 December 2022

³⁸ BEIS, [Getting household energy bill support in Northern Ireland](#), GOV.UK, 19 December 2022

³⁹ DESNZ [900,000 more households to benefit from £400 of government energy bill support](#), 27 February 2023

3.4 Further information

The Government is publishing monthly updates on [EBSS payments made by electricity suppliers to customers](#).⁴⁰ The data is presented by supplier and by meter type. Updates from January 2023 onwards include redemption rates for vouchers issued to prepayment meter customers.⁴¹

The Library briefing [Energy Bills Support Scheme: Government policy and FAQs](#) (August 2022) summarised reactions to the announcement of the scheme, and answered frequently asked questions about it. It does not cover more recent updates to the scheme. It has been replaced by the briefing that you are currently reading.

⁴⁰ BEIS, [Energy Bills Support Scheme: payments made by electricity suppliers to customers](#), GOV.UK, 18 November 2022

⁴¹ BEIS, The Rt Hon Grant Shapps MP & Graham Stuart MP, [New government figures shine a light on which suppliers are supporting households this winter](#), GOV.UK, 23 January 2023

4 Energy Bills Discount Scheme (EBDS)

The [Energy Bills Discount Scheme](#) (EBDS) will provide a discount on the gas and electricity unit prices paid by customers with a non-domestic energy supply contract across the UK. The actual cost of a customer's bill will depend on the amount of electricity and gas they use.

The EBDS will apply from 1 April 2023 to 31 March 2024, replacing the Energy Bill Relief Scheme (EBRS) which is due to end on 31 March 2023: see section 4.⁴²

The EBDS will be similar to the EBRS, but it will provide a lower level of support. Announcing the EBDS on 9 January 2023, the Government said that the EBRS had been “designed as a temporary six-month measure” and that it had “been clear that such levels of support were time-limited and intended as a bridge to allow businesses to adapt”.⁴³ It said the new EBDS “strikes a balance between supporting businesses over the next 12 months and limiting taxpayer's exposure to volatile energy markets, with a cap set at £5.5 billion based on estimated volumes”.⁴⁴ A [press release](#) gave more information. Section 4.1 compares the support available under the two schemes.

Some households who purchase energy from an intermediary (such as a heat network, park site owner or landlord) currently receive support under the EBRS. It is not clear how all of these customers will be affected by the transition to the EBDS:

- Under plans announced in the 2023 Spring Budget, heat network customers on non-domestic heating contracts will receive a new, sector specific support rate. The government says it will ensure these customers do not face disproportionately higher energy bills than consumers under the EPG but have yet to announce the details.⁴⁵
- Also in the Spring Budget, the Government said it is “develop[ing] options to support domestic consumers on a non-domestic meter where they are facing lower levels of support than other domestic consumers”. It announced DESNZ will issue a call for evidence, before the summer, about for domestic consumers who receive their energy via a non-domestic energy contract.⁴⁶

⁴² HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

⁴³ HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

⁴⁴ HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

⁴⁵ HM Treasury, [Spring Budget](#), 15 March 2023, para 4.17

⁴⁶ HM Treasury, [Spring Budget](#), 15 March 2023, para 4.16

The Government has not said whether the pass-through requirements (which apply to the EBRS) will also apply to the EBDS. It is therefore unclear whether non-domestic customers who purchase energy from an intermediary will benefit from this scheme.

For clarity, the new EBDS (announced on 9 January 2023), provides a discount on energy bills for non-domestic customers. It is different to the former Energy Bill Discount Scheme (announced on 14 February 2022 and superseded by the Energy Bill Support Scheme), which provided a discount for domestic customers.⁴⁷

4.1

How will the EBDS reduce non-domestic energy prices?

Eligibility for the EBDS is the same as for the EBRS in terms of the types of non-domestic customer and tariff that it covers. The BEIS [guidance on the Energy Bills Discount Scheme](#) has more information on eligibility.

Like the EBRS, the EBDS will provide a discount on the **wholesale portion** of gas and electricity unit prices. Wholesale prices are what energy suppliers pay to purchase the energy. They are not retail prices, which is what end-users pay. Retail prices include wider costs, such as network charges and operating costs.⁴⁸

The EBDS will be calculated by comparing the wholesale portion of the customer's existing unit price with a threshold price. However, the level of support available under the EBDS is lower than under the EBRS:

- Under the **EBDS** most eligible non-domestic customers will receive:
 - a unit discount of **up to** £6.97 per megawatt-hour (MWh) for gas, payable when wholesale gas prices rise above a threshold of £107 per MWh;
 - a unit discount of **up to** £19.61 per MWh for electricity, payable when wholesale electricity prices rise above a threshold of £302 per MWh.⁴⁹

⁴⁷ For information on the former Energy Bill Discount Scheme for domestic customers, announced in February 2022, see section 2.1 of the Library briefing [Energy Bills Support Scheme: Government policy and FAQs](#).

⁴⁸ The Library briefing [Domestic energy prices](#) has more information on the components of energy prices.

⁴⁹ HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

- Customers in [Energy and Trade Intensive Industries \(ETIIs\)](#) [PDF] are considered to be particularly vulnerable to higher energy prices, and so will receive a higher level of support under the **EBDS**:
 - a unit discount of **up to** £40 per MWh for gas, payable when wholesale gas prices rise above a threshold of £99 per MWh;
 - a unit discount of **up to** £89 per MWh for electricity, payable when wholesale electricity prices rise above a threshold of £185 per MWh.⁵⁰
 - These discounts will apply only to 70% of their energy volumes.⁵¹
 - The Government has published [a list of sectors available for this higher level of support](#) [PDF].
 - It has also published [its methodology for identifying the sectors to receive this additional support](#).

For comparison, under the **EBRS** non-domestic customers have received support as follows:

- customers on a variable, deemed or other contract have received a unit discount of **up to** £91 per MWh for gas, payable when wholesale gas prices rose above a threshold of £75 per MWh; and a unit discount of **up to** £345 per MWh for electricity, payable when wholesale electricity prices rose above £211 per MWh;
- customers on a fixed contract have received a discount equivalent to the difference between the threshold price and the relevant wholesale price for the day the contract was agreed.⁵²

Energy suppliers will automatically apply the standard EBDS reduction to the bills of eligible non-domestic customers. Customers do not need to apply for the discount.

Customers eligible for the higher level of ETII support will have to apply for this. The Government will publish details of how to apply “in due course”.⁵³

The BEIS [guidance on the Energy Bills Discount Scheme](#) provides more information about how customers in different circumstances will benefit from the EBDS, including illustrative examples.

⁵⁰ HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

⁵¹ HMT, [Energy Bills Discount factsheet – 9th January 2023](#), GOV.UK, 9 January 2023

⁵² BEIS, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), GOV.UK, 9 January 2023

⁵³ HMT, [Energy Bills Discount Scheme](#), GOV.UK, 9 January 2023

4.2

Will customers without a contract with a licensed energy supplier receive the EBDS

Customers who pay an intermediary for their energy, where the intermediary has a non-domestic contract with a licensed energy supplier

The Government has not said whether the pass-through requirements (which apply to the EBRs) will also apply to the EBDS. It is therefore unclear whether non-domestic customers who purchase energy from an intermediary will benefit from this scheme.

Customers who take their energy from the public electricity/gas grid, but who do not pay a licensed energy supplier

The Government has said “as per the [...] EBRs scheme [for non-standard customers], those receiving gas or electricity delivered over public networks from non-licensed providers will also benefit from comparable support under the further schemes if necessary”.⁵⁴

For information on the EBRs for non-standard customers, see section 5.3.

⁵⁴ HMT, [The government unveils new “Energy Bills Discount Scheme” for businesses](#), GOV.UK, 9 January 2023

5

Energy Bill Relief Scheme (EBRS)

The [Energy Bill Relief Scheme \(EBRS\)](#) is providing a discount on the gas and electricity unit prices paid by customers with a non-domestic energy supply contract in Great Britain between 1 October 2022 and 31 March 2023.⁵⁵ The actual cost of a customer's bill depends on the amount of electricity and gas they use.

The EBRS is being replaced by the **Energy Bills Discount Scheme (EBDS)** from 1 April 2023: see section 4.

Non-domestic customers **and households** who purchase energy from an intermediary (such as a heat network, park site owner or landlord), should have benefitted from the EBRS if the intermediary has a qualifying non-domestic electricity and/or gas supply contract. For more information see section 5.3.

Non-domestic customers who take their electricity or gas from the public grid, but who do not pay a licensed energy supplier, should have benefitted from the **EBRS for non-standard customers**: see section 5.3.

The [Northern Ireland Energy Bill Relief Scheme](#) is providing comparable support in Northern Ireland. For more information see section 5.4.

5.1

Who is eligible for the EBRS?

The EBRS has been available to all customers on a non-domestic contract (such as businesses, charities and public sector organisations) who are:

- on existing fixed price contracts that were agreed on or after 1 December 2021
- signing new fixed price contracts
- on deemed / out of contract or variable tariffs
- on flexible purchase or similar contracts

⁵⁵ BEIS, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), GOV.UK, 10 October 2022

- on variable ‘Day Ahead Index’ (DAI) tariffs (Northern Ireland scheme only).

Customers on fixed contracts signed before December 2021 have not been covered because those users “would not have been exposed to the recent rises in wholesale prices”.⁵⁶

The BEIS guidance, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#) has more information on eligibility for the scheme.

5.2 How has the EBRS reduced non-domestic energy prices?

The BEIS guidance, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), explains how customers in different circumstances should have benefited from the EBRS.⁵⁷

Energy suppliers have automatically applied the EBRS reduction to the bills of all eligible non-domestic customers. Customers did not need to apply for the discount.

The EBRS has provided a discount on the **wholesale portion** of gas and electricity unit prices. Wholesale prices are what energy suppliers pay to purchase the energy. They are not retail prices, which is what end-users pay. Retail prices include wider costs, such as network charges and operating costs.⁵⁸

The EBRS discount has been calculated by comparing the estimated wholesale portion of the customer’s existing unit price with a threshold “government supported price”. The government supported price was set at a lower level than expected wholesale prices over winter 2022-23. It was based on the implied wholesale element of the unit prices in the Energy Price Guarantee.

For customers in the United Kingdom, the government supported price was set at:

- £211 per megawatt hour (MWh) for electricity

⁵⁶ BEIS, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), GOV.UK, 10 October 2022

⁵⁷ BEIS, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), GOV.UK, 10 October 2022

⁵⁸ The Library briefing [Domestic energy prices](#) has more information on the components of energy prices.

- £75 per MWh for gas.

The value of the EBRS discount has varied according to the type and date of the customer's existing energy supply contract:

- For customers on a **fixed contract**, the discount has reflected the difference between the government supported price and the relevant wholesale price for the day the contract was agreed. If the contract was fixed when wholesale prices were lower than the government supported price, the customer was not eligible for a discount.
- For customers on a **variable, deemed or other contract**, the discount has reflected the difference between the government supported price and the relevant wholesale price. Customers on these contracts have been subject to a maximum discount of £345 per MWh for electricity and £91 per MWh for gas.

The Government has published [reference wholesale prices used to calculate the discount for each day](#) from 1 December 2021. It is publishing weekly updates on this until the end of the scheme.⁵⁹

The BEIS guidance, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), has more information on how the discount has been calculated for customers in different circumstances, including illustrative examples.

The [Energy Bill Relief Scheme Guidance: Great Britain and Northern Ireland](#) (PDF) has more detailed information on how the scheme has been delivered. This includes: treatment of multi-rate meters; how different contracts were classified; and treatment of customers who had a higher or lower exposure to wholesale prices because of wider arrangements (such as financial hedging, balancing services or electricity generation).⁶⁰

⁵⁹ BEIS, [Energy Bill Relief Scheme: help for businesses and other non-domestic customers](#), GOV.UK, 10 October 2022

⁶⁰ BEIS, [Energy Bill Relief Scheme Guidance: Great Britain and Northern Ireland](#) [PDF], GOV.UK, 1 November 2022

5.3

Have customers without a contract with a licensed energy supplier received the EBRs?

Customers who pay an intermediary for their energy, where the intermediary has a non-domestic contract with an energy supplier

Some households, businesses, charities and public sector organisations pay a third-party intermediary (such as a landlord or heat network) for their energy. The intermediary may have received the EBRs if they have a non-domestic electricity and/or gas supply. The [pass-through regulations](#) require intermediaries to pass on benefits received under the EBRs to end users (such as tenants). For more information see section 7.

Customers who take their energy from the public electricity/gas grid, but who do not pay a licensed energy supplier

Some businesses, charities and public sector organisations receive their energy through the public electricity or gas grid, but do not pay a licensed energy supplier. For example, they may pay a non-licensed provider, or they may purchase energy from energy producers directly on the wholesale market.⁶¹ These “non-standard customers” can apply for support comparable to the EBRs through the [Energy Bill Relief Scheme for non-standard non-domestic customers](#). **This scheme does not cover residential dwellings such as park or care homes who pay for an intermediary for their energy.**⁶²

Like the standard EBRs, the EBRs for non-standard customers has provided a discount on the **wholesale portion** of gas and electricity unit prices, for customers in the United Kingdom. The discount has been calculated by comparing the wholesale portion of the customer’s existing unit price with a threshold price (known as the “government supported relief price”). For all non-standard customers the government supported relief price was set at:

- £243 per megawatt hour (MWh) for electricity⁶³
- £75 per MWh for gas.

⁶¹ BEIS, [Energy Bill Relief Scheme non-standard cases: guidance for non-domestic customers](#), GOV.UK, 9 January 2023

⁶² BEIS, [Energy Bill Relief Scheme: non-standard cases](#), GOV.UK, 9 January 2023

⁶³ This price is higher than under the standard EBRs scheme because it does not include additional relief equivalent to the price of green levies, as non-standard customers do not pay these costs.

These prices were subject to a maximum discount of £313 per MWh for electricity and £91 per MWh for gas.⁶⁴

Eligible customers can apply for the discount during five monthly “claims windows” between January and May 2023. Payments will be made once per month, up to 18 days after a claim has been submitted. Late claims can be submitted the following month, but payments for these cannot be brought forward.⁶⁵

The [EBRS non-standard cases: guidance for non-domestic customers](#) gives an overview of the support available, including eligibility and how to apply. Detailed guidance is set out in the [EBRS non-standard cases: full technical guidance](#) [PDF]. The webpage [Energy Bill Relief Scheme: non-standard cases](#) has links to documents for the scheme, including the [application form](#) [XLSX].

From November 2022 to January 2023 the Government [surveyed energy providers who are unable to access the EBRS](#) because they are non-licensed or provide energy to businesses in non-standard ways. The Government said it was seeking “a better understanding of the situation”. It has not published a response.⁶⁶

5.4 Northern Ireland Energy Bill Relief Scheme

The Northern Ireland EBRS has functioned in a similar way to the EBRS in Great Britain. The guidance [Energy Bill Relief Scheme: help for businesses and other non-domestic customers \(Northern Ireland\)](#) provides information on the scheme.⁶⁷

The technical guidance [Energy Bill Relief Scheme Guidance: Great Britain and Northern Ireland](#) (PDF) provides more technical information about the EBRS. Chapter 9 set out guidance specific to the Northern Ireland EBRS for the two areas where this differs to the GB scheme. These are:

- differences in how energy supply contracts are classified;

⁶⁴ BEIS, [Energy Bill Relief Scheme non-standard cases: guidance for non-domestic customers](#), GOV.UK, 9 January 2023

⁶⁵ For more information on claims windows and payments, see BEIS, [EBRS non-standard cases: full technical guidance](#) [PDF], GOV.UK, 9 January 2023, pp12-14.

⁶⁶ BEIS, [Energy Bill Relief Scheme: non-standard supplies of energy - call for evidence](#), GOV.UK, 17 November 2022, accessed 16 March 2023

⁶⁷ BEIS, [Guidance: Energy Bill Relief Scheme: help for businesses and other non-domestic customers \(Northern Ireland\)](#), GOV.UK, 10 October 2022

- provisions to limit the discount available to a customer in Northern Ireland if they are passing it on to an end user outside Northern Ireland.⁶⁸

⁶⁸ BEIS, [Energy Bill Relief Scheme Guidance: Great Britain and Northern Ireland](#) [PDF], GOV.UK, 1 November 2022

6

Alternative Fuel Payments (AFP)

The Alternative Fuel Payments scheme provided a one-off payment over winter 2022-23 to customers using an alternative fuel to heat their property. It also provided a one-off payment to all households in Northern Ireland.

The **Alternative Fuel Payments (AFP) domestic scheme** provided a one-off payment of £200 to domestic customers across Great Britain who are not on the mains gas grid and therefore use an alternative fuel to heat their homes.⁶⁹ This includes, for example, tank or bottled gas, heating oil, coal, liquid petroleum gas (LPG), wood or other solid fuel. In addition, all households in Northern Ireland received £200 support.

Support was also provided through the **Alternative Fuel Payments for non-domestic consumers** who were not able to receive support for their heating costs through the **Energy Bill Relief Scheme**. Non-domestic consumers who are off the gas grid and use alternative fuels received £150 as a fixed payment. The Government has stated that there will also be “additional ‘top-up’ payments for large users of heating oil based on actual usage”.⁷⁰ Further details about the “top-up payments” have not been announced.

6.1

How did customers receive the AFP?

Households in Great Britain which have a domestic electricity supply

Most eligible households in Great Britain with a domestic electricity supply should have received the AFP payment automatically through their electricity supplier. Payments should have been made between 6 February and 10 March 2023.⁷¹

The automatic payments were made using similar methods to the payments under the Energy Bills Support Scheme. Customers received the AFP in different ways, depending on how they pay for their electricity bills:

⁶⁹ HMT, [Autumn Statement 2022](#), Gov.uk, 17 November 2022, para 5.3

⁷⁰ HMT, [Autumn Statement 2022](#), Gov.uk, 17 November 2022, para 5.3

⁷¹ Department for Business, Energy & Industrial Strategy, [Households, businesses and organisations off the gas grid to receive energy bill support over the coming weeks](#), 6 February 2023

- Direct debit customers received either a reduction to their monthly direct debit amount, a refund following their monthly direct debit collection, a credit on their account or a direct payment;
- Customers who pay by standard credit received either a credit to their account or a reduction in the amount charged to their account;
- Smart prepayment meter customers received a credit directly to their smart prepayment meter;
- Traditional prepayment meter customers received a redeemable voucher for either credit or cash, by SMS text, email or post;
 - Customers who received vouchers need to redeem these at a top-up point. The vouchers will be valid for three months from the date of issue.
 - Customers can request the reissue of an expired voucher up to 30 June 2023; all vouchers must be redeemed by this date.⁷²

The [GB domestic AFP guidance for electricity suppliers](#) has more detailed information on how the AFP was delivered automatically. This include information on how payments should have been made to customers, including customers in arrears and debt.⁷³ There is separate [guidance on the scheme in Northern Ireland](#).

The guidance for electricity suppliers notes that where a supplier provides other services to a customer alongside energy as part of a bundled account, the AFP payment could be applied to the bundled account, unless the customer had elected otherwise.

Households in Great Britain which do not have a domestic electricity supply, and/or which are in an area where most properties are connected to the gas grid

As the AFP was paid primarily by electricity suppliers, households did not get it automatically if they do not have a domestic electricity supply.

⁷² BEIS, [Domestic Alternative Fuel Payment Scheme Guidance for Electricity Suppliers in Great Britain \[PDF\]](#), GOV.UK, 23 January 2023, pp16-21

⁷³ BEIS, [Domestic Alternative Fuel Payment Scheme Guidance for Electricity Suppliers in Great Britain \[PDF\]](#), GOV.UK, 23 January 2023

Customers may also not have received it automatically if they live in an area in which most properties are connected to the gas grid.⁷⁴ This was due to the Government's method for identifying eligible customers (see section 6.2).

These customers can apply for equivalent support under the **Alternative Fuel Payment Alternative Fund** via an [online form on GOV.UK](#).⁷⁵

Some households pay an intermediary (such as a landlord) for their energy. The intermediary may have received the AFP if they had a contract with an electricity supplier for the property. **Pass through regulations** require intermediaries to pass on support to the end user (see section 7).

Households in Northern Ireland

All households in Northern Ireland should have received the AFP, whatever fuel they use for heating.⁷⁶ In Northern Ireland 68% of households have central heating provided by oil: across the whole UK the figure is 4%.⁷⁷

Households in Northern Ireland received the AFP support as part of a single £600 payment combining £200 of support under the AFP and £400 of support under the **Energy Bill Support Scheme Northern Ireland (EBSS NI)**. See section 3.3 for more information on the £600 payment.

Non-domestic customers (including businesses, charities and public sector organisations)

A credit of £150 was provided to eligible non-domestic customers across the UK through the **Non-Domestic Alternative Fuel Payment scheme (ND-AFP)**. The credit was delivered by electricity suppliers.⁷⁸ Payments should have been delivered by 10 March 2023.

Some non-domestic customers pay an intermediary (such as a landlord) for their energy. The intermediary may have received the AFP if they had a contract with an electricity supplier for the property. **Pass through regulations** require intermediaries to pass on support to the end user (see section 7).

⁷⁴ HMG, [Help with your energy bills: if you use alternative fuels for heating](#), GOV.UK, accessed 27 January 2023

⁷⁵ GOV.UK, [Apply for alternative fuel bill support if you do not get it automatically](#), undated

⁷⁶ BEIS, Northern Ireland Office, Graham Stuart MP and The Rt Hon Chris Heaton-Harris MP, [Northern Ireland households to receive voucher support for energy bills starting in January](#), GOV.UK, 30 December 2022; Policy changed to provide £200 to all NI households announced in Autumn Statement. HMT, [Autumn Statement 2022: Cost of living support Factsheet](#), Gov.uk, 17 November 2022

⁷⁷ NISRA, [Energy in Northern Ireland 2022](#), chapter 6, June 2022

⁷⁸ Department for Business, Energy & Industrial Strategy, [Households, businesses and organisations off the gas grid to receive energy bill support over the coming weeks](#), 6 February 2023

The [Non-domestic Alternative Fuel Payment Scheme, Great Britain: guidance for electricity suppliers](#) has more information on how the non-domestic AFP was delivered automatically. There is separate [guidance for Northern Ireland](#).

Why wasn't the payment delivered by alternative fuel suppliers?

There was some confusion as to why the AFP was mainly delivered by electricity suppliers, rather than through fuel suppliers. Responding to the Government's announcement that the payment would be delivered in this way, the trade body UK and Ireland Fuels Distribution Association (UKFIDA) said that due to "the highly competitive nature of the heating oil market, where customers hold multiple accounts across different distributors and outlets" it had not been possible to identify "a quick method of payment through these [heating oil] accounts without duplication".⁷⁹

6.2 How were eligible consumers identified?

The Government identified eligible customers to receive the AFP automatically through their electricity supplier, by comparing the following datasets:

- Postcodes which are off the gas grid
- Office of National Statistics data on how postcodes correlate to lower layer super output areas (geographic areas used to report statistics)
- Census data on heating type
- Information about individual electricity meters, including the meter's postcode, electricity supplier and whether the meter is associated with a domestic or non-domestic electricity supply.⁸⁰

For more information, see section 3 of the [GB domestic AFP guidance for electricity suppliers](#).

6.3 How was the value of the AFP set?

The Government said the £200 payment would ensure that a typical customer using heating oil did not face a higher rate of growth in their heating costs

⁷⁹ UKFIDA, [Statement: UKFIDA notes the government's announcement regarding the £100 fixed payment to heating oil users](#), 12 October 2022

⁸⁰ BEIS, [Domestic Alternative Fuel Payment Scheme Guidance for Electricity Suppliers in Great Britain \[PDF\]](#), GOV.UK, 23 January 2023, pp8-9

since winter 2021/22, in comparison to those using mains gas who were supported by the Energy Price Guarantee.

The Government has also said it would continue to monitor the prices of alternative fuels, such as heating oil, and would consider further intervention if required.⁸¹

⁸¹ BEIS, [How households and businesses will be supported by the Energy Prices Bill](#), Gov.uk, 21 October 2022.

7 Pass through requirements for the EPG, EBSS, EBRs and AFP

The Government has introduced **pass through regulations** covering the whole of the UK.⁸² These require “relevant intermediaries” (such as landlords) to pass on benefits received under the Energy Bills Support Scheme, Energy Price Guarantee, Energy Bills Relief Scheme and Alternative Fuel Payments to end users (such as tenants). Intermediaries must also pass on any benefits received before the regulations came into force.⁸³

“Relevant intermediaries” are any individual or organisation purchasing electricity, gas or alternative fuels, and supplying (and passing on the cost of) it to an end user. This covers intermediaries supplying products and services where contractually a component of the price relates directly to the cost of electricity, gas or alternative fuel. For example, this may include heating, cooling and hot water.

End users can include domestic and non-domestic customers (such as businesses, charities and public sector organisations), as well as park home residents and motorists using electric vehicle charging facilities.⁸⁴

There are specific requirements for heat networks. For more information see section 7.3.

7.1 How are benefits being passed through to end users?

The [guidance on the pass through requirements](#) explains that intermediaries are required to pass on the discounts “as soon as reasonably practicable” and in a “just and reasonable” way:

Intermediaries must pass on the discount irrespective of how the end user pays for their energy use. They can adjust the amount they pass on based on their

⁸² The “pass through regulations” refers to a [package of regulations setting out pass through requirements](#) for the EBSS, EPG, EBRs and AFP in Great Britain and Northern Ireland. The various regulations came into force between 1 November 2022 and 24 February 2023.

⁸³ There are some exemptions to this rule. For more information see [Guidance on the pass-through requirements for energy price support provided to intermediaries](#).

⁸⁴ BEIS, [Guidance on the pass-through requirements for energy price support provided to intermediaries](#), GOV.UK, 4 November 2022

charges to end users and must demonstrate to end users that this amount is just and reasonable.

Intermediaries can take into account the extent to which they have increased their charges to end users as a result of the energy crisis. For example, if the intermediary has shielded its end users from the impact of increased energy prices it may be just and reasonable for it to retain some or all of the scheme benefit.

If the intermediary charges an “all inclusive” rent incorporating a fixed charge for energy use, the intermediary must pass the discount in a just and reasonable way.

[...]

Where a relevant intermediary uses energy to provide common services, they are entitled to include the costs of this within the calculation of what is just and reasonable to pass through to the extent that the cost of such energy is or will not be borne by the end user.⁸⁵

If the intermediary charges end users based on the proportion of the total energy bill they use (for example by usage or a fixed split between multiple tenants) then the ‘just and reasonable’ test requires them to allocate energy bills discounts in the same way.⁸⁶ In other cases the intermediary should use the best available information to calculate a fair way of passing on the benefits to end users.

The intermediary must share information with end users on how much of the benefit will be passed through, including their justification for this. This information must be provided within 30 days of the intermediary receiving the benefit.

The [Guidance on the pass-through requirements for energy price support provided to intermediaries](#) has more information, including exemptions, ways that benefits can be passed to customers, and illustrative examples of how the pass-through requirement is calculated for customers in different circumstances.

Maximum resale price rules

Intermediaries must continue to comply with the existing maximum resale price rules. These say that if an intermediary resells electricity or gas to a domestic end user based on their usage, then the intermediary must not charge more than they paid. The pass-through guidance confirms that the amount paid by the intermediary includes any discounts received through the Government’s energy support schemes.

⁸⁵ BEIS, [Guidance on the pass-through requirements for energy price support provided to intermediaries](#), GOV.UK, 4 November 2022

⁸⁶ BEIS, [Guidance on the pass-through requirements for energy price support provided to intermediaries](#), GOV.UK, 4 November 2022

These rules only apply if the cost of energy is a specified charge on the end user's bill. For example they would not normally apply to "all-inclusive" rents, where the tenant pays a single charge for rent and bills.

For more information about the maximum resale price rules, see [Ofgem](#) (for Great Britain) and the [Utility Regulator](#) (for Northern Ireland).⁸⁷

7.2 What can end users do if benefits are not passed through?

If an end user believes they have not been passed through a benefit (or enough benefit), or if reasonable steps were not taken to inform them of their eligibility to benefit, they should raise this with the intermediary in the first instance.⁸⁸

If the intermediary fails to pass on the payment or to provide necessary information to the end user, the end user may bring civil proceedings and seek to recover the sums due as a civil debt.

The [Guidance on the pass-through requirements for energy price support provided to intermediaries](#) has more information, including a [template letter to help end users to communicate with intermediaries](#).

Government guidance on how to [make a court claim for money](#) has more information on making money claims of £10,000 or less. The Government's [Money Claim Online \(MCOL\) user guide](#) details how to claim for sums between £10,001 and £100,000.

7.3 Pass through requirements for heat networks

The Government has introduced specific, additional pass-through regulations for heat networks benefitting from the EBRS (i.e. those fuelled by electricity or mains gas).

At the time of writing the Government has not introduced specific pass-through regulations for heat networks using alternative fuels. All heat networks are however covered by the general pass-through requirements, as set out in the preceding sections.

⁸⁷ Ofgem, [The resale of gas and electricity: Guidance on maximum resale price \(updated October 2005\)](#), 13 October 2005; Utility Regulator, [Direction and Public Notice concerning the maximum resale price for electricity and gas](#), 7 June 2007

⁸⁸ BEIS, [Guidance on the Energy Bill Relief Scheme pass-through requirements for heat networks in the UK](#), GOV.UK, 4 November 2022

The following sets out the additional pass-through requirements for heat networks benefitting from the EBRS. The Government has published [specific guidance on these requirements](#).⁸⁹ They are generally similar to those for other intermediaries. Key differences include:

- A heat supplier must pass on benefits “as soon as reasonably practicable” after the supplier has received the benefit, and no later than the next time it bills the customer.
- Heat suppliers in Great Britain benefitting from the EBRS have been required to join the [Energy Ombudsman’s consumer redress scheme](#).
- If an end user believes they are not being passed through (enough) benefit, or if reasonable steps were not taken to inform them of their eligibility to benefit, they should raise this with the heat supplier in the first instance.
 - If the end user is unable to reach an agreement with the heat supplier, they can complain to the [Energy Ombudsman](#) (for customers in Great Britain) or the [Consumer Council](#) (for customers in Northern Ireland).
 - If the Energy Ombudsman makes a decision that involves the customer receiving a remedy (such as compensation) and the supplier does not comply with this, or, if a complaint made to the Consumer Council does not lead to a resolution, then the consumer can commence civil proceedings to recover the EBRS benefit from the heat supplier.⁹⁰

The [guidance on the pass-through requirements for heat networks](#) has more information. There is also accompanying legal guidance for heat networks that use Combined Heat and Power (CHP).⁹¹

⁸⁹ BEIS, [Guidance on the Energy Bill Relief Scheme pass-through requirements for heat networks in the UK](#), GOV.UK, 4 November 2022

⁹⁰ There is an exemption to this if the supplier receives the EBRS benefit and bills the customer within 30 days of the regulation coming into force.

⁹¹ BEIS, Chapter 2 of Part 4: Arrangements for Customer to deliver electricity to the grid (Great Britain and NI Schemes) in [Energy Bill Relief Scheme Guidance: Great Britain and Northern Ireland](#) [PDF], GOV.UK, 1 November 2022

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