

Direction made by the Secretary of State for Business, Energy and Industrial Strategy pursuant to sections 7(3)(a) and 107 of the Electricity Act 1989

1. Title, commencement and cessation

- (a) This direction is made by the Secretary of State pursuant to sections 7(3)(a) and 107 of the Electricity Act 1989 and may be referred to as "the EBSS Direction".
- (b) This direction has effect from [date] to [date] (both dates inclusive).

2. Definitions and interpretation,

Except where otherwise provided by paragraph 3, expressions in this direction which appear in the standard licence conditions have the same meaning as in the standard licence conditions.

3. In this direction:

"the Act" means the Electricity Act 1989;

"the Authority" means the Gas and Electricity Markets Authority established by section 1 of the Utilities Act 2000;

"credit customer" means a Domestic Customer supplied pursuant to a Domestic Supply Contract or a Deemed Contract who is neither a prepayment customer nor a direct debit customer;

"customer's energy account" means the account maintained by the domestic electricity supplier recording energy usage and charges held by an eligible customer with a domestic electricity supplier pursuant to a Domestic Supply Contract or a Deemed Contract;

"cut-off date" means the last day of each scheme month, with the cut-off date ending at 23:59 hours on that day;

"direct debit customer" means a fixed direct debit customer or a variable direct debit customer;

"domestic electricity supplier" means a person who holds a licence granted under section 6(1)(d) of the Act and who supplies or intends to supply electricity to Domestic Customers;

"EBSS" means a support payment which a domestic electricity supplier is required to provide each scheme month pursuant to this direction and standard licence condition 25[E];

"the EBSS guidance" means the guidance relating to this direction issued by the Secretary of State and/or the Authority on [***] and available from [***], as amended from time to time;

“eligible customer” means a Domestic Customer who is party to a Domestic Supply Contract or a Deemed Contract for electricity supply which relates to a Domestic Premises at 00:00 hours on a qualifying date, with only one Domestic Customer per Domestic Supply Contract or Deemed Contract per Domestic Premises being an eligible customer;

"end of scheme report" means the report mentioned in paragraph 12(b)(ii);

"exception case" is where the domestic electricity supplier, having taken all reasonable steps to do so, cannot provide the EBSS to a person which it has determined to be an eligible customer and notified as such to the Authority and the Secretary of State pursuant to paragraph 7, in any of the following categories: (i) where the eligible customer is deceased; (ii) where the domestic electricity supplier has no forwarding address for the person in circumstances where such person no longer has a Domestic Supply Contract or Deemed Contract with the domestic electricity supplier; (iii) where the domestic electricity supplier does not have the name of the eligible customer; (iv) where, on the qualifying date, the Domestic Premises were vacant and the domestic electricity supplier is not able to establish who the resident account holder is in respect of the Domestic Premises; (v) where there is no Domestic Premises on the qualifying date; (vi) where a person other than the person notified as an eligible customer was the eligible customer in the Domestic Premises on the qualifying date; (vii) where there was an erroneous switching of the eligible customer to the domestic electricity supplier and the domestic electricity supplier cannot subsequently contact that eligible customer; (viii) where, before the EBSS has been provided by the relevant domestic electricity supplier, the eligible customer has switched to a new domestic electricity supplier; (ix) where the eligible customer has not redeemed its secure voucher during the voucher validity period; (x) where there is a failed direct debit payment from the eligible customer to the domestic electricity supplier which includes an EBSS as a refund or reduction;

"external audit" means the auditing process in respect of the EBSS scheme undertaken by or on behalf of the Secretary of State;

"final date" means 23:59 hours on 30 June 2023;

"fixed direct debit customer" means a Domestic Customer who pays the charges which are payable under their Domestic Supply Contract or Deemed Contract by way of regular direct debit payments of a fixed amount (which amount may be varied from time to time in accordance with the relevant Domestic Supply Contract or Deemed Contract);

"insolvency event" means in relation to a domestic electricity supplier that:

- (a) the domestic electricity supplier is:
 - (i) unable or admits inability to pay its debts as they fall due;
 - (ii) suspends making payments on any of its debts; or
 - (iii) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

- (b) the value of the assets of the domestic electricity supplier is less than its liabilities (taking into account contingent and prospective liabilities);
- (c) a moratorium has been declared in respect of any indebtedness of the supplier; or
- (d) any action, legal proceedings or other procedure or step has been taken in relation to the domestic electricity supplier with respect to :
 - (i) the suspension of payment of debts, a moratorium of any indebtedness, winding-up (whether voluntary or compulsory), dissolution, receivership, an energy supply company administration, an administration, reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of, or a restructuring plan relating to, the domestic electricity supplier;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the domestic electricity supplier;
 - (iii) the appointment of a supplier of last resort in relation to the domestic electricity supplier;
 - (iv) the appointment of a liquidator, receiver, administrative receiver, administrator, energy supply company special administrator, compulsory manager or other similar officer in respect of the domestic electricity supplier or any of its assets; or
 - (v) enforcement of any security over any assets of the domestic electricity supplier,or any analogous procedure or step is taken in any jurisdiction.

"internal audit report" means the report mentioned in paragraph 12(b)(iii);

"monthly report" means the report mentioned in paragraph 12(b)(i);

"outstanding customer" is to be construed in accordance with paragraph 10(a);

"prepayment customer" means a Domestic Customer to whom electricity is supplied pursuant to a Domestic Supply Contract or a Deemed Contract through a Prepayment Meter;

“qualifying bank account” means a bank account in the name of the domestic electricity supplier with a bank in Great Britain ;

“qualifying date” means 00:00 hours on the first day of each scheme month;

"scheme month" means a calendar month during the scheme period;

"scheme period" means the period commencing on 1st October 2022 and ending on 31st March 2023 (both dates inclusive);

"the Secretary of State" means the Secretary of State for Business, Energy and Industrial Strategy;

"secure voucher" means a voucher for the purchase of energy addressed to a prepayment customer for use by that customer, or a voucher redeemable for cash addressed to an eligible customer by a domestic electricity supplier, as further described in the EBSS guidance;

"smart prepayment customer" means a prepayment customer supplied pursuant to a Smart Metering System operating in prepayment mode;

"special action message" means a message addressed to a prepayment customer's meter and transmitted from a domestic electricity supplier to that meter through the electricity credit purchasing network;

"the standard licence conditions" means the standard conditions of electricity supply licences incorporated by virtue of section 8A(1) of the Act in electricity supply licences granted or treated as granted under section 6(1)(d) of that Act;

"traditional prepayment customer" means a prepayment customer supplied pursuant to a Prepayment Meter which is not part of a Smart Metering System;

"variable direct debit customer" means a Domestic Customer who pays the charges which are payable under their Domestic Supply Contract or Deemed Contract by way of regular direct debit payments of a variable amount, paying outstanding charges to the customer's energy account in full;

"working day" means any day other than a Saturday or Sunday, Christmas Day, Good Friday or a day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971; and

"writing" has the meaning given to the term "Writing" in the standard licence conditions.

4. Notifications and submissions

A notification or submission under this direction:

- (a) must be in writing;
- (b) may be transmitted by electronic means;
- (c) must be made in the form prescribed by the Authority or the Secretary of State.

5. Scope and Purpose of the Direction

- (a) This direction is issued under standard licence condition 25[E] and applies to any domestic electricity supplier.
- (b) The purpose of this direction is to:
 - (i) require that a domestic electricity supplier:

- (1) provides and delivers an EBSS to each of its eligible customers each scheme month by the cut-off date in accordance with this direction;
 - (2) submits to reporting and auditing requirements demonstrating compliance with this direction; and
 - (3) refunds any overpayments to the Secretary of State in accordance with paragraph 15; and
- (ii) establish terms on which the Secretary of State will pay to a domestic electricity supplier the total sum of EBSS that such a domestic electricity supplier is required to provide and deliver to its eligible customers.

6. Obligations of domestic electricity suppliers

- (a) The Secretary of State directs that a domestic electricity supplier must comply with the obligations under this direction.
- (b) For the purpose of this direction a domestic electricity supplier, in respect of each scheme month —
 - (i) has provided an EBSS to an eligible customer (including an outstanding customer) on the date on which the supplier has complied with paragraph 9(a) in relation to that customer;
 - (ii) has delivered an EBSS to each category of eligible customer specified in the first column of the table below (including an outstanding customer) on the date specified in the corresponding row of the second column of the table below—

Category of eligible customer	Date of delivery of EBSS
direct debit customer	the date confirmed by the external audit as the date on which the domestic electricity supplier has complied with paragraph 9(a) in relation to the customer
credit customer	the date confirmed by the external audit as the date on which the domestic electricity supplier has complied with paragraph 9(a) in relation to the customer
prepayment customer	the date confirmed by the external audit as the date on which the customer has used a credit provided under paragraph 9(c)(iii) for the purchase of electricity and/or gas
customer to whom a domestic electricity supplier has	the date confirmed by the external audit as the date on which the

tendered payment under paragraph 9(c)(iv)	customer has received a payment under paragraph 9(c)(iv).
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- (c) For the purposes of the fourth row of the table above and of paragraph 12(a)(vii) a customer has received a payment under paragraph 9(c)(iv) when the record of the transaction in the domestic electricity supplier's bank account indicates that the payment is available in the customer's bank account or when the customer has cashed a secure voucher tendered in payment, as the case may be.
- (d) A domestic electricity supplier must maintain a qualifying bank account separately from the domestic electricity supplier's other bank accounts and into which will be paid only the payments referred to in paragraph 14(b).

7. Pre-disbursement notifications to the Authority and the Secretary of State

- (a) A domestic electricity supplier must notify to the Authority and to the Secretary of State the following information :
 - (i) confirmation that it has opened a qualifying bank account which remains open and active;
 - (ii) the details of the qualifying bank account;
 - (iii) the name, position and contact details of a responsible person;
 - (iv) a general overview of how the domestic electricity supplier intends to provide and deliver an EBSS to each of its eligible customers to comply with its obligations under this direction;
 - (v) an estimate of the total number of the domestic electricity supplier's eligible customers on the qualifying date;
 - (vi) an estimate of the number of the domestic electricity supplier's eligible customers on the qualifying date who are—
 - (1) direct debit customers;
 - (2) credit customers;
 - (3) traditional prepayment customers;
 - (4) smart prepayment customers;
 - (vii) confirmation that the domestic electricity supplier has satisfied the notification obligations pursuant to standard licence condition 25[E];
 - (viii) a description of how the domestic electricity supplier intends to identify its eligible customers for the purposes of the notification in paragraph 7(a) ;
 - (ix) a description (including a payment schedule) of how the domestic electricity supplier intends to provide an EBSS to its eligible customers

who are traditional prepayment customers, smart prepayment customers, direct debit customers and credit customers;

- (x) a description of any circumstances in which the domestic electricity supplier expects that it may not be able to provide an EBSS to an eligible customer before or on the cut-off date;
 - (xi) a description of how the domestic electricity supplier intends to identify and record the number of its eligible customers to whom it has not provided an EBSS before or on the cut-off date;
 - (xii) a description of how the domestic electricity supplier intends to comply with its obligation to notify its eligible customers who are traditional prepayment customers, smart prepayment customers, direct debit customers and credit customers in relation to the provision of EBSS as required by paragraphs 7(a)(v) and 7(a)(vi) of this direction; and
 - (xiii) a description of any systems or other testing the domestic electricity supplier intends to use or carry out before the qualifying date in relation to its performance of its obligations under this direction.
 - (xiv) a description of how the domestic electricity supplier intends to ensure its compliance with its obligations under this direction including the name and position of the senior compliance officer required to compile the internal audit report;
 - (xv) a description of any management processes put in place by the domestic electricity supplier to oversee compliance by the domestic electricity supplier with its obligations under this direction;
 - (xvi) a description of the measures taken by the domestic electricity supplier to prevent fraud, misuse or abuse in relation to its provision of an EBSS to its eligible customers; and
 - (xvii) a description of how the domestic electricity supplier intends to carry out the internal audit for the purpose of compiling the internal audit report including a description of the form of evidence¹ it intends to provide under the internal audit report to demonstrate compliance with paragraph 9.
- (b) The notifications under paragraph 7(a) must be signed by the responsible person and made before or on 25th September 2022 in respect of the scheme month of October 2022, provided that:
- (i) the notifications required under paragraphs 7(a) which have been made prior to the date on which this direction came into effect must be confirmed by the domestic electricity supplier on 25th September 2022;

¹ As each supplier will have a different business model and different reporting systems, it should be the responsibility of the supplier to prepare and submit to BEIS the form of evidence that demonstrates that the supplier has complied with its obligations to provide the grant as required under the direction. The supplier should be in a position to provide details of the methodology ex ante – this will mitigate risks of incomplete / unclear reporting

- (ii) the Authority and the Secretary of State are entitled to and will rely on estimated information in respect of the scheme month of October 2022 provided by the domestic electricity supplier prior to the date on which this direction came into effect in respect of the information listed under paragraphs 7(a)(v) and 7(a)(vi); and
 - (iii) the Secretary of State shall confirm to the domestic electricity supplier the estimated information provided by the domestic electricity supplier prior to the date on which this direction came into effect in respect of which the Secretary of State intends to make payment pursuant to paragraph 14.
- (c) The notification under paragraph 7(a)(vii) must be signed by the responsible person and made in respect of each scheme month before or on the fifth (5th) working day of the calendar month immediately prior to such scheme month, subject to paragraph 7(b) in respect of the scheme month of October 2022.
- (d) The domestic electricity supplier shall notify the Secretary of State and the Authority of any changes to the information notified under paragraphs 7(a)(i) - 7(a)(xvii) in respect of each scheme month after the scheme month of October 2022 before or on the fifth (5th) working day of the calendar month immediately prior to the scheme month in respect of which such notification relates.

8. **Reconciliation Notification**

A domestic electricity supplier must notify to the Authority and to the Secretary of State before or on the fifth (5th) working day after the end of each scheme month the following information in respect of that scheme month:

- (a) the number of that domestic electricity supplier's eligible customers as at the qualifying date for that scheme month;
- (b) the number of that domestic electricity supplier's eligible customers who are traditional prepayment customers, smart prepayment customers, direct debit customers and credit customers as at the qualifying date for that scheme month;
- (c) a description of how the domestic electricity supplier has identified its eligible customers for the purposes of this notification; and
- (d) the information specified in paragraph 12(a) in respect of each scheme month, which must be signed by the responsible person.

9. **Providing EBSS**

- (a) Each scheme month, by or on the cut-off date, a domestic electricity supplier must provide an EBSS to each of its eligible customers as follows:
 - (i) £66 for the scheme month of October 2022;
 - (ii) £66 for the scheme month of November 2022;
 - (iii) £67 for the scheme month of December 2022;

- (iv) £67 for the scheme month of January 2023;
 - (v) £67 for the scheme month of February 2023; and
 - (vi) £67 for the scheme month of March 2023,
(equalling £400 in aggregate).
- (b) Each scheme month, the domestic electricity supplier must provide the relevant EBSS in respect of such scheme month by:
- (i) applying a credit to the customer's energy account of an amount equal to the amount of the EBSS, or reducing the amount charged to the customer's energy account each scheme month by an amount equal to the amount of the EBSS, in accordance with sub-paragraphs 9(c)(i)(1), 9(c)(ii) or 9(c)(iii); or
 - (ii) refunding the customer the amount charged to the customer's energy account by an amount equal to the EBSS or paying to the customer an amount equal to the EBSS, in accordance with sub-paragraph 9(c)(i)(2) or 9(c)(iv).
- (c) Each scheme month, by or on the cut-off date, a domestic electricity supplier must, in respect of the relevant EBSS for such scheme month:
- (i) in relation to a fixed direct debit customer, either:
 - (1) reduce the amount (including Value Added Tax) charged to the customer's energy account such month by an amount equal to the EBSS, and where the EBSS is greater than the amount (including Value Added Tax) charged to the customer's energy account such month, credit to the customer's energy account an amount equal to the balance between the EBSS and the amount charged to the customer's energy account such month (including Value Added Tax); or
 - (2) after taking payment from the customer immediately refund to the customer an amount equal to the EBSS, or, where the EBSS is greater than the amount (including Value Added Tax) charged to the customer's energy account such month and a refund of an amount equal to the EBSS is not possible, refund to the customer the amount (including Value Added Tax) charged to the customer's energy account such month and credit to the customer's energy account an amount equal to the balance between the EBSS and the amount charged to the customer's energy account such month (including Value Added Tax);
 - (ii) in relation to a variable direct debit customer, credit customer or a payment card customer:
 - (1) credit the customer's energy account by an amount equal to the EBSS; or

- (2) reduce the amount (including Value Added Tax) charged to the customer's energy account for that scheme month by an amount equal to the EBSS;
- (iii) in relation to a prepayment customer, provide the customer with credit in the amount equal to the EBSS against the cost (including Value Added Tax) of electricity and/or gas use as a result of which the customer's energy account is credited by an amount equal to the EBSS;
- (iv) in relation to any eligible customer, tender payment to the customer of an amount equal to the EBSS.
- (d) A domestic electricity supplier may provide an EBSS to an eligible customer under paragraph 9(c)(iv), only if, having exercised reasonable endeavours to comply with its obligations under paragraph 9, the supplier has determined it would not be practical to provide an EBSS to that customer under the applicable paragraphs 9(c)(i), 9(c)(ii) or 9(c)(iii).
- (e) For the purposes of paragraph 9(c)(iii), credit against the cost of electricity and/or gas use includes credit in the form of a secure voucher or a special action message.
- (f) For the purposes of paragraph 9(c)(iv), “tender payment” means making payment by means of non-transferable cheque, bank transfer or secure voucher that may be exchanged for cash.
- (g) Where a domestic electricity supplier is also licensed as a domestic gas supplier and provides both electricity and gas to an eligible customer, the domestic electricity supplier may apply the EBSS to reduce or refund the customer’s charges for either or both electricity and gas in accordance with paragraphs 9(a) and 9(c).
- (h) A domestic electricity supplier must take all reasonable steps to comply with the obligations under this paragraph 9 by or on the relevant cut-off date.

10. **Outstanding customers**

- (a) In respect of each scheme month, if a domestic electricity supplier does not provide an EBSS before the end of the day which is a cut-off date to one or more eligible customers ("the outstanding customers"), the domestic electricity supplier must before the end of a period of five (5) working days after the end of that cut-off date notify to the Authority and to the Secretary of State—
 - (i) the number of outstanding customers;
 - (ii) the reason why the domestic electricity supplier has not provided an EBSS to the outstanding customers, including the number of exception cases of each category; and
 - (iii) steps for providing an EBSS to the outstanding customers by no later than the final date, provided that the domestic electricity supplier shall continue to use its reasonable endeavours to provide the relevant EBSS

to the outstanding customers which are not exception cases each scheme month for the remainder of the scheme period.

- (b) In relation to any outstanding customer notified under paragraph 10(a) a domestic electricity supplier must comply with the obligations in paragraph 9 by no later than the final date, and no EBSS shall be provided by a domestic electricity supplier after this time.
- (c) A domestic electricity supplier shall not be required to provide an EBSS in respect of an eligible customer notified pursuant to paragraph 7 which is an exception case.

11. **Information on Bills etc.**

In respect of each scheme month a domestic electricity supplier which provides an EBSS to an eligible customer must specify on the customer's next Bill or statement of account (or otherwise notify the customer in writing) that the customer has been provided with the EBSS and that the EBSS is a payment by Her Majesty's Government that has been applied to reduce or refund the customer's charges in respect of either or both of electricity and gas by an amount equal to the EBSS.

12. **Reporting on compliance**

- (a) In respect of each scheme month a domestic electricity supplier must notify to the Authority and to the Secretary of State—
 - (i) the number of direct debit customers to whom the domestic electricity supplier has provided an EBSS in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (ii) the number of credit customers to whom the domestic electricity supplier has provided an EBSS in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (iii) the number of traditional prepayment customers to whom the domestic electricity supplier has provided an EBSS in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (iv) the number of smart prepayment customers to whom the domestic electricity supplier has provided an EBSS in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (v) the number of traditional prepayment customers who have used a credit against the cost of electricity and/or gas for the purchase of electricity and/or gas in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (vi) the number of smart prepayment customers who have received a credit delivered to such customers' smart Prepayment Meters in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;

- (vii) the number of eligible customers who have received a payment under paragraph 9(c)(iv) in the period beginning with the qualifying date and ending on the cut-off date for that scheme month;
 - (viii) the number of outstanding customers notified under paragraph 10(a);
 - (ix) the number and category of exception cases arising in respect of that scheme month;
 - (x) the number of eligible customers to whom the domestic electricity supplier has not provided an EBSS before or on the cut-off date.
- (b) Following the end of the scheme period, a domestic electricity supplier must submit to the Authority and to the Secretary of State in respect of the scheme period—
- (i) a report signed by the responsible person which includes the information specified in paragraph 12(a) ("monthly report");
 - (ii) a report signed by the responsible person which includes the information specified in paragraph 12(a) aggregated in respect of all scheme months, together with the number of outstanding customers and the number and category of exception cases as at 1 July 2023 ("end of scheme report");
 - (iii) a report compiled for or on behalf of the domestic electricity supplier by a senior compliance officer not under the direction of the responsible person certifying the accuracy of any information notified under this direction or provided pursuant to standard licence condition 25[E] ("the internal audit report").
- (c) A domestic electricity supplier must submit the end of scheme report and the internal audit before or on 31st July 2023 whether or not the domestic electricity supplier has separately notified under this direction some or all of the information specified in subparagraph 12(a).
- (d) A domestic electricity supplier must provide the entity conducting the external audit with access to the domestic electricity supplier's payment records, information and documents required for the purposes of the external audit conducted following the final date.
- (e) A domestic electricity supplier must submit to the Secretary of State payment records, information and documents in relation to the relevant eligible customer's meter number to satisfy the sample-based assurance process described in the EBSS guidance.

13. **Conditions of payment**

- (a) A domestic electricity supplier must comply with the conditions in this paragraph 13 to the Secretary of State's satisfaction before or on the twenty-fifth (25th) day of the calendar month immediately prior to a scheme month to be eligible for payment in respect of that scheme month.

- (b) The domestic electricity supplier must have satisfied the notification requirements under paragraph 7, and must have submitted to the Secretary of State a declaration signed by the responsible person that, to the best of domestic electricity supplier's knowledge and belief, the information notified pursuant to paragraph 7 in respect of the relevant scheme month is a true and accurate reflection of the number of EBSS the domestic electricity supplier will provide in that scheme month.
- (c) By no later than 12:00 hours on the twenty-fifth (25th) day of the calendar month immediately prior to the relevant scheme month, the domestic electricity supplier must have submitted to the Secretary of State a declaration signed by the finance director of the supplier, on behalf of the supplier confirming that an insolvency event has not occurred in respect of the supplier and that, having made reasonable enquiries, the finance director is not aware of any circumstances that could reasonably be expected to give rise to such an insolvency event during the calendar month in which the declaration is given or in the immediately following calendar month, such declaration to be dated as of the twenty-fifth (25th) day of the calendar month immediately prior to the relevant scheme month (or if such day is not a working day, the working day immediately prior to such day).
- (d) The domestic electricity supplier must agree to the following terms of payment:
- (i) the domestic electricity supplier is responsible for ensuring that all payments received in connection with EBSS are used for the sole purpose of providing EBSS to eligible customers;
 - (ii) prior to a domestic electricity supplier having provided an EBSS to an eligible customer, such supplier must not use any monies relating to such EBSS which it has received from the Secretary of State under paragraph 14 for any purpose, or release or transfer such monies out of the designated account, and in any case must not use such monies: (A) to fund dividends or salary payments ; (B) for illegal purposes or fraudulently or (C) to fund any and all administration costs of providing the EBSS to eligible customers and complying with this direction and standard licence condition 25[E];
 - (iii) the domestic electricity supplier will refund to the Secretary of State any overpayments in accordance with paragraph 15;
 - (iv) the Authority is entitled to audit compliance by the domestic electricity supplier with standard licence condition 25[E] and this direction;
 - (v) any use of subcontractors by the domestic electricity supplier for the purpose of providing and delivering EBSS does not relieve the domestic electricity supplier of any of its obligations under this direction, including the obligation to refund overpayments;
 - (vi) the Secretary of State may offset any overpayment made by the Secretary of State to a domestic electricity supplier that has not been refunded by

the domestic electricity supplier against future payments by the Secretary of State to that domestic electricity supplier under this direction; and

- (vii) the terms for receiving a payment which are listed in paragraph 14.
- (e) The agreement of the domestic electricity supplier to the terms in paragraph 13(d) must be executed as a deed.

14. **Payment**

- (a) Within a period of five (5) working days beginning with receipt of the information notified under paragraph 13, the Secretary of State will determine whether the domestic electricity supplier has satisfied the conditions for receiving payment.
- (b) If the Secretary of State determines the conditions are met, the Secretary of State will pay to the domestic electricity supplier the amount determined on the basis of the information notified pursuant to paragraphs 7(a) as may be changed by the domestic electricity supplier pursuant to paragraph 7(d), save that in respect of the month of October 2022, the amount will be determined pursuant to paragraph 7(b).
- (c) If, after considering the information notified by the domestic electricity supplier, the Secretary of State determines that the domestic electricity supplier has not met any condition, the Secretary of State will notify to the domestic electricity supplier—
 - (i) the reasons for the Secretary of State's determination;
 - (ii) a description of the further information which the domestic electricity supplier must notify to the Secretary of State to ensure that the domestic electricity supplier has satisfied all conditions for receiving payment.
- (d) The Secretary of State will make any payments due to a domestic electricity supplier under this paragraph—
 - (i) on or before the last working day of the calendar month immediately prior to the scheme month in respect of which the EBSS is to be provided, provided that the Secretary of State has determined that the domestic electricity supplier has satisfied the conditions for receiving payment; and
 - (ii) in accordance with the process specified in the EBSS guidance.

15. **Overpayments**

- (a) A domestic electricity supplier which has received a payment from the Secretary of State under paragraph 14(d) and becomes aware of an overpayment (as defined in paragraph 15(b)) must:

- (i) notify to the Secretary of State any overpayment within five (5) working days of the domestic electricity supplier becoming aware of the overpayment;
 - (ii) refund to the Secretary of State any overpayment within five (5) working days of receipt of a request in writing from the Secretary of State; and
 - (iii) account to the Secretary of State for any monies received within five (5) working days of a request in writing from the Secretary of State;
- (b) An overpayment exists in the following circumstances:
- (i) where any monies paid to a domestic electricity supplier exceed the total sum of all the EBSS payments the domestic electricity supplier has provided or delivered or is required to provide or deliver to its eligible customers in the relevant scheme month;
 - (ii) where any monies paid to a domestic electricity supplier exceed the total sum of the EBSS payments the domestic electricity supplier has provided or delivered to its eligible customers during the scheme period;
 - (iii) where any monies paid to a domestic electricity supplier in relation to prepayment customers exceed the total sum paid by the domestic electricity supplier to the issuer(s) of secure vouchers in the relevant month;
 - (iv) where any monies paid to a domestic electricity supplier in relation to prepayment customers exceed the total sum of all the credits applied by the domestic electricity supplier's prepayment customers during the scheme period;
 - (v) where any monies paid to a domestic electricity supplier are in respect of an exception case; or
 - (vi) where any monies paid to a domestic electricity supplier in relation to eligible customers to whom the domestic electricity supplier has tendered payment under paragraph 9(c)(iv) exceed the total sum of all the payments received by eligible customers under that paragraph.

[Signature and date block for Secretary of State]