ecotricity

Energy Bill Relief Scheme (EBRS) - FAQ.

Owing to the increase in wholesale energy prices, the government are supporting the following non-domestic energy customers (where a discount is applicable) from **1 October 2022 to 31 March 2023**:

- Customers on a pre-existing fixed price contract that was agreed on or after 1 December 2021.
- Customers who enter a new fixed price contract between 1 December 2021 and 31 March 2023
- Customers on deemed/out of contract or variable tariffs.

If you qualify for the scheme, **you don't need to do anything**. We've written to you to explain what it means for your unit rates.

We've written this document to help answer your questions about the EBRS.

Q. What happens if I'm on a fixed contract that was priced before 1 December 2021?

A. The government deems the energy wholesale market to have been at a reasonable level before 1 December 2021, so you don't qualify for the scheme. You'll continue to pay the unit rates agreed in your current contract until it comes to an end.

Q. What happens if I'm on a fixed contract that was priced on or after 1December 2021?

A. You qualify for the scheme, and we've applied the government-discounted unit rates to your account. We wrote to you in early November 2022 to explain exactly what it means for your unit rates.

The discount applies to consumption from 1 October 2022 to 31 March 2023. October's discount will show on the bill you receive in November.

There are some dates that the government have deemed the wholesale price was below the accepted floor, this means you may not see a discount.

Q. What happens if I'm on a variable contract, or the Out of Contract rates?

A. You qualify for the scheme, and we've applied the government-discounted unit rates to your account. We wrote to you in early November 2022 to explain exactly what it means for your unit rates.

The discount applies to consumption from 1 October 2022 to 31 March 2023. October's discount will show on the bill you receive in November.

Q. When will I be told about any amended prices?

A. If you qualify for the scheme, we wrote to you in early November 2022 to explain what it means for your unit rates. If you haven't received an email or letter, please get in touch.

Q. What can I do to reduce my usage?

A. Our website has lots of great advice on reducing your energy usage. Go to Help with Saving Energy | Ecotricity.

Q. Will standing charges be reduced?

A. No. The government scheme only applies to unit rates.

Q. How are energy suppliers informed of the applicable discounts?

A. Energy suppliers are notified on a weekly basis about discounts to be applied to customers' unit rates for contracts agreed the week before. Discount rates are also publicly available and published online.

Q. How will my Direct Debit change as a result of the scheme?

A. If you pay us via a Fixed Direct Debit, we'll adjust your Direct Debit to reflect the discounted unit rates.

If you pay us via a **Direct Debit Variable**, you'll see the discounted unit rates on your bill. Your Direct Debit will be for the bill amount, as usual.

Q. When are the new prices valid until?

A. The current scheme will end on 31 March 2023, at which point your account will revert to the original contracted rates, unless the government announce an extension to the scheme.

Q. My contract runs out before the end of the scheme - what happens next?

A. We'll contact you regarding your renewal nearer the time. If you choose to renew with us, we'll let you know your new government-discounted rates as soon as we can after you've signed. We can't tell you beforehand because the government don't give us the precise discount to apply until after the contract is signed.

Q. What will my monthly bill look like as a result?

A. We'll simply apply a new rate on your bill, replacing your original contracted rate. We'll write to you separately to explain how the scheme has impacted your bill, including the total discount.

Q. What will my monthly bill costs look like as a result?

A. The scheme reduces the amount you're paying for each unit of energy, but your total bill amount still depends on how much energy you use.

Q. When will I receive my first bill on the scheme?

A. You'll receive your first bill with any new unit rates in November 2022.

Q. Can I move to a new fixed rate contract?

A. If you're currently on a variable tariff or out of contract rates, just get in touch to discuss moving to a fixed rate contract.

If you have an existing fixed rate contract, you'll only be able to move to a new fixed rate contract when your current contract ends. We'll write to you nearer the time to tell you about your options.

Q. What if I already have a bill covering some of October and November that doesn't show the discount?

A. Your invoice will be revised automatically to reflect the discount. This will come alongside a cancelled bill for the nondiscounted invoice.

Q. Why did I receive the letter by post and not email?

A. We wanted to make sure all our customers received the information about the scheme. Your preferences will apply for future communications.

Q. Can I switch away with the debt I owe?

A. No. Outstanding balances must be paid before switching away.

Q. If I start a new contract, can you backdate my unit rate to when I started on out of contract rates?

A. Not normally, but in some circumstances, we may be able to do this on a case-by-case basis. Please contact our sales team to discuss it in more detail – email <u>Business.Sales@ecotricity.co.uk</u> or call us on **0345 600 1994**.

Q. Do I still owe the money that accumulated on an out of contract rate?

A. Yes. You're liable for all the energy you used when you were on an out of contract rate.

Q. Why is the discount not itemised on my bill?

A. We've applied a new discounted rate to your bill, replacing your original contracted rate. We'll write to you separately to explain how the scheme has impacted your bill, including the total discount.

Q. What do I do if I think my discount is incorrect?

A. We're reviewing the scheme regularly to ensure your discount is correct. However, if you think there's an error, please call us on **0345 230 6102**.

Q. How is my discount calculated?

A. Please see the government website for details – <u>Energy Bill Relief Scheme: discounts for fixed, default and variable</u> <u>contracts - GOV.UK (www.gov.uk)</u>.

Q. What if my first discounted bill is estimated?

A. Please send us a meter reading so that we can revise your estimated bill. Any rebilling will also take account of the discounted rate.

To make sure you're billed accurately, please send us monthly meter readings during the last week of every month. You can do this online at <u>https://www.ecotricity.co.uk/forms/business-meter-reading</u> or by calling us on **0345 230 6102**.

Q. VAT and CCL - are these reduced?

A. No, the discount doesn't affect VAT or Climate Change Levy – it only applies to the unit rates.

Q. How has my discount been calculated when I have different unit rates for different times of the day?

A. We apply discounts based on guidance from the government. Each unit rate is given a weighting based on an average volume forecast for NHH meters and meter-by-meter contract data (where available) for HH meter points.

An 'Overall Effective Price' is calculated by multiplying the unit rate for each register by the relevant weighting and adding each register together to get one price per MPAN/MPRN. Any discount applicable has then been subtracted from this 'Overall Effective Price' to get a 'Final Discounted Overall Effective Price'. Once this 'Final Discounted Overall Effective Price' is calculated, it's compared to the original 'Overall Effective Price' to determine the percentage of the original price now paid. This percentage is then applied back to each register unit rate to determine the new unit rates to be applied to your bill.

Q. If I have a multi-rate Half Hourly meter, how are you using HH data to calculate the discount being applied to my HH billing?

A. We use the forecast split of usage from your contract as part of the calculation of your discount. We'll only use an average if this isn't available.

Q. I've checked the discount rates online but don't appear to have the full reduction applied to my bill?

A. The government scheme includes a 'Floor Price' (sometimes called the 'Government Supported Price'), that limits the amount of discount any MPAN/MPRN can receive under the scheme. It's applied in this order:

- If the 'Overall Effective Price' is below the 'Floor Price', then the 'Overall Effective Price' is charged
- If the 'Discounted Price' is below the 'Floor Price' then the 'Floor Price' is charged
- Otherwise, the 'Discounted Price' is charged.

Q. Do my payment terms change with the discount applied?

A. Your payment terms will remain the same for the duration of the scheme. If you fall into credit, you can ask for it to be refunded.

Q. Will I receive bills at the same frequency as normal?

A. Yes, we'll continue to bill you each month for the energy you use.