## Energy Bills Discount Scheme



Information correct as at 09:00 on 29.09.23

- The Energy Bills Discount Scheme (EBDS) runs for 12 months from 1st April 2023.
- The Energy and Trade Intensive Industries discount (ETII) provides a higher level of support to business in eligible sectors, including Agriculture.
- For energy contracts entered during the energy inflationary period, there is potential to claim a discount (p/Kwh) on current contracts up to a threshold detailed below.
- Dairy businesses have been able to reclaim several thousand pounds/month for high priced contracts by providing evidence of processing of milk, such as pasteurisation for milk vending machines.
- Dairy farming comes under Standard Industry Classification (SIC) code 10.51, 'Operation of dairies and cheese making."

The Energy Bills Discount Scheme replaces the Energy Bill Relief scheme which supported businesses between 1st October 2022 and 31st March 2023. The new scheme runs for 12 months from 1st April 2023 to 31<sup>st</sup> March 2024.

## To be eligible you must fit one of the categories below:

- On an existing fixed price contract agreed on or after December 2021
- Upon signing a fixed price contract
- On out of contract or variable tariffs or flexible purchase

## How the baseline discount is applied

- Maximum discount applicable for 12-month period from April 2023 to March 2024.
- The relative discount will only be applied if wholesale prices are above a certain price threshold.
- These threshold prices and maximum discounts are:
  - o Electricity £19.61/MWh with a price threshold of £302/MWh.
  - o Gas £6.97/MWh with a price threshold of £107/MWh.
- The discount is calculated as the difference between the wholesale price associated with the energy contract and the price threshold.

<u>Click here</u> for more information and to apply















