



Department for
Business, Energy
& Industrial Strategy

Rt Hon Grant Shapps MP
Secretary of State
Department for Business,
Energy & Industrial Strategy

1 Victoria Street
London
SW1H 0ET

Dame Meg Hillier MP
Chair of the Public Accounts Committee
House of Commons
London
SW1A 0AA

31st October 2022

Dear Meg,

Contingent Liability Notification: Energy Bill Relief Scheme (EBRS)

Please see attached a copy of the Departmental Minute outlining the Contingent Liabilities associated with the Energy Bill Relief Scheme for non-domestic energy consumers.

I regret that I have not been able to give the normal notice of 14 parliamentary sitting days before the Contingent Liabilities begin to be incurred for the Energy Bills Relief Scheme. This is owing to the particular urgency of setting up the scheme in time for consumers to see benefits as soon as possible.

The scheme will apply to eligible non-domestic customer's actual gas and electricity consumption from 1st October 2022 to 31st March 2023. Funding for the EBRS will be sought through the Estimates process. Any future costs for the delivery of the EBRS can only be projections and will depend upon energy usage levels and changes to the wholesale price of energy. As a result, the EBRS will give rise to an uncapped contingent liability. A review of the EBRS will be published after three months to assess effectiveness of the scheme and consider how support might be extended, further targeted, or revised beyond the initial 6-month period for non-domestic customers most at risk from inflated energy prices. The Treasury-led review will determine support from April 2023- an update will be provided in due course. If the liability is called, provision for any payment will be sought through the normal Supply procedure.

The Treasury has approved spending for the proposal in principle. I will continue to update Parliament on this scheme.

Yours sincerely,

RT HON GRANT SHAPPS MP
Secretary of State for Business, Energy and Industrial Strategy