DIRECTION GIVEN UNDER THE ENERGY PRICES ACT 2022

Northern Ireland Renewable Obligation Domestic Electricity Discount Scheme Direction ("NIRO DEDS Direction")

CONTENTS

This Direction is given by the Department for the Economy in exercise of the powers conferred on it by section 22 of the Energy Prices Act 2022, exercisable concurrently by it by virtue of section 24 and paragraph 1(1)(g) of Schedule 5 to that Act.

PART 1 — GENERAL

1. Title, commencement and cessation

1) This Direction may be cited as the “NIRO DEDS Direction”.

2) This Direction has effect from 22 September 2026 to 30 June 2029 (both dates inclusive).

3) No person shall be under any obligation under this Direction before it has been given to them.

4) For the purposes of paragraph 1(3), this Direction is given to a person as soon as:

   (a) it is provided to them by the Department; or
   (b) it is published by or on behalf of the Department.

5) In applying this Direction, Domestic Electricity Suppliers may have regard to the NIRO DEDS Guidance issued by the Department, including where this Direction requires the exercise of reasonable judgement or the application of practical delivery methods.

2. Definitions and interpretation

In this Direction—

"the 2022 Act" means the Energy Prices Act 2022;

"2022 Regulations" means the Energy Prices (Domestic Supply) (Northern Ireland) Regulations 2022;

"Additional Electricity Support" means any supplementary amount of domestic electricity support determined by the Department for a Scheme Year, in addition to the NIRO Support Component, and delivered through the Scheme in accordance with this Direction;

“Annual Attestation Statement” means a statement provided by a Domestic Electricity Supplier as part of its Scheme Year Report under paragraph 13(8)(l), signed by the Responsible Person, in the form specified by the Department in the NIRO DEDS Guidance;

"the Authority" means the Northern Ireland Authority for Utility Regulation;

"billed customer" means a customer supplied pursuant to a supply contract whose electricity charges are billed by the Domestic Electricity Supplier (and who is not a prepayment customer). For the avoidance of doubt, this includes customers paying by direct debit, standard credit billing arrangements or any other arrangement under which electricity charges are billed by the Domestic Electricity Supplier and paid after consumption;

"Billed Eligible MPRN" means an Eligible Meter Point Reference Number (MPRN) associated with a billed customer;

"contract" means a contract for the supply of electricity made between a Domestic Electricity Supplier and an Eligible Customer but does not include a Deemed Contract;

"Declaration of Trust Deed" means the deed to be entered into by a Domestic Electricity Supplier under which the Domestic Electricity Supplier will create a bare trust over the qualifying bank account in favour of the Department for the Economy;

"Deemed Contract" means, as between a relevant Supplier and an Eligible Customer, a contract for NI Domestic Electricity Supply deemed to have been made under Paragraph 3 of Schedule 6 to the Order;

"the Department" means the Department for the Economy;

"Discount" means the amount determined and notified by the Department for a Scheme Year in respect of a category of Eligible MPRN, comprising—

(a) the NIRO Support Component applicable to that category; and

(b) where applicable, any Additional Electricity Support applicable to that category;

“DUoS Group” means a Distribution Use of System tariff classification used by the DNO and Domestic Electricity Suppliers to categorise an MPRN by reference to its metering arrangement or tariff type. These groups determine how DUoS charges are calculated and applied.

"DNO" means Northern Ireland Electricity (NIE) Networks Limited;

"Domestic Electricity Supplier" means a Supplier providing an NI Domestic Electricity Supply to Eligible Customers, and (to the extent applicable) is party to the Single Electricity Market Trading and Settlement Code, the Capacity Market Code, a Public Service Obligation agreement with the DNO and the Market Registration Framework Agreement with the DNO (and remains Certified within the meaning of the Market Registration Code published by the DNO);

"domestic premises" means premises to which an NI Domestic Electricity Supply is or is to be delivered to Eligible Customers in connection with this Direction;

"dry-run data" means test data identifying MPRNs associated with each Domestic Electricity Supplier which fall within the T01 and T02 DUoS Groups, together with such associated information as the DNO may hold and the Department may reasonably require for testing and readiness purposes;

"dry-run date" means 01:00 on 20 September 2026;

"Eligible Customer" means:

(a) in relation to an Eligible MPRN associated with a billed account, the person recorded by the relevant Domestic Electricity Supplier as the account holder for that Eligible MPRN; and

(b) in relation to an Eligible MPRN supplied through a prepayment meter, the person who receives the benefit of a Global Free Vend issued in respect of that Eligible MPRN, whether or not that person's identity is known to the Domestic Electricity Supplier;

For the purposes of this Direction, eligibility is determined by reference to the Eligible MPRN identified at the Qualifying Date and not by reference to whether a named customer is known to the Domestic Electricity Supplier.

"Eligible MPRN" means an MPRN which, at the Qualifying Date—

(a) is registered as an NI Domestic Electricity Supply;

(b) falls within the T01 DUoS Group or T02 DUoS Group; and

(c) has been identified by the DNO pursuant to paragraph 5(3).

Each Eligible MPRN shall qualify for one legitimate NIRO DEDS payment per Scheme Year, subject to any corrective payment made in accordance with paragraph 6(5);

“energy discounts deed” means a deed in the form at Appendix 2 to this Direction, entered into between a Domestic Electricity Supplier and the Department;

"Final Scheme Report" means the report mentioned in paragraph 13(9);

"Exception Case" means a case in which—

(a) an Eligible MPRN has been identified pursuant to paragraph 5(3);

(b) the Eligible MPRN is associated with a billed customer;

(c) the Domestic Electricity Supplier does not hold sufficient account information to enable NIRO DEDS to be applied to an electricity account; and

(d) no alternative delivery mechanism approved by the Department is available.

For the avoidance of doubt, an Eligible MPRN supplied through a prepayment meter shall not constitute an Exception Case solely because the person who may redeem the Global Free Vend is not known to the Domestic Electricity Supplier or because the Global Free Vend has not yet been redeemed.

For the avoidance of doubt, a corrective payment made pursuant to paragraph 6(5) shall not constitute an Exception Case solely because a previous payment in respect of the same Eligible MPRN was made in error, misallocated, failed, or is subject to recovery.

For the avoidance of doubt, a Supplier Transfer Case shall not constitute an Exception Case solely by reason of the transfer of an Eligible MPRN between Domestic Electricity Suppliers after the Qualifying Date.

The Department may, through NIRO DEDS Guidance, specify additional circumstances in which an Eligible MPRN may be treated as an Exception Case, or modify the operational administration of NIRO DEDS, where changes to operational arrangements, system functionality, industry processes or approved delivery mechanisms materially affect the ability to provide, withdraw, recover, expire, cancel, void or otherwise administer NIRO DEDS. Nothing in such guidance shall alter the basis on which NIRO DEDS is treated as having been provided under paragraph 10 unless this Direction is amended.

"external audit" means the auditing process in respect of the Scheme undertaken by or on behalf of the Department for the Economy;

"final date" means 23:59 hours on 31 March 2029;

"Implementation Date" means the date specified by the Department on which Domestic Electricity Suppliers are required to begin applying NIRO DEDS to Billed Eligible MPRNs and issuing Global Free Vends in respect of Prepayment Eligible MPRNs identified at the Qualifying Date;

"Ineligible MPRN" means an MPRN identified through the information provided pursuant to paragraph 5(3) which a Domestic Electricity Supplier has determined does not satisfy the requirements of the definition of Eligible MPRN;

"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 Domestic Electricity 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 SoLR in relation to the Domestic Electricity Supplier;
iv. the appointment of a liquidator, receiver, administrative receiver, 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 provided under paragraph 13(11);

"Last Resort Supply Direction" means a direction of that name given by the Authority to a Supplier that specifies or describes premises or customers to be supplied with electricity in accordance with a relevant Supply Licence, where circumstances have arisen that would entitle the Authority to revoke the relevant Supply Licence of a Domestic Electricity Supplier;

"the Minister" means the Minister for the Department for the Economy;

"MPRN" means meter point registration number (or such equivalent identifier as may be used by the DNO to uniquely identify a domestic electricity supply point);

"NI Domestic Electricity Supply" has the meaning given in the 2022 Regulations;

"NIRO DEDS" means the electricity support provided in respect of an Eligible MPRN under this Direction by means of the Discount applicable to the relevant Scheme Year;

"NIRO DEDS Guidance" means guidance issued by the Department in connection with this Direction and published on the Department's website, as amended from time to time.

"NIRO Support Component" means the amount of domestic electricity support determined by the Department for a Scheme Year in respect of costs attributable to the Northern Ireland Renewables Obligation;

"Outstanding MPRN" means an Eligible MPRN in respect of which NIRO DEDS has not been provided in accordance with paragraph 10 by the end of the relevant Reporting Period;

"the Order" means the Electricity (Northern Ireland) Order 1992;

"paragraph" means a paragraph of this Direction;

"prepayment customer" means a customer to whom electricity is supplied pursuant to a supply contract through a prepayment meter;

"prepayment meter" includes any electricity meter operating in a mode which requires an Eligible Customer to pay the Domestic Electricity Supplier's charges for supplying electricity in advance;

"Prepayment Eligible MPRN" means an Eligible MPRN supplied through a prepayment meter;

"qualifying bank account" means a bank account established and maintained by a Domestic Electricity Supplier for the Scheme Period with a bank in the United Kingdom of Great Britain and Northern Ireland independent of any of its other bank accounts and which will be subject to a bare trust created for the benefit of the Department for the Economy pursuant to the terms of the Declaration of Trust Deed;

"Qualifying Date" means, in relation to each Scheme Year, the date and time specified by the Department for determining Eligible MPRNs for that Scheme Year, being, for Scheme Year 1, 01:00 hours on 4 October 2026;

"Reporting Period" means a period specified by the Department for the purposes of reporting under this Direction;

"Responsible Person" means—

(a) in respect of a relevant Domestic Electricity Supplier, a board director responsible for the finances of that Domestic Electricity Supplier at the relevant time or (in each case provided that the Department for the Economy has given prior written approval in respect of such person) either—

i. another board director, or
ii. a senior manager in the relevant Domestic Electricity Supplier's finance, regulatory, compliance, risk or governance function; and

(b) in respect of the DNO, a board director, or either—

i. a member of the NIE Networks Executive Committee, or
ii. a relevant senior manager in the DNO;

"Scheme" means the Northern Ireland Renewable Obligation Domestic Electricity Discount Scheme established by this Direction;

"Scheme End Date" means 23:59 on 31 March 2029;

"Scheme Period" means the period commencing on the Qualifying Date for Scheme Year 1 and ending on the Scheme End Date, unless otherwise notified by the Department, both dates inclusive;

"Scheme Year" means a financial year running from 1 April to 31 March. For Year 1 it is 1 April 2026 to 31 March 2027; for Year 2 it is 1 April 2027 to 31 March 2028; for Year 3 it is 1 April 2028 to 31 March 2029 (or such other period as specified by the Department);

"the Department for the Economy's NIRO DEDS payment" means the aggregate of the amounts calculated by multiplying the Discount applicable to each category of Eligible MPRN by the number of Eligible MPRNs in that category identified in the information provided by the DNO pursuant to paragraph 5(3), subject to any adjustment required pursuant to paragraph 9;

"SoLR" means a supplier acting pursuant to a Last Resort Supply Direction;

"Solvency Statement" means a statement, in the form at Appendix 3 to this Direction, provided by a Domestic Electricity Supplier in the form specified by the Department confirming that no insolvency event has occurred and that the Domestic Electricity Supplier is not aware of any circumstances reasonably likely to give rise to an insolvency event, together with such other confirmations as the Department may require;

"subcontractor" means any person with whom a Domestic Electricity Supplier contracts for the performance of any of its obligations under this Direction, where those services are provided in connection with the delivery of the Scheme. For the avoidance of doubt, a person providing services to a Domestic Electricity Supplier in the ordinary course of its business shall only be considered a subcontractor to the extent that such services relate to, or are used for, the performance of obligations under this Direction. A Domestic Electricity Supplier remains fully responsible for compliance with its obligations under this Direction notwithstanding the use of any subcontractor;

"Supplier" means an electricity supplier holding the benefit of a Supply Licence;

"Supplier Transfer Case" means an Eligible MPRN identified pursuant to paragraph 5(3) where—

(a) the MPRN ceases to be registered to the Domestic Electricity Supplier identified in the information provided pursuant to paragraph 5(3) after the Qualifying Date but before NIRO DEDS is provided; or

(b) following validation, the information provided pursuant to paragraph 5(3) does not correctly identify the Domestic Electricity Supplier responsible for supplying that MPRN at the point at which NIRO DEDS is to be provided, including as a result of registration timing or data-processing delays.

"supply contract" means a contract (including a Deemed Contract) between a Supplier and an Eligible Customer for NI Domestic Electricity Supply;

"supply licence" means an electricity supply licence granted or treated as granted pursuant to Article 10(1)(c) of the Order;

"T01 DUoS Group" means the DUoS tariff groups classified as “Domestic”, being the tariff codes and corresponding customer meter types as set out in the Appendix 1 to this Direction;

"T02 DUoS Group" means the DUoS tariff groups classified as “Combined”, being the tariff codes and corresponding customer meter types as set out in the Appendix 1 to this Direction;

"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.

3. Notifications and submissions

1) A notification or submission under this Direction must—
   (a) be in writing; and
   (b) be made in the form and manner prescribed from time to time by the Department.

PART 2 — SCOPE AND PURPOSE

4. Scope and purpose

1) This Direction applies to every Domestic Electricity Supplier and the DNO in Northern Ireland.

2) The purpose of this Direction is to—

   (a) require that the DNO as the relevant distribution network operator for Northern Ireland and the holder of Eligible MPRN metering information, provide to the Department and Domestic Electricity Suppliers certain metering information in order that Domestic Electricity Suppliers can comply with their obligations under this Direction and the Minister of the Department discharge their functions;

   (b) require that a Domestic Electricity Supplier—

      i. provide and deliver NIRO DEDS, by applying the Discount notified by the Department for the relevant Scheme Year and category of Eligible MPRN, to each of its Eligible MPRNs in accordance with this Direction;
      ii. submit to reporting, assurance and auditing requirements demonstrating compliance with this Direction; and
      iii. refund any overpayments to the Department in accordance with paragraph 17; and

   (c) establish terms on which the Department shall pay to each Domestic Electricity Supplier the total sum of NIRO DEDS that such a Domestic Electricity Supplier is required to provide and deliver to its Eligible MPRNs.

PART 3 — DNO OBLIGATIONS

5. Obligations of the DNO

1) The Department directs that the DNO must comply with the obligations under this Direction.

2) The DNO carried out a preparatory dry run on the dry-run date and provided the dry-run data to the relevant Domestic Electricity Suppliers before the date on which this Direction was given. The DNO must provide the same dry-run data to the Department, and on request to the Authority, no later than the date of this Direction.

3) Within two (2) working days of the Qualifying Date, the DNO must provide to the relevant Domestic Electricity Supplier and the Department (and, on request, the Authority) a statement identifying that Domestic Electricity Supplier's Eligible MPRNs at the Qualifying Date together with the relevant meter point reference numbers and associated postal addresses (for Suppliers only) and such other information held by the DNO as may reasonably be required for delivery of NIRO DEDS.

4) The DNO must have satisfied the notification requirements under this paragraph 5, and must submit to the Department declarations signed by the Responsible Person that, based on information held by the DNO and using all reasonable endeavours, to the best of the DNO's knowledge and belief—

    (a) the information notified pursuant to paragraph 5(2) is a true and accurate reflection of the number of Eligible MPRNs identified on the dry-run date which fall within the T01 and T02 DUoS Tariff Groups; and

    (b) the information notified pursuant to paragraph 5(3) is a true and accurate reflection of the number of Eligible MPRNs identified on the Qualifying Date which fall within the T01 and T02 DUoS Tariff Groups, and of their details (as held by the DNO) at the Qualifying Date.

5) The declarations under—

    (a) paragraph 5(2) by the DNO must be signed by the relevant Responsible Person no later than the date of this Direction; and
    (b) paragraph 5(3) by the DNO must be signed by the relevant Responsible Person within two (2) working days of the Qualifying Date.

6) The DNO shall permit the Department, or any person performing such audit on its behalf, a right of audit in respect of its compliance with this Direction, provided adequate notice is given and the audit is carried out during normal

business hours and limited to records relevant to compliance with the Direction.

7) Where requested by the Department for the purposes of administering a Supplier Transfer Case, the DNO must use reasonable endeavours to verify the registration status of the relevant Eligible MPRN and provide such information relating to that Eligible MPRN as the Department reasonably requires for the purposes of enabling compliance with this Direction.

5A. Dry-run process

1) The dry run undertaken on the dry-run date was a preparatory readiness and testing exercise carried out before this Direction was given. Nothing in this paragraph imposes an obligation to undertake, complete or provide data for that dry run retrospectively.

   The Department may require the DNO and Domestic Electricity Suppliers to use the dry-run data and the results of the dry run for the purposes of testing systems, validating Eligible MPRN identification, confirming readiness for delivery and identifying or resolving material issues before the Qualifying Date.

2) Domestic Electricity Suppliers must, where required by the Department:
   (a) test their systems using dry-run data;
   (b) confirm their ability to apply the NIRO DEDS to Eligible MPRNs in accordance with this Direction; and
   (c) validate delivery processes prior to the Qualifying Date.

3) The Department may specify through NIRO DEDS Guidance the form of any confirmation, evidence or assurance required in relation to the activities described in this paragraph.

4) Any confirmation, evidence or assurance required under paragraph 5A(2) must be submitted to the Department within such period as the Department may specify and, in any event, prior to the Qualifying Date.

5B. Inter-Year Eligibility Comparison

1) Within such period as the Department may specify following each Qualifying Date for Scheme Year 2 and Scheme Year 3, the DNO must undertake a comparison between:
   (a) the Eligible MPRNs identified for the preceding Scheme Year and those identified for the current Scheme Year; and
   (b) such other eligibility datasets as the Department may reasonably require for the purposes of monitoring changes in eligibility between Scheme Years.

2) The DNO must provide to the Department a report setting out:
   (a) the number of Eligible MPRNs identified in the preceding Scheme Year which are not identified as Eligible MPRNs in the current Scheme Year;
   (b) the number of MPRNs newly identified as Eligible MPRNs in the current Scheme Year which were not identified in the preceding Scheme Year;
   (c) a categorisation of the reasons for those changes; and
   (d) such other information as the Department may reasonably require for the purposes of assurance, audit, reconciliation, fraud prevention, policy evaluation and the protection of public funds.

3) In respect of each MPRN identified as Eligible in the preceding Scheme Year but not identified as an Eligible MPRN in the current Scheme Year, the report must include:
   (a) the MPRN;
   (b) the reason, or most likely reason based on DNO records, why the MPRN has not been classified as eligible in the current Scheme Year; and
   (c) any relevant change in tariff classification, metering status, registration status, energisation status or other characteristic which resulted in that MPRN no longer satisfying the definition of Eligible MPRN.

4) The DNO must use reasonable endeavours to ensure that the information provided under this paragraph is complete and accurate and is derived from information held by the DNO at the relevant Qualifying Dates.

5) The Responsible Person must provide a declaration to the Department confirming that, to the best of their knowledge and belief and having made appropriate enquiries, the report provided under this paragraph is a true and accurate reflection of the comparison undertaken by the DNO.

PART 4 — SUPPLIER OBLIGATIONS AND PRE-DISBURSEMENT CONDITIONS

6. Obligations of Domestic Electricity Suppliers

1) The Department directs that every Domestic Electricity Supplier must comply with the obligations under this Direction.

2) Subject to paragraph 10 and for the purpose of this Direction, a Domestic Electricity Supplier—

   (a) has provided a NIRO DEDS to an Eligible MPRN (including an outstanding MPRN) on the date on which the Domestic Electricity Supplier has complied with paragraph 10(2)(a) in relation to that Eligible MPRN;

   (b) has delivered a NIRO DEDS to each category of Eligible MPRN specified in the first column of the table below (including an outstanding MPRN) on the date specified in the corresponding row of the second column of the table below—

Category of Eligible MPRN	Date of delivery of NIRO DEDS
Billed Eligible MPRN	The date on which NIRO DEDS is treated as provided under paragraph 10(2)(a)(i).
Prepayment Eligible MPRN	The date on which NIRO DEDS is treated as provided under paragraph 10(2)(a)(ii).
Eligible MPRN in respect of which a Domestic Electricity Supplier has made payment under paragraph 10(2)(a)(iii)	The date on which NIRO DEDS is treated as provided under paragraph 10(2)(a)(iii).

   For the avoidance of doubt, the date of delivery of NIRO DEDS shall be determined by reference to the relevant Domestic Electricity Supplier records and supporting evidence maintained under this Direction, and may be verified through audit, but shall not depend upon the completion of any internal or external audit.

3) For the purposes of the third row of the table above and paragraph 13(4)(c)(iii), NIRO DEDS provided under paragraph 10(2)(a)(iii) shall be treated as having been received when the Domestic Electricity Supplier's records demonstrate that the approved alternative mechanism has been successfully completed and that the relevant Eligible MPRN or, where applicable, the Eligible Customer has received the benefit of NIRO DEDS.

4) A Domestic Electricity Supplier must maintain a qualifying bank account into which may be credited only payments made by the Department under paragraphs 8 and 9, and any interest accruing on monies held in that account.

5) A Domestic Electricity Supplier must ensure that NIRO DEDS is provided once only in respect of each Eligible MPRN in each Scheme Year regardless of delivery mechanism, except where a further payment is required to correct an error, fraud, misallocation, failed delivery, recovery action, or other evidenced circumstance in which the Department’s objective of providing one legitimate NIRO DEDS payment in respect of the Eligible MPRN has not been achieved, provided that the Domestic Electricity Supplier maintains records sufficient to justify the additional payment and any associated recovery action.

6) A Domestic Electricity Supplier must maintain records sufficient to demonstrate the provision of NIRO DEDS in respect of each Eligible MPRN.

7) Where a Domestic Electricity Supplier determines that an Eligible MPRN constitutes a Supplier Transfer Case, it must notify the Department in accordance with paragraphs 11 and 13. The Domestic Electricity Supplier shall not be required to provide NIRO DEDS in respect of that Eligible MPRN. Responsibility for providing NIRO DEDS shall lie with the Domestic Electricity Supplier to whom the Eligible MPRN is registered at the point NIRO DEDS is provided.

7. Domestic Electricity Supplier notifications to the Department for the Economy

1. Pre-disbursement notifications

   (a) Every Domestic Electricity Supplier must notify the Department (and, on request, the Authority) in accordance with the NIRO DEDS Guidance the following—

      i. confirmation that it has opened a qualifying bank account which remains open and active;
      ii. confirmation that it has delivered an executed copy of the Declaration of Trust Deed to the Department in a form satisfactory to the Department;
      iii. the qualifying bank account details;
      iv. the name, position and contact details of its Responsible Person(s);
      v. confirmation that the Domestic Electricity Supplier has complied, or will comply, with the requirements of paragraph 18;
      vi. confirmation that it has processes in place to validate and apply NIRO DEDS to MPRNs identified through the DNO dataset in accordance with this Direction; and
      vii. confirmation that it has submitted such information assurance declaration, questionnaire, certification or other assurance information as the Department may specify, together with such supporting evidence as the Department may reasonably require.

   (b) The notification under paragraph 7(1)(a) must be signed by the Responsible Person and provided within five (5) working days of the date of this Direction, or by such later date as the Department may approve.

2. Notifications Post-Qualifying Date

   (a) Every Domestic Electricity Supplier must notify the Department (and, on request, the Authority), following receipt of the information provided pursuant to paragraph 5(3), the following information and confirmations in relation to its arrangements for delivery of NIRO DEDS—

      i. confirmation that the qualifying bank account referred to in paragraph 7(1)(a)(i) remains open and active;

      ii. using the information provided by the DNO pursuant to paragraph 5(3), a statement signed by the Responsible Person confirming—

         1. the number of Eligible MPRNs associated with billed customers;

         2. the number of Eligible MPRNs supplied through prepayment meters; and

3. that, to the best of the Responsible Person's knowledge and belief, those figures represent the population of Eligible MPRNs in the dataset received from the DNO and form the basis on which the Domestic Electricity Supplier expects the Department's NIRO DEDS payment to be calculated.

iii. a description of the validation processes which the Domestic Electricity Supplier will apply, or has commenced applying, to the information provided pursuant to paragraph 5(3), including how it will confirm that MPRNs identified by the DNO are supplied by that Domestic Electricity Supplier as domestic electricity supplies and how any Ineligible MPRNs, Supplier Transfer Cases or other discrepancies will be identified, recorded, reported and treated for the purposes of delivery and reconciliation;

iv. a description (including a payment schedule for Billed Eligible MPRNs and a schedule for issue of Eligible MPRN data for the provision of credit to electricity accounts and prepayment meters) of how the Domestic Electricity Supplier intends to provide NIRO DEDS in respect of Billed Eligible MPRNs and Prepayment Eligible MPRNs;

v. a description of the processes for identifying, recording and reporting Outstanding MPRNs in accordance with paragraphs 11 and 13;

vi. a description of how the Domestic Electricity Supplier intends to comply with paragraph 12 of this Direction, including how NIRO DEDS will be identifiable on bills, statements or equivalent account communications for Billed Eligible MPRNs;

vii. confirmation that arrangements are in place to identify, record and report complaints relating to NIRO DEDS in accordance with paragraph 13(4)(i);

viii. confirmation of the outcome of any systems, testing or validation activities undertaken under paragraph 5A, including the identification and resolution of any material issues since the notification provided under paragraph 7(1); and

ix. confirmation that the information assurance controls and supporting evidence previously provided to the Department remain current and applicable to the delivery of NIRO DEDS, or details of any material changes.

(b) The notification under paragraph 7(2)(a)(ii) must be signed by the Responsible Person and provided to the Department no later than one (1) working day after the Domestic Electricity Supplier receives the information provided by the DNO pursuant to paragraph 5(3).

(c) The remaining information required under paragraph 7(2)(a) must be signed by the Responsible Person and provided within five (5) working days of the Domestic Electricity Supplier receiving the information provided by the DNO pursuant to paragraph 5(3).

PART 5 — UP-FRONT PAYMENTS; TRUST AND USE OF FUNDS

8. Payment into qualifying bank account

1) The Department shall make the Department for the Economy's NIRO DEDS payment to the relevant Domestic Electricity Supplier's qualifying bank account no later than six (6) working days after:
   (a) the Department has received the information provided by the DNO pursuant to paragraph 5(3);
   (b) the Domestic Electricity Supplier has satisfied its obligations under paragraphs 7(1), 7(2)(a)(ii) and 14(2); and
   (c) the Department has completed any validation it reasonably considers necessary.

9. Post-payment reconciliation

1) Where, following validation by a Domestic Electricity Supplier of the information provided by the DNO pursuant to paragraph 5(3), the Department determines that the amount paid into the qualifying bank account exceeds the amount required by that Domestic Electricity Supplier to provide NIRO DEDS in accordance with this Direction, including as a result of Ineligible MPRNs, Supplier Transfer Cases, registration changes, data discrepancies or other matters identified through validation of the DNO dataset, the Domestic Electricity Supplier must notify the Department of the excess amount and refund that amount in accordance with paragraph 17.

2) Where, following validation by a Domestic Electricity Supplier of the information provided by the DNO pursuant to paragraph 5(3), the Department determines that the amount paid into the qualifying bank account is insufficient to enable that Domestic Electricity Supplier to provide NIRO DEDS in accordance with this Direction, including as a result of Supplier Transfer Cases, registration changes, data discrepancies or other matters identified through validation of the DNO dataset, the Department shall, subject to verification, pay into the qualifying bank account such additional amount as is required to enable the Domestic Electricity Supplier to meet its obligations under this Direction. For the avoidance of doubt, an additional payment under this paragraph may include an amount relating to an Eligible MPRN previously reported as an Exception Case where the Department is satisfied that the Eligible MPRN no longer constitutes an Exception Case and NIRO DEDS may be provided in accordance with this Direction.

3) For the purposes of this paragraph, reconciliation may be undertaken following validation by a Domestic Electricity Supplier of the information provided pursuant to paragraph 5(3), including where differences arise between the DNO dataset used for calculating the Department for the Economy's NIRO DEDS payment and the population of MPRNs for which the

Domestic Electricity Supplier is responsible for providing NIRO DEDS under this Direction.

4) Nothing in this paragraph shall permit an MPRN which was not identified by the DNO pursuant to paragraph 5(3) to be treated as an Eligible MPRN.

5) The Department may require periodic reconciliations during the Scheme Period, including on a monthly basis where required for monitoring, assurance or financial control.

6) Each Domestic Electricity Supplier must carry out a reconciliation at the end of each Scheme Year, demonstrating—
   (a) total funding received;
   (b) total value delivered;
   (c) remaining balance.

7) Following the end of the Scheme Period, each Domestic Electricity Supplier must carry out a final reconciliation, including refund of overpayments and accounting for remaining funds.

8) For the purposes of any reconciliation carried out under this Direction, NIRO DEDS provided through a Global Free Vend shall be treated as delivered when the Global Free Vend is issued in accordance with paragraph 10. The timing of redemption of a Global Free Vend shall not affect the treatment of that NIRO DEDS for reconciliation purposes. A Global Free Vend validly issued in accordance with this Direction shall not constitute a remaining balance, remaining funds, overpayment or unreconciled amount solely because it remains unredeemed. This treatment applies irrespective of whether a Global Free Vend is subsequently redeemed.

10. Providing NIRO DEDS

1) Subject to paragraph 6 (including any Supplier Transfer Case), a Domestic Electricity Supplier must provide NIRO DEDS in respect of each Eligible MPRN identified pursuant to paragraph 5.
2) A Domestic Electricity Supplier shall not be required to provide NIRO DEDS before the Implementation Date.

   (a) Every Domestic Electricity Supplier must provide NIRO DEDS in respect of Eligible MPRNs identified at the Qualifying Date on or after the Implementation Date and in accordance with the following delivery methods—

      i. where the Eligible MPRN is associated with a billed customer, by applying a credit to the electricity account associated with that Eligible MPRN; or

ii. where the Eligible MPRN is supplied through a prepayment meter, by issuing a Global Free Vend in respect of that Eligible MPRN;
For the avoidance of doubt, in relation to an Eligible MPRN supplied through a prepayment meter, NIRO DEDS shall be treated as provided when a Global Free Vend has been issued in respect of that Eligible MPRN in accordance with this Direction, whether or not that Global Free Vend is subsequently redeemed.

    The Department acknowledges that, based on the operational functionality of the relevant prepayment infrastructure at the date of this Direction, a Global Free Vend may remain available for redemption following issue and may not be capable of being automatically expired, cancelled, withdrawn or otherwise prevented from being redeemed. Accordingly, for the purposes of this Direction, reporting, reconciliation, assurance and audit shall be undertaken by reference to the issuance of the Global Free Vend and not the subsequent redemption of that Global Free Vend.

iii. In circumstances where a Domestic Electricity Supplier has exercised all reasonable endeavours to provide NIRO DEDS under paragraph 10(2)(a)(i) or 10(2)(a)(ii) but is unable to do so due to operational, technical or customer-specific circumstances, the Domestic Electricity Supplier may provide NIRO DEDS using an alternative mechanism approved in writing by the Department. Any alternative mechanism must be supported by an auditable delivery record sufficient to demonstrate that NIRO DEDS has been provided to the relevant Eligible MPRN or, where applicable, the Eligible Customer associated with that Eligible MPRN and to enable reconciliation and audit of public funds.

A Domestic Electricity Supplier must not use an alternative mechanism under paragraph 10(2)(a)(iii) unless:

1. the circumstances preventing delivery under paragraphs 10(2)(a)(i) or 10(2)(a)(ii) have been documented;

2. the alternative mechanism has been approved in writing by the Department; and

3. the Domestic Electricity Supplier maintains evidence sufficient to demonstrate delivery of NIRO DEDS and support reconciliation, assurance and audit requirements.

(b) A Domestic Electricity Supplier may provide a NIRO DEDS to an Eligible MPRN under paragraph 10(2)(a)(iii) only if having exercised all reasonable endeavours to comply with its obligations under paragraph 10(2)(a)(i) or 10(2)(a)(ii), the Domestic Electricity Supplier has determined that it would not be practical to provide a NIRO DEDS to that Eligible MPRN under paragraphs 10(2)(a)(i) or 10(2)(a)(ii).

(c) A Domestic Electricity Supplier must take all reasonable steps to comply with the obligations under this paragraph 10 as soon as reasonably practicable.

(d) Each Domestic Electricity Supplier shall act in good faith in complying with this Direction, having regard to the purpose of the Scheme in accordance with paragraph 4(2), and not act in any way which knowingly or intentionally frustrates the purpose of the Scheme.

11. Outstanding MPRNs

1) For the purposes of this paragraph, an Eligible MPRN shall be treated as having received NIRO DEDS where NIRO DEDS has been provided in accordance with paragraph 10.

(a) In respect of each Reporting Period specified by the Department, where a Domestic Electricity Supplier has not provided NIRO DEDS to one or more Eligible MPRNs by the end of that Reporting Period, the Domestic Electricity Supplier must notify the Department (and, on request, the Authority), in accordance with the reporting timetable specified by the Department under paragraph 13, of—

i. the number of outstanding MPRNs;

ii. the reason why the Domestic Electricity Supplier has not provided a NIRO DEDS in full to the outstanding MPRNs, including the number of Exception Cases and supporting rationale for classification;

iii. the steps being taken to provide NIRO DEDS to those outstanding MPRNs.

(b) A Domestic Electricity Supplier must take all reasonable steps to provide NIRO DEDS to outstanding MPRNs within the relevant Scheme Year.

(c) Where NIRO DEDS has not been provided within the relevant Scheme Year, the Domestic Electricity Supplier must continue to take all reasonable steps to provide NIRO DEDS to such MPRNs as soon as reasonably practicable and, in any event, no later than the final date.

For the avoidance of doubt, where NIRO DEDS is provided in respect of a Billed Eligible MPRN by applying a credit to the electricity account associated with that Eligible MPRN on or before the final date, the subsequent issue of a bill, statement or equivalent account communication showing that credit may occur after the final date and shall not affect the treatment of NIRO DEDS as having been provided and delivered on the date on which the credit was applied.

For the avoidance of doubt, where NIRO DEDS has been issued as a Global Free Vend in accordance with paragraph 10, the Domestic Electricity Supplier's delivery obligation shall be treated as satisfied irrespective of when the Global Free Vend is subsequently redeemed.

For the avoidance of doubt, where a Global Free Vend has been issued in accordance with paragraph 10, the relevant Domestic Electricity Supplier shall be treated as having satisfied its obligation to provide NIRO DEDS in respect of that Eligible MPRN. Any subsequent redemption of that Global Free Vend shall constitute the utilisation of support previously issued and shall not give rise to any additional obligation on the Domestic Electricity Supplier to provide NIRO DEDS, nor require any adjustment to reporting, reconciliation, assurance or audit undertaken in accordance with this Direction.

For the avoidance of doubt, where a Global Free Vend has been issued in accordance with paragraph 10 and the relevant Eligible MPRN subsequently transfers to another Domestic Electricity Supplier before redemption of that Global Free Vend, NIRO DEDS shall continue to be treated as having been provided by the Domestic Electricity Supplier which issued the Global Free Vend.

The Domestic Electricity Supplier to whom the Eligible MPRN subsequently transfers must, where required by the Department and where such information is available to that Domestic Electricity Supplier, provide information relating to the redemption status and redemption date of that Global Free Vend.

Information provided by the Domestic Electricity Supplier to whom the Eligible MPRN subsequently transfers shall be for monitoring, assurance, audit or evaluation purposes only. It shall not constitute the provision or delivery of NIRO DEDS by that Domestic Electricity Supplier, give rise to any entitlement to payment from the Department, or affect the treatment of NIRO DEDS as having been provided, delivered or reconciled by the Domestic Electricity Supplier which issued the Global Free Vend.

Any retained credit adjustment, supplier-to-supplier settlement or other industry reconciliation arising from the transfer shall not affect the treatment of NIRO DEDS for the purposes of this Direction.

(d) A Domestic Electricity Supplier shall not be required to provide NIRO DEDS in respect of an Eligible MPRN where that Eligible MPRN constitutes an applicable Exception Case.

(e) Where a Domestic Electricity Supplier subsequently obtains information demonstrating that an Eligible MPRN previously reported as an Exception Case no longer constitutes an Exception Case, the Domestic Electricity Supplier shall take all reasonable steps to provide NIRO DEDS in accordance with paragraph 10.

A determination under this paragraph must be made before submission of the Scheme Year report for the relevant Scheme Year under paragraph 13(8), unless otherwise agreed by the Department. The Domestic Electricity Supplier must notify the Department of the change in status and provide such supporting information as the Department may reasonably require.

(f) Where a Domestic Electricity Supplier has issued a payment under paragraph 10(2)(a)(iii) and such payment has not been successfully received or redeemed within such period as the Domestic Electricity Supplier reasonably determines having regard to the delivery mechanism used and any guidance issued by the Department, the Domestic Electricity Supplier must take appropriate steps to cancel or recover such payment prior to the Scheme End Date.

(g) Where a Domestic Electricity Supplier identifies a Supplier Transfer Case, it must record the Supplier Transfer Case and report it to the Department in accordance with the reporting timetable specified under paragraph 13.

The Department may require notification of individual Supplier Transfer Cases outside the normal reporting cycle where reasonably necessary for reconciliation, assurance, audit or the protection of public funds.

2) For the purposes of administering a Supplier Transfer Case, the Department may require the DNO to verify the registration status of the Eligible MPRN and may require the DNO and any Domestic Electricity Supplier to provide such information as the Department reasonably requires. The Department may provide information relating to a Supplier Transfer Case to the DNO or to another Domestic Electricity Supplier where the Department reasonably considers it necessary for the purposes of enabling compliance with this Direction. The Department may notify a Domestic Electricity Supplier that it is responsible for providing NIRO DEDS in respect of a Supplier Transfer Case.

12. Information for Customers

1) A Domestic Electricity Supplier must take reasonable steps to ensure that customers are appropriately informed that NIRO DEDS support has been provided and that such support may comprise one or more components of domestic electricity support determined by the Department for the relevant Scheme Year, including that such support is provided by His Majesty's Government for the purpose of assisting with electricity costs. In the case of Billed Eligible MPRNs, the Domestic Electricity Supplier must ensure that the application of NIRO DEDS is identifiable on the customer's bill, statement or equivalent account communication. For the avoidance of doubt, the obligation under this paragraph may be satisfied through any communication method permitted under paragraph 12(2).

2) The Domestic Electricity Supplier may provide such information using one or more communication channels ordinarily used in the course of its business, including but not limited to billing communications, account statements, online account platforms, websites, SMS, email, social media, or, in the case of prepayment customers, FAQs, supplier websites, social media channels or such other general communication channels ordinarily used by the Domestic Electricity Supplier for prepayment customers.

3) Communications under this paragraph must be clear, proportionate and reasonably timely, having regard to the value of the support provided, the manner in which NIRO DEDS is delivered, and the need to ensure customers are aware of the support and its purpose.

4) A Domestic Electricity Supplier shall not be required to issue a separate, direct or individual communication to each customer (including by letter or email) solely for the purposes of this paragraph, where the required information is provided through existing or general customer communications.

5) A Domestic Electricity Supplier may provide information on NIRO DEDS on an aggregated or general basis, including through public communications, provided that such communication reasonably informs customers of the support provided.

6) The Department may publish or require coordinated communications to ensure consistency of messaging across Domestic Electricity Suppliers and within the public domain.

7) The Department may specify mandatory customer-facing wording which Domestic Electricity Suppliers must use where communicating NIRO DEDS to customers.

8) A Domestic Electricity Supplier must not materially depart from any wording specified by the Department unless otherwise agreed in writing by the Department.

PART 6 — REPORTING, ASSURANCE AND AUDIT

13. Reporting on compliance

1) Each Domestic Electricity Supplier must submit reports to the Department (and, on request, the Authority), in accordance with the requirements of this Part, including any reporting timetable specified by the Department, and in such form and manner as the Department may specify.

2) During the period in which NIRO DEDS is being delivered in respect of a Scheme Year, each Domestic Electricity Supplier must submit reports to the Department in accordance with a reporting timetable specified by the Department. The Department may determine the frequency of reporting, including weekly, monthly, quarterly, annual or such other reporting period as it considers appropriate having regard to the delivery stage of the Scheme, assurance requirements and proportionality, and may vary that frequency during a Scheme Year. The Department may specify the submission deadline applicable to any Reporting Period. Unless otherwise specified by the Department, each report must be submitted no later than ten (10) working days after the end of the relevant Reporting Period. The Department may require reports relating to weekly Reporting Periods to be submitted within five (5) working days of the end of the relevant Reporting Period.

3) Reporting under paragraph 13(2) must continue until the Department confirms that NIRO DEDS has been provided in respect of all Eligible MPRNs in respect of which it is reasonably expected to be provided for the relevant Scheme Year, or until such other date as the Department may specify.

4) A report submitted under paragraph 13(2) must include such information as the Department may reasonably require for the purposes of monitoring delivery, reconciliation, assurance and audit, including information on—

   (a) the number of Eligible MPRNs in respect of which NIRO DEDS has been provided during the Reporting Period;

   (b) the total value of NIRO DEDS delivered during the Reporting Period;

   (c) the delivery of NIRO DEDS by delivery method, including—

   i. Billed Eligible MPRNs receiving account credit;
   ii. Prepayment Eligible MPRNs receiving a Global Free Vend;
   iii. the number and value of Global Free Vends issued but not redeemed at the end of the Reporting Period, reported for information purposes only and not for reconciliation purposes; and
   iv. Eligible MPRNs receiving payment under paragraph 10(2)(a)(iii), with such reporting sufficient to enable the Department to monitor

the use of paragraph 10(2)(a)(iii) and ensure that its use remains exceptional;

(d) the number of Eligible MPRNs in respect of which NIRO DEDS has not yet been provided, together with the reasons for non-delivery where known;

(e) Exception Cases;

(f) Supplier Transfer Cases, including the number of Eligible MPRNs affected and the date on which the Supplier Transfer Case was identified;

(g) the number and value of failed, reversed, cancelled or otherwise unsuccessful transactions;

(h) the number and total value of corrective payments made pursuant to paragraph 6(5), including a summary of the circumstances giving rise to those payments and any recovery action taken or proposed in respect of previously issued payments;

(i) aggregate information relating to complaints concerning NIRO DEDS, including such information relating to the number, status, outcome and nature of such complaints as the Department may reasonably require; and

(j) such reconciliation information as the Department may require, including funding received, value delivered to date, and remaining funds held in the qualifying bank account.

5) Reporting under this paragraph must include information at an aggregated level sufficient to enable the Department to monitor delivery, funding, reconciliation and Scheme performance.

6) A Domestic Electricity Supplier must, where required by the Department, provide reporting at MPRN level or such other account-level or customer-level granularity as the Department may specify, including the status of delivery of NIRO DEDS to each Eligible MPRN.

7) Where reporting is provided at MPRN level, the Department may specify the format, structure, fields and permitted values (including status codes) to be used. The Department shall have regard to the principles of proportionality and data minimisation and shall only require information reasonably necessary for the purposes of Scheme administration, reconciliation, assurance, fraud prevention, audit and the protection of public funds.

8) Within 15 working days of the end of each Scheme Year, each Domestic Electricity Supplier must submit a Scheme Year report to the Department (and, on request, the Authority), summarising delivery of NIRO DEDS for that Scheme Year, including—

(a) total funding received;

(b) total value delivered to Eligible MPRNs;

(c) numbers and proportions of Eligible MPRNs by delivery method, including:

i. Billed Eligible MPRNs receiving account credit;
ii. Prepayment Eligible MPRNs receiving Global Free Vends;
iii. Eligible MPRNs receiving payment under paragraph 10(2)(a)(iii).

(d) outstanding Eligible MPRNs and the reasons for non-delivery;

(e) Exception Cases;

(f) overpayments, unutilised funds or recoveries, excluding NIRO DEDS represented by Global Free Vends treated as delivered in accordance with paragraph 10;

(g) the number and value of failed, reversed, cancelled or otherwise unsuccessful transactions during the Scheme Year and the action taken in response to those transactions;

(h) Supplier Transfer Cases, including the number of Eligible MPRNs affected and the date on which the Supplier Transfer Case was identified;

(i) corrective payments made pursuant to paragraph 6(5), including the number and value of those payments and any associated recovery action taken or proposed;

(j) such other information as the Department may reasonably require for reconciliation, assurance or audit;

(k) in respect of Prepayment Eligible MPRNs, the number and value of Global Free Vends issued during the Scheme Year and, where available, the number and value remaining unredeemed at the reporting date, provided that such information is reported for information purposes only and shall not affect reconciliation;

(l) an Annual Attestation Statement signed by the Responsible Person in such form as may be specified by the Department in NIRO DEDS Guidance; and

(m) an Internal Assurance Declaration, in such form as may be specified by the Department in the NIRO DEDS Guidance, completed by a person with sufficient authority, competence and independence from the preparation and submission of the information being assured.

9) Within 30 working days of the end of the Scheme Period, each Domestic Electricity Supplier must submit a Final Scheme Report covering the entire Scheme Period, including—

(a) total funding received across all Scheme Years;

(b) total value of NIRO DEDS delivered across all Scheme Years;

(c) numbers and proportions of Eligible MPRNs by delivery method across the Scheme Period, including—

i. Billed Eligible MPRNs receiving account credit;
ii. Prepayment Eligible MPRNs receiving Global Free Vends; and
iii. Eligible MPRNs receiving payment under paragraph 10(2)(a)(iii);

(d) any remaining, unutilised or unreconciled funds, excluding NIRO DEDS represented by Global Free Vends which are treated as delivered in accordance with paragraph 10;

(e) any overpayments or repayments due under paragraph 17;

(f) outstanding or unresolved cases;

(g) Exception Cases;

(h) the total number and value of failed, reversed, cancelled or otherwise unsuccessful transactions identified during the Scheme Period, together with the final status of those transactions;

(i) Supplier Transfer Cases identified during the Scheme Period, including the number of Eligible MPRNs affected and the date on which each Supplier Transfer Case was identified;

(j) the total number and value of corrective payments made pursuant to paragraph 6(5) during the Scheme Period and any associated recovery action;

(k) such other information as the Department may reasonably require to close the Scheme and complete final reconciliation;

(l) the number and value of Global Free Vends issued during the Scheme Period and, where available, the number and value remaining unredeemed at the date of the Final Scheme Report, reported for information purposes only and not for reconciliation purposes;

(m) an Internal Assurance Declaration, in such form as may be specified by the Department in the NIRO DEDS Guidance, completed by a person with sufficient authority, competence and independence from the preparation and submission of the information being assured.

For the avoidance of doubt, NIRO DEDS represented by Global Free Vends issued in accordance with paragraph 10 shall be treated as delivered for the purposes of the Final Scheme Report and final reconciliation, irrespective of whether redemption occurs before or after the Scheme End Date.

For the purposes of paragraphs 13(8)(m) and 13(9)(m), the person completing an Internal Assurance Declaration must not have prepared the information being assured and must undertake such proportionate assurance procedures as are sufficient to support the confirmations contained in that declaration.

The Department may specify through the NIRO DEDS Guidance the form, scope and content of an Internal Assurance Declaration and the assurance procedures expected to support it.

10) The Department may specify the format, content, submission method, and validation requirements for any report under this paragraph, and may require any such report to be signed or certified by the Responsible Person.

11) The Department may require a Domestic Electricity Supplier to provide an internal audit report, in such form and by such date as the Department may specify, providing assurance that the Domestic Electricity Supplier has complied with its obligations under this Direction, including evidence of delivery of NIRO DEDS to Eligible MPRNs.

12) The Department may conduct, or appoint another person to conduct on its behalf, an external audit of compliance with this Direction for any Scheme Year or the Scheme as a whole.

13) A Domestic Electricity Supplier must provide the entity conducting the external audit with access to such premises, personnel, systems, records, information and documents as are required for the purposes of that audit. Such access shall be provided during normal business hours, upon reasonable notice, with access dates and arrangements to be agreed in advance with the relevant management team wherever reasonably practicable and subject to applicable confidentiality, data protection, security and legal privilege requirements.

14) A Domestic Electricity Supplier must ensure that any subcontractor engaged in connection with the Scheme provides the entity conducting the external audit with access to such premises, personnel, systems, records, information and documents as are required for the purposes of that audit. Such access shall be provided during normal business hours, upon reasonable notice, with access dates and arrangements to be agreed in advance with the relevant

management team wherever reasonably practicable and subject to applicable confidentiality, data protection, security and legal privilege requirements.

15) The DNO must provide the entity conducting the external audit with access to such premises, personnel, systems, records, information and documents as are required for the purposes of that audit. Such access shall be provided during normal business hours, upon reasonable notice, with access dates and arrangements to be agreed in advance with the relevant management team wherever reasonably practicable and subject to applicable confidentiality, data protection, security and legal privilege requirements.

14. Conditions for Department for the Economy NIRO DEDS payment and release of funds from qualifying bank account

1) A Domestic Electricity Supplier must comply with the conditions in this paragraph 14 in order to—
   (a) receive the Department for the Economy's NIRO DEDS payments into the relevant qualifying bank account; and
   (b) be eligible for the release and application of funds from the qualifying bank account in respect of Eligible MPRNs for which the Domestic Electricity Supplier provides NIRO DEDS in accordance with this Direction.

2) No payment shall be made under paragraph 14(1)(a) unless a Domestic Electricity Supplier has—
   (a) satisfied the notification requirements under paragraphs 7(1) and 7(2)(a)(ii); and
   (b) complied with its obligations under paragraph 18 (Solvency and financial assurance).

3) A Domestic Electricity Supplier must not release, apply or treat as its own any monies held in the qualifying bank account unless—
   (a) the Domestic Electricity Supplier has provided NIRO DEDS in respect of an Eligible MPRN in accordance with paragraph 10;
   (b) such release or application of funds is made in accordance with the relevant conditions set out in paragraph 15; and
   (c) the Domestic Electricity Supplier is not in material breach of its ongoing obligations under this Direction, including reporting, assurance, audit, fraud and error-control requirements under paragraphs 13, 16, 19 and 23, provided that the Department has notified the Domestic Electricity Supplier of the breach and given a reasonable opportunity to remedy the matter where reasonably practicable and appropriate having regard to the protection of public funds.

4) A Domestic Electricity Supplier must ensure that reports submitted under paragraph 13 include a declaration signed by the Responsible Person

confirming that, to the best of their knowledge and belief, having made appropriate enquiries:

(a) the information and confirmations previously notified pursuant to paragraph 7(2) remain true, accurate, current and applicable, or any material changes have been separately notified to the Department; and

(b) information reported pursuant to paragraph 13 is a true and accurate reflection of NIRO DEDS provided during the relevant reporting period.

5) A Domestic Electricity Supplier must agree to the following—

(a) all monies credited to the qualifying bank account (including any interest) are held on trust for the Department in accordance with the Declaration of Trust Deed and do not become the beneficial property of the Domestic Electricity Supplier except to the extent that such monies are properly applied in accordance with this Direction;

(b) all monies received in connection with the Scheme are used solely for the purpose of providing NIRO DEDS to Eligible MPRNs or refunded in accordance with paragraph 17;

(c) prior to the point at which funds may be treated as belonging to the Domestic Electricity Supplier in accordance with paragraph 15, the Domestic Electricity Supplier must not—

i. use, release or transfer such monies other than as permitted under this Direction;

ii. create any security, charge or other encumbrance over such monies;

iii. set off such monies against any liability; or

iv. mix monies held in the qualifying bank account with any other funds prior to release in accordance with paragraph 15;

(d) such monies must not be used—

i. to fund dividends, distributions or salary payments;

ii. to meet administrative costs or any costs associated with delivering the Scheme;

iii. to repay any debt or financial obligation of the Domestic Electricity Supplier prior to release in accordance with paragraph 15; or

iv. for any unlawful or improper purpose;

(e) the Domestic Electricity Supplier remains responsible for compliance with this Direction notwithstanding the use of any subcontractor;

(f) the Domestic Electricity Supplier must refund any overpayments in accordance with paragraph 17 and must ensure that any overpayments held by subcontractors are returned to the Department in accordance with that paragraph; and

(g) the Domestic Electricity Supplier must comply with the terms governing the release and application of funds set out in paragraph 15.

15. Release of funds from the relevant qualifying bank account

1) In respect of Billed Eligible MPRNs —
   (a) the Domestic Electricity Supplier shall be entitled to treat monies held in the qualifying bank account as for its benefit immediately prior to the point in time at which the Domestic Electricity Supplier would be able to demonstrate, through records and evidence maintained in accordance with the Direction and NIRO DEDS Guidance and to the reasonable satisfaction of the Department (if requested), that an equivalent sum has been applied by way of a non-reversible credit to the electricity account associated with the Eligible MPRN for the purpose of delivering the NIRO DEDS; and

   (b) a Domestic Electricity Supplier may only transfer such monies out of the qualifying bank account where it can demonstrate that the condition in paragraph 15(1)(a) has been met in respect of the corresponding NIRO DEDS, and that a complete and auditable record of such transfer is maintained.

2) In respect of Prepayment Eligible MPRNs—
   (a) the Domestic Electricity Supplier shall be entitled to treat monies held in the qualifying bank account as for its benefit immediately prior to the point in time at which the Domestic Electricity Supplier would be able to demonstrate, through records and evidence maintained in accordance with the Direction and NIRO DEDS Guidance and to the reasonable satisfaction of the Department (if requested), that an equivalent sum has been applied by way of issuance of a Global Free Vend in respect of the relevant Eligible MPRN for the purpose of delivering NIRO DEDS; and

   (b) a Domestic Electricity Supplier may only transfer such monies out of the qualifying bank account where it can demonstrate that the condition in paragraph 15(2)(a) has been met in respect of the corresponding NIRO DEDS, and that a complete and auditable record of such transfer is maintained.

   For the avoidance of doubt, where a Global Free Vend has been issued in accordance with this Direction, the relevant monies shall be treated as having been applied for the purposes of this Direction notwithstanding that the Global Free Vend remains capable of subsequent redemption after the Scheme End Date.

3) In respect of any payment made under paragraph 10(2)(a)(iii), the Domestic Electricity Supplier shall be entitled to treat monies held in the qualifying bank

account as for its benefit immediately prior to the point in time at which the Domestic Electricity Supplier is able to demonstrate, through records and evidence maintained in accordance with the Direction and NIRO DEDS Guidance and to the reasonable satisfaction of the Department (if requested), that NIRO DEDS has been provided to the relevant Eligible MPRN or, where applicable, the Eligible Customer associated with that Eligible MPRN using a mechanism approved under paragraph 10(2)(a)(iii).

A Domestic Electricity Supplier may only transfer such monies out of the qualifying bank account where it can demonstrate that this condition has been met, and that a complete and auditable record of such transfer is maintained.

16. Audit rights

1) The Department and/or persons acting on its behalf (including Northern Ireland Audit Office, where appropriate) may audit compliance with this Direction. The audit shall be limited to matters relevant to administration, delivery, supplier assurance, reconciliation or audit of the Scheme.

2) Domestic Electricity Suppliers must provide access to systems, records and personnel.

3) Such audit may include verification of data provided under paragraph 13 on a periodic basis.

4) Where the Department identifies a potential failure by a Domestic Electricity Supplier to comply with this Direction, it may notify the Domestic Electricity Supplier of the matter and request such information, explanation or corrective action as it considers necessary.

5) Before exercising any power under this Direction which may materially affect a Domestic Electricity Supplier's participation in the Scheme or the release of Scheme funds, the Department shall, where practicable and appropriate, provide the Domestic Electricity Supplier with an opportunity to make representations and, where the matter is capable of remedy, to address the matter within a reasonable period, with any remediation timeframe being agreed with the Domestic Electricity Supplier wherever reasonably practicable, having regard to the circumstances of the case.

6) Nothing in this paragraph shall prevent the Department from taking immediate action where it considers such action necessary to protect public funds, address fraud, material error, insolvency risk or any other material risk to the proper administration of the Scheme.

PART 7 — OVERPAYMENTS, RECOVERY, INSOLVENCY

17. Overpayments

1) A Domestic Electricity Supplier which has received a payment into a qualifying bank account under paragraph 8 or monies released from a qualifying bank account under paragraph 15 and becomes aware of an overpayment (as defined in paragraph 17) must—

   (a) notify the Department of any overpayment within ten (10) working days of the Domestic Electricity Supplier becoming aware of the overpayment;

   (b) where the Department issues a request in writing for a refund, refund to the Department any overpayment within ten (10) working days of receipt of such request;

   (c) account to the Department for any monies received within ten (10) working days of a request in writing from the Department; and

   (d) in any event, refund any overpayment to the Department immediately after the end of the Scheme Period.

2) An overpayment exists in the following circumstances—

   (a) where, to the extent that a Domestic Electricity Supplier uses a subcontractor to provide NIRO DEDS, any monies paid into or released from a qualifying bank account in respect of delivery through that subcontractor exceed the total amount properly payable to the subcontractor in respect of NIRO DEDS provided in accordance with this Direction during the relevant Reporting Period, Scheme Year or Scheme Period, as applicable;

   (b) where any monies paid into or released from a qualifying bank account in relation to Eligible MPRNs supplied through prepayment meters exceed the total value of Global Free Vends issued in respect of those Eligible MPRNs in accordance with this Direction;

   (c) where any monies paid into or released from a qualifying bank account are in respect of an Exception Case;

   (d) where any monies paid into or released from a qualifying bank account in relation to Eligible MPRNs to whom the Domestic Electricity Supplier has tendered payment under paragraph 10(2)(a)(iii) exceed the total sum of all payments validly issued or otherwise provided in accordance with paragraph 10(2)(a)(iii);

(e) where, following reconciliation under paragraph 9, any monies paid into a qualifying bank account under paragraph 8 exceed the amount required by the Domestic Electricity Supplier to provide NIRO DEDS in accordance with this Direction; or

(f) at the end of the Scheme Period, where any monies held by a Domestic Electricity Supplier in a qualifying bank account (or released to the Domestic Electricity Supplier) exceed the total sum of all the NIRO DEDS payments the Domestic Electricity Supplier has delivered to its Eligible MPRNs during the Scheme Period.

For the avoidance of doubt, a corrective payment made in accordance with paragraph 6(5) shall not constitute an overpayment solely because a previous payment was made in respect of the same Eligible MPRN, provided that the Domestic Electricity Supplier maintains evidence sufficient to justify the corrective payment and any associated recovery action.

18. Solvency and financial assurance

1) A Domestic Electricity Supplier must provide to the Department a Solvency Statement, in the form specified by the Department, signed by both the Responsible Person and the Finance Director (or equivalent senior finance officer).

2) A Solvency Statement must be provided—
   (a) no later than two (2) working days immediately preceding the Qualifying Date in each Scheme Year; and
   (b) at such other times as the Department may require by notice.

3) A Domestic Electricity Supplier must ensure that each Solvency Statement confirms—
   (a) that no insolvency event has occurred in relation to the Domestic Electricity Supplier; and
   (b) that, having made reasonable enquiries, the Domestic Electricity Supplier is not aware of any circumstances that could reasonably be expected to give rise to an insolvency event during the calendar month in which the Solvency Statement is given or in the next two immediately following calendar months.

4) A Domestic Electricity Supplier must notify the Department without delay if—
   (a) an insolvency event occurs; or
   (b) it becomes aware of any circumstances that could reasonably be expected to give rise to an insolvency event.

5) Where the Department reasonably considers that there is a risk to the proper administration of the Scheme arising from the financial position of a Domestic Electricity Supplier, it may—
   (a) require the Domestic Electricity Supplier to provide additional information, assurances or updated Solvency Statements; and
   (b) suspend or withhold payments under this Direction until such time as the Department is satisfied that adequate safeguards are in place.

6) The Department may specify the form, content and frequency of Solvency Statements and any supporting information required under this paragraph, including requiring updated Solvency Statements on a periodic basis.

PART 8 — FRAUD, ERROR, AND INCIDENT MANAGEMENT

19. Fraud and error controls

1) Each Domestic Electricity Supplier must implement controls to prevent, detect and mitigate fraud and error, including:

   (a) MPRN-level uniqueness checks to ensure that, subject to paragraph 6(5), no more than one legitimate NIRO DEDS payment is provided in respect of an Eligible MPRN in each Scheme Year;
   (b) duplicate detection across billing runs / vend logs;
   (c) segregation of duties or, where this is not reasonably practicable having regard to the size or organisational structure of the Domestic Electricity Supplier, alternative controls providing equivalent oversight, review and assurance;
   (d) controls to identify, record and evidence Exception Cases, Supplier Transfer Cases and corrective payments, including any associated recovery action; and
   (e) anomaly monitoring and investigation.

2) Domestic Electricity Suppliers must notify the Department through the nirodeds@economy-ni.gov.uk immediately when they become aware of suspected fraud, material errors, control failures, or significant delivery anomalies.

20. Financial management and prevention of bribery, corruption, fraud or other irregularity

1) A Domestic Electricity Supplier must at all times, and in particular in relation to the performance of its Scheme obligations, comply with all applicable enactments and rules of law relating to anti-bribery, anti-corruption and fraud, including the Bribery Act 2010 and the Economic Crime and Corporate Transparency Act 2023.

2) A Domestic Electricity Supplier must—

   (a) have a sound administration and audit process, including internal financial controls to safeguard against fraud, theft, money laundering, financing of terrorism, or any other impropriety or mismanagement, in connection with the administration of the NIRO DEDS; and

   (b) require that its internal and external auditors report on the adequacy or otherwise of that system.

3) As soon as a Domestic Electricity Supplier identifies evidence

   (a) that there has been fraud, or that theft has occurred or is occurring in relation to the administration of NIRO DEDS payments; or

(b) that would cause a Domestic Electricity Supplier to suspect that such fraud or theft may have occurred or be occurring, the Domestic Electricity Supplier must notify that evidence to the Department and explain to the Department the steps it is taking to investigate the irregularity. In all instances the Domestic Electricity Supplier must notify the Department through niroded s@economy-ni.gov.uk.

4) A Domestic Electricity Supplier must keep the Department informed about the progress of any investigation into actual or suspected fraud or theft notified under paragraph 20(3).

5) On being notified under paragraph 20(3), the Department may by notice to the Domestic Electricity Supplier require the Domestic Electricity Supplier to refer the matter to external auditors or another third party as the Department considers appropriate.

6) The Department may, by notice to a Domestic Electricity Supplier:

(a) require the Domestic Electricity Supplier to take the action specified in the notice to address; or

(b) suspend the making of NIRO DEDS payments to the Domestic Electricity Supplier in consequence of any actual or suspected fraud, theft, tax evasion or aggressive tax avoidance in the opinion of the Commissioners for Revenue and Customs, or other financial irregularity which the notice specifies has been committed by the Domestic Electricity Supplier.

7) For the purposes of this paragraph 20:

(a) "financial irregularity" includes potential fraud or other impropriety, mismanagement, or the use of NIRO DEDS payments for any purpose that is inconsistent with a Domestic Electricity Supplier's Scheme obligations; and

(b) a Responsible Person or any other director, officer, employee or contractor of a Domestic Electricity Supplier may be required to provide statements and evidence to the Department or an appropriate third party in the course of:

i. any investigation into the Domestic Electricity Supplier's compliance with its Scheme obligations; or
ii. the taking of any enforcement action, including criminal or civil proceedings, arising from the breach or suspected breach of such obligations.

8) A Domestic Electricity Supplier must have and keep in place adequate procedures to manage and monitor any actual or perceived bias or conflicts of interest with any of its Scheme obligations.

PART 9 — FINAL

21. General

1) Compliance with this Direction is mandatory.

2) This Direction may be varied or revoked by a subsequent Direction given by the Department.

22. Duty of cooperation

1) Without prejudice to any other obligation imposed on a Domestic Electricity Supplier under this Direction or an energy discounts deed, a Domestic Electricity Supplier must comply with any notice given to it by the Department requiring it to provide to the Department specified information or assistance for the purposes of facilitating the carrying out by the Department of any of its functions under this Direction, or the exercise of any rights of the Department under an energy discounts deed, relating to that Domestic Electricity Supplier.

2) The obligation in paragraph 22(1) includes co-operating with any form of due diligence checks carried out by or on behalf of the Department.

3) Where a Domestic Electricity Supplier becomes aware of circumstances which may materially affect its ability to comply with any requirement or deadline under this Direction, it must notify the Department as soon as reasonably practicable. The Department may, where it considers appropriate, discuss mitigation measures, alternative operational arrangements or revised reporting arrangements, provided that such measures are consistent with the proper administration of the Scheme and the protection of public funds.

23. Retention of documents and audit

1) A Domestic Electricity Supplier must retain all invoices, receipts, accounting records or other documentation (including internal and external correspondence) relating to—
   (a) the Domestic Electricity Supplier's compliance with its obligations under this Direction, including in particular paragraphs 10, 13, 14 and 15;
   (b) NIRO DEDS payments made or received; and
   (c) its activities in connection with the provision of NIRO DEDS during the Scheme Period and for a period of 7 (seven) years after it ends.

2) The Department may, at any time during the Scheme Period or up to 7 (seven) years after it ends, give a Domestic Electricity Supplier notice requiring it—

(a) to enable the Department, or a person named in the notice and appointed by the Department, to audit the books, records, systems and processes of a Domestic Electricity Supplier in order to—

i. ascertain whether the Domestic Electricity Supplier is complying or has complied with its obligations under this Direction;
ii. ascertain whether any amount is payable by the Domestic Electricity Supplier to the Department under this Direction; and
iii. otherwise ensure the proper accounting for, tracing or control of public money under the Scheme;

(b) to provide to the Department, or such appointed person, free of charge, such information or copies of documents as are specified, for any purpose within paragraph 23(2)(a), by the date specified in the notice.

3) For the purposes of paragraph 23(2), a Domestic Electricity Supplier must—
(a) provide the Department, or a person named in a notice under paragraph 23(2), with—

i. any information or document within the categories listed in paragraph 23(4);
ii. all reasonable assistance and co-operation, including explanations relating to such information or documents; and
iii. such other assistance as is reasonably required for any audit or assurance process to ensure that public money is used for its intended purpose;

(b) allow reasonable access, upon reasonable notice, with access arrangements and proposed dates to be discussed with and agreed with the Domestic Electricity Supplier in advance wherever reasonably practicable, except where the Department reasonably considers that immediate access is necessary for the investigation of suspected fraud, material irregularity, misuse of Scheme funding or other circumstances where delay could prejudice the protection of public funds, to its employees, agents, premises, facilities and records for the purpose of discussing, monitoring and evaluating compliance with this Direction; and

(c) notify the Department as soon as reasonably practicable of any actual or potential failure to comply with its obligations under this Direction.

4) The categories of document or information referred to are—
(a) information about any credit, Global Free Vend or payment that has been applied, issued or made in connection with NIRO DEDS;

(b) evidence demonstrating delivery of NIRO DEDS to Eligible MPRNs in accordance with paragraph 10;

(c) records supporting notifications and reporting provided under paragraph 13;

(d) records demonstrating compliance with the funding and use of funds provisions under paragraphs 14 and 15; and

(e) any other information which the Domestic Electricity Supplier could be required to provide to the Authority under its supply licence.

5) In exercising any audit, inspection or assurance rights under this Direction, the Department shall act proportionately and shall limit requests to matters reasonably connected with the administration, delivery, reconciliation, assurance, audit and protection of public funds under the Scheme.

24. Execution of energy discounts deed etc

1) A Domestic Electricity Supplier must on or before the relevant date:

(a) complete and execute a copy of the template deed, and

(b) send it to the Department, and for the purposes of this paragraph 24(1), the 'relevant date' is five (5) working days after the date of this Direction, or, in the case of a person who was not a Domestic Electricity Supplier on the date of this Direction, no later than two working days after the date on which that person becomes a Domestic Electricity Supplier for the purposes of this Direction, or such later date as the Department may approve.

2) A Domestic Electricity Supplier must enter into such further agreements in connection with this Direction as the Department may from time to time require.

PART 10 — SUPPLEMENTARY

25. Guidance

When publishing or otherwise providing guidance to Domestic Electricity Suppliers in connection with the NIRO DEDS, the Department may include guidance on the form and manner in which information is to be communicated, statements made, or notices given for the purposes of this Direction. The Department may publish or amend reporting specifications, data dictionaries and submission templates from time to time through NIRO DEDS Guidance.

26. Notices and electronic communications

1) A Domestic Electricity Supplier must comply with any instruction given to it by the Department in a notice under this Direction.

2) Any reference in this Direction to:

(a) the making of any notification, statement or request, the giving of any notice, certificate or approval; or

(b) the provision of any information or plan by or to any person, is to such notification, statement or request being made, such notice, certificate or approval being given, or such information or plan being provided, in writing.

3) Subject to paragraph 26(4), any communication of a kind referred to in paragraph 26(2)(a) or (b) may be sent by email, including in an attachment to an email, or uploaded to an online portal (in either case being an “electronic communication”).

4) An electronic communication:

(a) from a Domestic Electricity Supplier to the Department must be sent to such email address or uploaded to such online portal as the Department has published or notified to Domestic Electricity Suppliers as the address or portal to be used in relation to such communications generally or in relation to communications of a particular class to which that electronic communication belongs;

(b) from the Department to the Domestic Electricity Supplier will be sent to the email address provided by the Domestic Electricity Supplier for its Responsible Person under paragraph 7(1) unless the Domestic Electricity Supplier has indicated that a different email address should be used either generally or for communications of a particular class to which that electronic communication belongs.

Signed by the Minister for the Department for the Economy

Minister for the Department for the Economy

22 September 2026

APPENDIX 1 – DUoS Groups included in NIRO DEDS

DUoS Group	DUoS Tariff Code	Meter Operation
T01	T011	CREDIT
T01	T012	CREDIT
T01	T014	CREDIT
T01	T015	CREDIT
T01	T016	CREDIT
T01	T045	CREDIT
T01	T046	CREDIT
T01	T047	CREDIT
T01	T048	CREDIT
T01	T050	PREPAYMENT
T01	T052	PREPAYMENT
T01	T053	PREPAYMENT
T01	T054	PREPAYMENT
T01	T056	PREPAYMENT
T01	T057	PREPAYMENT
T01	T058	PREPAYMENT
T02	T021	CREDIT
T02	T022	CREDIT
T02	T024	CREDIT
T02	T025	CREDIT
T02	T026	CREDIT
T02	T061	CREDIT
T02	T062	CREDIT
T02	T063	CREDIT

APPENDIX 2 – Template form of energy discounts deed

Northern Ireland Renewable Obligation Domestic Electricity Discount Scheme Northern Ireland

Deed between the Department for the Economy and [insert name of domestic electricity supplier]

Dated [insert date] 2026 [**Department for the Economy** to complete when seal is affixed]

Between

(1) [**SUPPLIER**], a limited liability company incorporated under the laws of Northern Ireland whose registered office is at [*********] (company registration number [*********]) (the "**Supplier**"); and

(2) the **Department for the Economy** ("DfE"), whose principal address is at Adelaide House, 39-49 Adelaide Street, Belfast, BT2 8FD.

Introduction

1. (1) This document sets out the terms under which the DfE will make payments pursuant to the Northern Ireland Renewable Obligation Domestic Electricity Discount Scheme (NIRO DEDS) Direction issued by the DfE on 22 September 2026 ("the Direction").

(2) This Deed has effect once executed by both parties.

(3) The terms of payment in this document supplement the provisions relating to payment and funding set out in paragraphs 8, 14 and 15 of the Direction and may only be amended with the written agreement of the DfE.

(4) The terms of payment set out in the Direction are supplemented by the terms of this Deed.

(5) By executing this document as a deed and returning a copy to the DfE the Supplier agrees:

(a) to be bound by the terms of this Deed;

(b) to perform the obligations placed on it under this Deed and the Direction and to submit to any contractual remedies which may arise from any failure to perform such obligations.

(6) The Supplier accepts a payment of NIRO DEDS under the Direction as consideration for entering into this Deed.

Definitions and interpretation

2. (1) Except where otherwise provided in this document expressions in this document which also appear in the Direction have the same meaning as in the Direction.

Terms of payment

3. (1) Payment under the Direction is subject to the Supplier satisfying the conditions set out in paragraphs 7(1), 7(2)(a)(ii) and 14 of the Direction and complying with the relevant provisions of this Deed and the separate Declaration of Trust Deed entered into between the parties hereto (the "Trust Deed").

(2) The Supplier agrees to the terms governing receipt, use and release of funds under the Direction as set out in paragraphs 8, 14 and 15 of the Direction.

Use of proceeds

4. (1) All monies credited to the qualifying bank account shall be held on trust for the DfE in accordance with the Direction and the Trust Deed and shall not become the beneficial property of the Supplier except to the extent permitted under paragraph 15 of the Direction.

The Supplier shall ensure that all NIRO DEDS payments received from or on behalf of DfE in connection with NIRO DEDS are used for the sole purpose of providing a NIRO DEDS to each of its Eligible Meter Point Reference Numbers (Eligible MPRNs) (or, where applicable under paragraph 10(2)(a)(iii) of the Direction, the Eligible Customer associated with that Eligible MPRN) subject to and in accordance with the Direction and the terms of this Deed and the Trust Deed.

(2) Prior to the point at which funds may be treated as belonging to the Supplier in accordance with paragraph 15 of the Direction, and unless the conditions in paragraph 14 of the Direction are satisfied, the Supplier must not use, release or transfer any monies relating to NIRO DEDS out of the qualifying bank account (in accordance with the Trust Deed) except as permitted under the Direction, and in any case must not use such monies:

(i) to fund dividends, distributions or salary payments;

(ii) to meet administrative costs or any costs associated with delivering the NIRO DEDS;

(iii) to repay any debt or financial obligation of the Supplier prior to release in accordance with paragraph 15; or

(iv) for any unlawful or improper purpose;

(3) The Supplier will refund to the DfE:

(a) any overpayments in accordance with paragraph 17 of the Direction; and

(b) any amount paid to the Supplier and not applied in accordance with paragraphs 14 and 15 of the Direction where:

(i) an insolvency event (as defined in the Direction) occurs in relation to the Supplier after the date on which this Deed takes effect; or

(ii) the proceeds of any payment received from the DfE under the Direction or this Deed are misused, including without limitation as a result of a breach of the use of proceeds restrictions set out in paragraph 4(2) of this Deed or a breach of any provision of the Trust Deed.

(4) For the avoidance of doubt, where a Global Free Vend has been issued in accordance with the Direction and is treated as delivered pursuant to paragraph 10 of the Direction, the amount represented by that Global Free Vend shall be treated as having been applied in accordance with the Direction and shall not give rise to any repayment obligation under this Deed solely by reason that the Global Free Vend remains unredeemed.

(5) The Supplier agrees that the DfE and persons acting on its behalf are entitled to audit compliance by the Supplier with the terms of this Deed, the Trust Deed and the Direction.

(6) The use of any subcontractors for providing and delivering NIRO DEDS does not relieve the Supplier of any of its obligations under the Direction and this Deed.

(7) The Supplier agrees that the DfE may in its discretion offset any overpayment paid to the Supplier (that has not been refunded by the Supplier) against future payments by the DfE to the Supplier under the Direction or any similar scheme.

(8) The Supplier agrees to account to the DfE for any monies received pursuant to the Direction within ten (10) working days of any written request.

(9) The Supplier agrees to notify the DfE of any interest earned on the payments received by it under the Direction (which shall be credited solely to the qualifying bank account in accordance with the Trust Deed) and refund an amount equal to such interest to the DfE if directed by the DfE to do so or the DfE may offset such amount against other amounts owing from the DfE to the Supplier in connection with the NIRO DEDS.

(10) A Domestic Electricity Supplier shall not be regarded as having breached this Deed solely by reason of inaccuracies in data supplied by a Distribution Network Operator, provided that:

(a) the Domestic Electricity Supplier acted in good faith and in accordance with the Direction;

(b) the Domestic Electricity Supplier had no reason to believe that the data was materially inaccurate; and

(c) the Domestic Electricity Supplier complied with any directions issued by the Department in relation to the correction of such inaccuracies.

(11) The Supplier agrees to notify the DfE of any overpayment pursuant to the Direction within ten (10) working days of the Supplier becoming aware of the overpayment.

(12) The Supplier will, subject to paragraph 4(6) of this Deed, refund to the DfE any overpayments within ten (10) working days of the receipt of a request in writing by the DfE.

(13) (a) The Supplier agrees that it shall pay all payments received by it under paragraph 8 of the Direction into the qualifying bank account.

(b) The Supplier shall hold such monies for the DfE for application or reimbursement to the DfE (as the case may be) in accordance with the terms of the Direction, the Trust Deed and this Deed.

(14) Any dispute, controversy or claim (including with respect to its subject matter) arising out of or in connection with the NIRO DEDS shall be governed by and construed in accordance with the law of Northern Ireland and as between the parties shall be subject to the jurisdiction of the Courts of Northern Ireland, provided that nothing in this clause shall prejudice the ability of any competent authority (including "the Authority" as defined in the Direction) to take enforcement or other proceedings against or with respect to the relevant Supplier or otherwise where entitled to do so by law, including, on a non-exhaustive basis, where a breach of the NIRO DEDS constitutes a breach of relevant requirements for the purposes of Article 41A of the Energy (Northern Ireland) Order 2003.

(15) Subject to paragraphs 4(6) and 4(7) of this Deed, the liability of the Domestic Electricity Supplier under this Deed shall not exceed the aggregate amount paid by the Department into the qualifying bank account under the Scheme, except in respect of fraud, dishonesty, wilful misconduct or any repayment obligation arising under the Direction.

This Deed is made by way of deed and has been executed and delivered on the date stated at the beginning of this Deed.

Executed as a Deed by affixing the Seal of the

Department for the Economy in the presence of:

Name:

Title:

Date:

SIGNED:

....

[Supplier to fill in and delete below as applicable]

Executed as a deed by [Supplier]

acting by [NAME OF FIRST DIRECTOR], a director,

…………………………………………….

[SIGNATURE OF FIRST DIRECTOR]

Director

and

[NAME OF SECOND DIRECTOR/SECRETARY],

[a director OR its secretary]

……………………………………………

[SIGNATURE OF SECOND DIRECTOR OR SECRETARY]

[Director OR Secretary]

OR

Executed as a deed by [NAME OF Supplier]

acting by [NAME OF DIRECTOR], a director,

……………………………………………

[SIGNATURE OF DIRECTOR]

Director

in the presence of:

………………………………..

[SIGNATURE OF WITNESS]

[NAME, ADDRESS AND OCCUPATION OF WITNESS]

APPENDIX 3 – Template form of solvency statement

NIRO DEDS Solvency Statement, required from suppliers in accordance with paragraph 18 of the Direction

From: [the relevant domestic electricity supplier]

To: The Department for the Economy

Dated: [insert date]

Dear Sir/Madam,

[Name of the relevant domestic electricity supplier] (the “Supplier”)

We acknowledge that the provision of this statement is a requirement of the Northern Ireland Renewable Obligation Domestic Electricity Discount Scheme (NIRO DEDS) Direction (the “Direction”), and that the Department for the Economy will rely on this statement in providing NIRO DEDS payments to the Supplier.

We are the Responsible Person and Finance Director (or equivalent senior finance officer) of the Supplier and hereby confirm that:

- no insolvency event (as defined in the Direction) has occurred in relation to the Supplier; and

- having made reasonable enquiries, we are not aware of any circumstances that could reasonably be expected to give rise to an insolvency event during the calendar month in which this declaration is given or in the next two immediately following calendar months.

This statement is made in accordance with the requirements of the Direction.

Yours faithfully,

Signed:

Responsible Person

Name:

Position:

Signature:

Date:

Finance Director (or equivalent senior finance officer)

Name:

Position:

Signature:

Date:

For and on behalf of [Supplier name]