
D R A F T S T A T U T O R Y I N S T R U M E N T

2006 No.

ELECTRICITY

The Electricity (Prepayment Meter) Regulations 2006

Made - - - - - *****

Coming into force - - - - - *****

The Gas and Electricity Markets Authority (**a**), in exercise of the powers conferred upon it by paragraph 12 of Schedule 7 to the Electricity Act 1989 (**b**) and by section 60 of that Act, and, in accordance with paragraph 12 of Schedule 7 to that Act respectively, after consultation with representative organisations and with the consent of the Secretary of State, hereby makes the following Regulations:

Citation and commencement

1.—1) These Regulations may be cited as the Electricity (Prepayment Meter) Regulations 2006 and shall come into force on [***** 2006].

Interpretation

2.— In these Regulations —

“gas supplier” means the holder of a licence under section 7A(1)(a) of the Gas Act 1986 (**c**) except where the holder is acting otherwise than for purposes connected with the carrying on of activities authorised by the licence;

“repayment amount” means the amount of each instalment to be paid towards the repayment of the sum owed;

“repayment rate” means the frequency with which instalments are to be paid towards the repayment of the sum owed;

“sum owed” means the aggregate of sums specified under regulation 3(1)(a) and (b); and

“prepayment meter” means an electricity prepayment meter installed by an authorised supplier through which the customer takes his supply of electricity.

Recovery of sums owed for electricity and gas

3.—(1) A prepayment meter may be used to recover a sum that is owed to a gas supplier or an electricity supplier by a customer in respect of any one or more of the following—

(a) at any premises previously owned or occupied by the customer—

- (i) the supply of gas;
- (ii) the supply of electricity;

(a) The Gas and Electricity Markets Authority was established by section 1 of the Utilities Act 2000, c.27.

(b) 1989 c.29, paragraph 12 of Schedule 7 of the Electricity Act was inserted by section 181 of the Energy Act 2004 c.20

(c) 1986 c.44.

- (iii) the provision of a gas meter; and
- (iv) the provision of an electricity meter;
- (b) the provision of a gas meter at the premises on which the prepayment meter is installed; and
- (c) the supply of gas to the premises on which the prepayment meter is installed.

(2) Any sum recoverable through a prepayment meter under paragraph 12(2)(a) of Schedule 7 to the Electricity Act 1989 may be consolidated with a sum specified in regulation 3(1) and recovered under these Regulations.

The Agreement

4.—(1) An electricity supplier may not recover sums specified in regulation 3 by means of a prepayment meter unless it has previously entered into an agreement with the customer which complies with paragraphs (2) and (4), and where applicable regulations 5 and 6.

- (2) The agreement must state in writing—
 - (a) the name of the customer;
 - (b) any charges that the customer will be required to pay in addition to those recovered under regulation 3; and
 - (c) that the electricity supplier warrants that he has, orally, provided the customer with details as required under paragraph (3).
- (3) The details required by this paragraph are—
 - (a) other means of payment available to the customer;
 - (b) the operation of the prepayment meter, particularly as regards the recovery of debt and charging for ongoing consumption; and
 - (c) the implications of failing to make any payments in full or in part when they fall due under the agreement.
- (4) The agreement must include written terms to the following effect—
 - (a) that the customer can cancel the agreement by giving notice to the electricity supplier;
 - (b) that notice under sub-paragraph (a) can be given orally or in writing and must be given within seven working days beginning with the day on which the customer receives written terms of the agreement; and
 - (c) either party can terminate the agreement on provision of 30 days' oral or written notice.

Collection of the sum owed

5. Where the prepayment meter is being used to recover a sum owed the agreement must include in writing—

- (a) the amount of each element of the sum owed and to what it relates;
- (b) the repayment rate and repayment amount;
- (c) the date at which the sum owed will be fully repaid if the repayment amount is paid at the repayment rate;
- (d) a term that the repayment rate and repayment amount has been calculated by the supplier to take into account the customer's ability to pay the total of all charges to be recovered through the prepayment meter;
- (e) a term that the customer has agreed to the repayment rate and repayment amount; and

- (f) a term that the repayment rate and repayment amount can be varied—
 - (i) at the customer's request and if agreed by the electricity supplier; or
 - (ii) by the supplier in accordance with sub-paragraph (d) and with prior notice given to the customer.

Collection for ongoing gas consumption

6.—Where the prepayment meter is being used to recover a sum that is owed under regulation 3(c) the agreement must include in writing:

- (a) the amount and frequency of payments required for ongoing gas consumption;
- (b) a term that the supplier will make reasonable endeavours to obtain gas meter readings at least every six months; and
- (c) a term that the supplier will adjust the amount and frequency of payments required for ongoing gas consumption to reflect the gas meter readings obtained and give prior notice to the customer.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations enable an electricity supplier to collect sums through an electricity prepayment meter in prescribed circumstances. Regulation 3 allows an electricity prepayment meter to be used to collect sums relating to any, or all, of:

- (a) the supply of electricity or the provision of an electricity meter at premises previously owned or occupied by the customer; or*
- (b) the supply of gas or the provision of a gas meter, either at the premises where the prepayment meter is installed or at premises previously owned or occupied by the customer.*

Regulation 3(2) allows sums owing for these purposes to be consolidated with sums due for supply of electricity or the provision of an electricity meter at the premises at which the prepayment meter is installed.

Both the customer and the supplier must enter into an agreement to use the prepayment meter for these purposes. Prior to entering into such an agreement the electricity supplier must orally inform the customer of key aspects of the operation of the prepayment meter as specified in regulation 4(3).

Regulations 4, 5 and 6 specify written terms that must be in the agreement, where applicable. The agreement does not need to be signed by the customer or the supplier.

An agreement as specified in the Regulations is not required when the electricity prepayment meter is being used solely to collect sums for the supply of electricity or provision of an electricity prepayment meter to the current premises.

D R A F T S T A T U T O R Y I N S T R U M E N T

2006 No.

GAS

The Gas (Prepayment Meter) Regulations 2006

Made - - - - - *****

Coming into force - - - - - *****

The Gas and Electricity Markets Authority (**a**), in exercise of the powers conferred upon it by paragraph 6A of Schedule 2B to the Gas Act 1986 (**b**) and by section 47 of that Act, and after consultation with representative organisations in accordance with paragraph 6A(4) of Schedule 2B to that Act, and with the approval of the Secretary of State in accordance with paragraph 6A(5) of Schedule 2B to that Act, hereby makes the following Regulations:

Citation and commencement

1.— These Regulations may be cited as the Gas (Prepayment Meter) Regulations 2006 and shall come into force on [***** 2006].

Interpretation

2.— In these Regulations —

“repayment amount” means the amount of each instalment to be paid towards the repayment of sum owed under regulation 3;

“repayment rate” means the frequency with which instalments are to be paid towards the repayment of the sum owed under regulation 3; and

“prepayment meter” means a gas prepayment meter installed by an authorised supplier through which the customer takes his supply of gas.

Recovery of a sum owed for gas

3.—(1) A prepayment meter may be used to recover a sum that is owed to a gas supplier by a customer in respect of any of the following—

- (a) the supply of gas to any premises previously owned or occupied by the customer; and
- (b) the provision of a gas meter at any premises previously owned or occupied by the customer.

(2) Any sum recoverable through a prepayment meter by virtue of paragraph 6A(1)(a) of Schedule 2B to the Gas Act 1986 may be consolidated with a sum specified in regulation 3(1) and recovered under these Regulations.

(a) The Gas and Electricity Markets Authority was established by section 1 of the Utilities Act 2000, c.27.

(b) 1986 c.44, paragraph 6A of Schedule B of the Gas Act was inserted by section 181 of the Energy Act 2004, c.20.

The Agreement

4.—(1) A gas supplier may not recover the sum specified in regulation 3 by means of a prepayment meter unless it has previously entered into an agreement with the customer which complies with paragraphs (2) and (4).

(2) The agreement must state in writing—

- (a) the name of the customer;
- (b) any charges that the customer will be required to pay in addition to those recovered under regulation 3;
- (c) the amount of each element of the sum owed under regulation 3 and to what it relates;
- (d) the repayment rate and repayment amount;
- (e) the date at which the sum owed would be fully repaid if each repayment amount is made at the repayment rate; and
- (f) that the gas supplier warrants that he has, orally, provided the customer with details as required under paragraph (3).

(3) The details required by this paragraph are—

- (a) other means of payment available to the customer;
- (b) the operation of the prepayment meter, particularly as regards the recovery of debt and charging for ongoing consumption; and
- (c) the implications of failing to make any payments in full or in part when they fall due under the agreement.

(4) The agreement must include written terms to the following effect—

- (a) that the customer can cancel the agreement by giving notice to the gas supplier;
- (b) that notice under sub-paragraph (a) can be given orally or in writing and must be given within seven working days beginning with the day on which the customer receives written terms of the agreement;
- (c) that the repayment rate and repayment amount has been calculated by the supplier to take into account the customer's ability to pay the total of all charges to be recovered through the prepayment meter;
- (d) that the customer has agreed to the repayment rate and repayment amount;
- (e) that the repayment rate and repayment amount can be varied—
 - (i) at the customer's request and if agreed by the gas supplier; or
 - (ii) by the supplier in accordance with sub-paragraph (c) and with prior notice given to the customer; and
- (f) either party can terminate the agreement on provision of 30 days' oral or written notice.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations enable a gas supplier to collect sums through a gas prepayment meter in prescribed circumstances. Regulation 3(1) allows a gas meter to be used to collect sums relating to the supply of gas or the provision of a gas meter at premises previously owned or occupied by the customer.

Regulation 3(2) allows sums owing for these purposes to be consolidated with sums due for the supply of gas and the provision of a gas meter at premises on which the prepayment meter is installed.

Both the customer and the supplier must enter into an agreement to use the prepayment meter for these purposes. Prior to entering into such an agreement the gas supplier must orally inform the customer of key aspects of the operation of the prepayment meter as specified in regulation 4(3).

Regulation 4 specifies written terms that must be in the agreement. The agreement does not need to be signed by the customer or the authorised electricity supplier.

An agreement as specified in the Regulations is not required when the gas prepayment meter is being used solely to collect sums for the supply of gas or provision of a gas prepayment meter to the current premises