

Deemed Contract Scheme

(Schedule 6 Paragraph 3 – Electricity (Northern Ireland) Order 1992 & Supply Licence Condition 28)

Deemed Contract Scheme

Regulatory Framework

3T Power operates a **Deemed Contract Scheme** in accordance with:

- **Paragraph 3 of Schedule 6 to the Electricity (Northern Ireland) Order 1992**
- **Electricity Supply Licence – Condition 28**
- **Utility Regulator consumer protection framework**

A deemed contract arises where electricity is supplied to a premises **without an express contract having been agreed between the supplier and the consumer**.

Under these provisions:

- The consumer is **deemed to have entered into a contract** with the supplier
- The supply of electricity continues lawfully
- The supplier may charge for electricity consumed
- The terms of supply must comply with the supplier's **published Deemed Contract Scheme**

The scheme must be **approved by the Utility Regulator and publicly available**.

Purpose of the Deemed Contract Scheme

The Deemed Contract Scheme ensures:

- Continuity of electricity supply
- Lawful charging for electricity consumption
- Protection of consumers who occupy premises without a formal supply agreement
- Market stability during occupancy transitions

The scheme prevents situations where electricity is consumed without contractual framework or billing accountability.

Circumstances Where a Deemed Contract Arises

A deemed contract arises where:

1. A person begins to take a supply of electricity at premises supplied by 3T Power
2. No formal contract has been agreed with the supplier
3. The consumer has not entered into a supply contract with another licensed supplier

Typical scenarios include:

1. New Occupier Without Supply Agreement

A new tenant moves into a property but has not entered into a supply contract.

2. Property Purchase

A property is purchased and electricity supply continues before a new contract is agreed.

3. Change of Tenancy Not Notified

The outgoing tenant vacates but the incoming tenant has not contacted the supplier.

4. Re-Energisation Without Contract

Supply restored before a formal contract is established.

5. Occupancy Following Vacancy

Electricity continues to be consumed during occupation before supplier engagement.

Formation of the Deemed Contract

A deemed contract is formed automatically when:

- Electricity is supplied by 3T Power to premises
- The consumer takes that supply
- No express contract exists with the consumer

The deemed contract begins at the point when:

- The consumer first begins to take the electricity supply.

The deemed contract remains in effect until:

- A formal supply contract is agreed, or
- The consumer switches supplier, or
- Supply is terminated.

Terms of the Deemed Contract

The Deemed Contract Scheme must specify:

- Applicable tariff
- Standing charges
- Unit rates
- Payment arrangements
- Billing frequency
- Consumer rights and obligations

All deemed contract terms must be:

- Non-discriminatory
- Published
- Accessible to consumers
- Consistent with licence obligations

The Deemed Contract Scheme must be made available:

- On the company website
- Upon request from consumers
- To the Utility Regulator.

Identification of Deemed Contract Customers

3T Power may identify deemed contract customers through:

- MP NI 22 – Change of Tenancy processes
- Customer contact following occupancy
- Meter reading patterns indicating new occupancy
- Network notifications
- Returned mail or account closure notifications
- Customer contact or complaints

When a deemed customer is identified, the account must be flagged within the **CRM**

11.7 Operational Process for Deemed Contract Activation

Premises Occupied

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No Express Contract in Place

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Electricity Supply Continues

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Deemed Contract Automatically Formed

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Customer Account Created

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Opening Read Determined

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Billing Under Deemed Tariff

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Customer Contact Initiated

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Customer Offered Standard Contract

Customer Communication Requirements

Where a deemed contract arises, 3T Power must:

- Notify the consumer of the deemed contract status
- Provide details of the Deemed Contract Scheme
- Provide information on available tariffs
- Offer the consumer the opportunity to enter into a standard supply agreement
- Inform the consumer of their right to switch supplier

Customer communication must occur **as soon as reasonably practicable** after the supplier becomes aware of the consumer's occupancy.

Billing and Charges Under Deemed Contracts

Under a deemed contract:

- Electricity consumed is billable
- Charges are applied according to the Deemed Contract Scheme tariff
- Standing charges may apply
- Billing must comply with licence obligations

Billing must remain:

- Transparent
 - Non-discriminatory
 - Consistent with published tariffs.
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Transition from Deemed Contract to Formal Contract

A deemed contract ends when:

1. The consumer enters into a formal contract with 3T Power
2. The consumer switches to another supplier
3. The supply is disconnected or terminated

Where a formal contract is agreed:

- Billing transitions to the agreed tariff
 - The deemed tariff ceases from the contract effective date.
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Consumer Protections

Consumers supplied under deemed contracts retain all protections afforded under the supply licence including:

- Access to complaint handling procedures
- Protection for vulnerable customers
- Access to dispute resolution mechanisms
- Protection against unfair charging

3T Power must ensure deemed contract consumers are treated **no less favourably than contracted customers**.

Monitoring and Compliance

3T Power will maintain internal controls to ensure compliance with the Deemed Contract Scheme including:

- Monitoring of occupancy events
- Review of accounts without active contracts
- Verification of deemed tariff application
- Compliance with communication requirements

Records must be maintained for regulatory audit purposes.

11.13 Audit Evidence

The following records must be retained:

- Deemed contract account flag
- Opening read determination
- Customer notification records
- Billing records under deemed tariff
- Transition to formal contract (if applicable)
- Regulatory reporting records