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Tax



February 2024

Measures to help businesses combat rising energy prices – Special Medium Size Company – Update 2024

To support businesses affected by the rise in energy prices, various aid schemes have been put in place. On 30 November 2023, the government announced that some of these measures would be extended to 2024, with different arrangements depending on the size of the business and the difficulties it is facing. In view of the changing situation, the government has amended its arrangements for 2024.

Help desk for paying gas and electricity bills

What is it ?

The aim of this scheme is to mitigate the effects of the energy crisis, support the competitiveness of businesses and avoid production stoppages at the sites that consume the most gas and electricity.

Created in 2022, the electricity and gas bill payment assistance scheme has been extended to 2024.

However, the scheme is changing. It now aims to compensate for part of the additional electricity costs only for companies that are not eligible for the electricity buffer and are classified as Medium Size Companies (ETI).

The aid is structured as follows:

- It applies only to electricity expenditure under contracts signed before 30 June 2023 at high prices, for energy intensive ETIs, and subject to EBITDA conditions,
- This aid can no longer be combined with the electricity buffer for very small businesses and SMEs,
- The aid is granted in two stages, taking into account the deadlines for granting under the European Temporary Framework

Who can benefit ?

To qualify for this scheme, companies must meet the following criteria:

- EBITDA must be negative or lower than in 2021,
- Have signed electricity contracts before 30 June 2023,
- The applicant's energy expenditure during the aid application period must represent more than 3% of its 2021 turnover,
- Eligible costs are electricity costs for 2024,
- The aid is capped at €2.25m at the level of the group of companies,
- The compensation is 75% of electricity bills in excess of the floor price, set at €300/MWh (including all taxes but excluding deductible VAT).

What periods are eligible ?

Unlike the 2022 and 2023 versions, in 2024 it will be open on a quarterly basis (as opposed to two-month periods previously).

Aid may therefore be requested for the following periods:

- January, February, March 2024,
- April, May, June 2024,
- July, August, September 2024,
- October, November, December 2024.

How much can you receive ?

The calculation method differs from the arrangements in force for 2023: from now on, eligible costs will be electricity costs (including transmission, but excluding VAT) more than €300/MWh, with 75% of these costs being covered, subject to the following two limits:

- Compliance with the ceilings authorised under the aid schemes: the aid must not cause the aid ceilings for the group to which the company belongs to be exceeded (see table of ceilings on page 3),

- Compliance with the EBITDA ceiling: the EBITDA for the month or period in question in 2024 plus the corresponding amount of aid must not exceed the EBITDA for the corresponding month or period in 2021, or zero if the latter is negative.

How can you benefit ?

In order to benefit from this, you will now have to apply in two stages:

- Application to be submitted before 31 May 2024 (date to be confirmed),
- At the end of each eligible period, submit applications for payment of the aid on the basis of the electricity bills submitted,

As a result, companies wishing to benefit from window support in 2024 must complete and submit a **pregrant application before 31 May 2024**. The submission window is scheduled between 1 March 2024 and 31 May 2024 (dates to be confirmed).

This application will be a sworn statement (model being finalised) to the effect that :

- The company belongs to an ETI (within the scope of the Group),
- The company does not fall into any of the eligible categories to the shock absorber,
- The company has an electricity contract signed before 30 June 2023,
- The company has not already obtained, at Group level, €2.25 million in aid on the basis of section 2.1 of the TCTF,
- The company is aware of the mechanism and the applicable rules.

This grant entitles the applicant to the aid. It will then be necessary to ensure that the eligibility criteria set out in the decree establishing the scheme are met and that applications for assistance are submitted subsequently. The aid will only be paid out once the company has submitted the supporting documents needed to calculate the amount of aid and the DGFIP has examined them.

Once the company has received notification from the DGFIP that it has been granted the aid, it must submit the quarterly request for payment, which will contain the documents needed to check that the conditions have been met and to calculate the amount of aid that can be received. This application will be submitted electronically and will contain the following documents :

- A sworn statement that the information provided is accurate,
- The certificate from chartered accountant (for elements relating to EBITDA),
- The aid calculation file,
- The overall balance for 2021 and the balance for the eligible period in question,
- Invoices and the invoice summary list,
- Bank details.

Security for energy supply contracts

What is it ?

A public guarantee fund has been in place since 1 March 2023. Under this scheme, companies that consume large amounts of gas or electricity can ask banks, insurance companies or finance companies to provide partially state-guaranteed guarantees for their energy supply contracts.

These guarantees replace the collateral required by energy suppliers when signing or renewing electricity and gas supply contracts.

Companies that have obtained these guarantees will no longer be subject to requests for additional collateral from their electricity or gas suppliers.

Who can benefit?

There are no size or turnover requirements.

To be eligible, the company must benefit from a guarantee that meets the following conditions:

- The guarantee must be taken out at the request of a supplier as part of an electricity or gas supply contract concluded after 31 August 2022 and whose term may be later than 2023, but not later than 31 December 2024,
- The guarantee must be limited to an amount less than or equal to the sums due for three months' gas or electricity supply, as defined in the gas or electricity supply contract,
- The guarantee must be taken out with a bank, insurer or finance company that has signed an implementation agreement with the Caisse Centrale de Réassurance, which is responsible for deploying this scheme on behalf of the State,
- The company must be registered in France,
- The volume of the energy contract must exceed 1 GWh per year for electricity and 2 GWh per year for gas.

How can you benefit?

To benefit from this aid, the company must apply to a bank, finance company or insurance company that has signed an agreement with the guarantee fund, managed by the Caisse Centrale de Réassurance (CCR) on behalf of the State.

Gas and electricity counter

The government offers support for businesses via the impot.gouv.fr website, which includes the following information:

- Frequently asked questions,
- Simulators for calculating grants,
- Document templates.

At the same time, three complementary levels of support are offered:

- A telephone number to answer general questions about the Gas & Electricity scheme or the practicalities of applying for assistance: 0806 000 245,
- Directory of departmental councillors,
- An instructors' department for more specific questions via secure messaging ("I have another question / I have another request").

Recourse in the event of disputes

If you have a dispute with your energy supplier, you can contact the Business Ombudsman at the following address: mieist.finances.gouv.fr/.

If the dispute concerns EDF or ENGIE, you can contact the ombudsman for these companies.

- For EDF: mediateur.edf.fr/mediation,
- For ENGIE: engie.com/mediation

Summary table of ceilings

Aid taken into account for compliance with ceilings :	Ceiling of €2.25m	Ceiling of €4m	Ceiling of €50m	Ceiling of €150m
Gas-electricity" aid capped at €4m	no	yes	yes	yes
Gas-electricity" aid capped at €50m	no	no	yes	yes
Gas-electricity" aid capped at €150m	no	no	no	yes
Gas-electricity" aid capped at €2m "Newly created companies	yes	yes	yes	yes
Gas-electricity" aid capped at €2m "Atypical cases	yes	yes	yes	yes
Electricity buffer (and price guarantee)	yes	yes	yes	yes
Electricity help desk set up in 2024 (capped at €2.25m)	yes	yes	yes	yes



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