

To: All holders of a gas supply licence

Gas Act 1986 Section 23(1)(b)

Modification of the standard conditions of all gas supply licences

- 1. Each of the licensees to whom this document is addressed has a gas supply licence which has been granted or treated as granted under section 7A(1) of the Gas Act 1986 (the Act).
- 2. Under section 23(2) of the Act, the Gas and Electricity Markets Authority (the Authority)¹ gave notice on 30 April 2021 (the Notice) that we proposed to modify the following gas supply standard licence conditions (SLCs) in the manner set out in Schedule 1 to the Notice:
 - Condition 1. Definitions for standard conditions
 - Condition 7A. Supply to Micro Business Consumers
 - Condition 12. Matters relating to Gas Meters
 - Condition 12A. Matters relating to Theft of Gas
 - Condition 14. Customer transfer blocking
 - Condition 14A. Customer transfer
 - Condition 22D. Dead Tariffs
 - Condition 26. Priority Services Register
 - Condition 30. Supply Point Administration Agreement
 - Condition 35. Smart Metering Installation and Installation Code of Practice Domestic Customers
 - Condition 36. Smart Metering Installation and Installation Code of Practice Micro Business Consumers
 - Condition 39, Smart Metering Consumer Engagement
 - Condition 39A. Smart Metering Consumer Engagement Data

We stated that any representations with respect to the proposed licence modifications must be made on or before 5pm on 1 June 2021.

- 3. A copy of the Notice was sent to the Secretary of State in accordance with section 23(4)(b) of the Act, and we have not received a direction that the modifications should not be made.
- 4. We received 5 responses to our consultation, all of which we carefully considered. The responses agreed with our proposals. We have published all non-confidential responses on our website. Our response to these comments, as well as our reasons for any differences between the modifications and those proposed in the Notice, is set out in our accompanying Decision document which is available on our website at https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-licence-changes-retail-code-consolidation.
- 5. We have decided to proceed with making the licence modifications as proposed, subject to the following further change: we took the opportunity to correct our proposal to amend references to "Meter Asset Manager", which we had proposed to

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¹ The terms "the Authority", "we" and "us" are used interchangeably in this document.

- modify to "Meter Equipment Manager", and will now modify to "Metering Equipment Manager", as this is the correct term used in the Retail Energy Code.
- 6. We are making these licence modifications, in summary, in order to ensure that the new governance arrangements and structures required for and being realised by Retail Code Consolidation are properly reflected in the SLCs.
- 7. In summary, the effect of these modifications will be that the new governance arrangements and structures required for and being realised by Retail Code Consolidation will be reflected in the SLCs. The effect of the majority of the modifications will be minor on an operational level; primarily, the modifications will ensure the licences correctly reference other industry documents and arrangements which are due to be modified under the Authority's Retail Code Consolidation Significant Code Review. A more detailed description of the reasons for and effects of these licence modifications can be found in our accompanying Decision document.
- 8. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the Energy Licence Modification Appeals: Competition and Markets Authority Rules² requires that the appellant must send to any relevant licence holders who are not parties to the appeal a non-sensitive notice setting out the matters required in Rule 5.2. The attached Schedule 2 provides a list of the relevant licence holders in relation to this modification. Section 23(10) of the Act sets out the meaning of "relevant licence holder".
- 9. Under the powers set out in section 23(1)(b) of the Act, we hereby modify the standard licence conditions of all gas supply licences in the manner specified in the attached Schedule 1. These modifications will take effect from the date of Retail Code Consolidation, which is the date to be designated by the Authority and which date will be not less than 56 days from the date of publication of our decision in relation to these licence modifications. The date of Retail Code Consolidation is currently expected to be 1 September 2021³.
- 10. This document is notice of the reasons for the decision to modify the gas supply licences as required by section 38A of the Act.

Rachel Clark,
Programme Director, Switching Programme
Duly authorised on behalf of the
Gas and Electricity Markets Authority

2 July 2021

² CMA70: https://www.gov.uk/government/publications/energy-licence-modification-appeals-rules-cma70

³ Although the 56 day standstill period ends on 27 August 2021, the date of Retail Code Consolidation will not be any earlier than 1 September 2021.

Schedule 1 - Modification of the standard conditions of all gas supply licences

We have included the sections of the gas supply licence SLCs we have proposed to remove or amend below. Deletions are shown in strike through and new text is double underlined. Additional amendments to those consulted upon in the April 2021 statutory consultation are shown in yellow highlight. We have only shown those licence conditions where modifications are proposed.

Condition 1. Definitions for standard conditions

1.1 This condition sets out defined words and expressions used in the standard conditions of this licence (all of which begin with capital letters) and gives their definitions next to them.

Definitions in alphabetical order

Industry Codes

means either of:

- (a) the Retail Energy Code; or
- (b) (Not used). the Supply Point Administration Agreement.

Meter<u>ing</u> Asset <u>Equipment</u> Manager

means

- (a) a person or a class or description of persons possessing the expertise satisfactorily to design, install, commission, inspect, repair, alter, reposition, remove, renew and maintain the whole or part of the Supply Meter Installation as defined in Section M, paragraph 1.2 of the Network Code as at 1 August 2007; or a person whose staff have such expertise; and
- (b) a person or a class or description of persons approved in accordance with the Supply Point Administration Retail Energy Code.

Meter Installer

in relation to any Gas Meter, means a person a class or description of persons:

 (a) possessing the expertise to connect that meter satisfactorily so that the gas supplied through it is duly registered, or a person whose staff have such expertise; and

approved in accordance with the Supply Point Administration Agreement Retail Energy Code.

Meter Point Reference Number

means a number relevant to the registration of a Customer Supply Meter Point Reference Number that is prescribed by the Network Code;

Protocol

means the arrangements in force under the Supply Point Administration Agreement Retail Energy Code by which Charges for the Supply of Gas owed to a Gas Supplier by a Domestic Customer to whom gas is supplied through a Prepayment Meter may be assigned to any other Gas Supplier;

Supply Point Administration Agreement means the Supply Point Administration Agreement designated by the Authority in accordance with standard condition 34A (The Supply Point Administration Agreement) of the licensee's Gas Supply Licence in the form in which that licence was in force at 31 July 2007;

Condition 7A. Supply to Micro Business Consumers

Identification and treatment of Micro Business Consumers

- 7A.1 If the licensee intends to:
 - (a) enter into a Non-Domestic Supply Contract with a Customer; or
 - (b) extend the duration of a Non-Domestic Supply Contract (including the duration of any fixed term period which may form part of a Contract of an indefinite length)

the licensee must either take all reasonable steps to indentify whether that Non-Domestic Customer is a Micro Business Consumer, or deem that Non-Domestic Customer to be a Micro Business Consumer.

Condition 12. Matters relating to Gas Meters

Use of approved Metering Asset Equipment Manager

12.18 Where, in respect of any Domestic Premises at which it is the Relevant Gas Supplier, the licensee arranges for the provision of a Gas Meter, it must use an approved Metering Asset Equipment Manager.

Use of an approved Meter Installer

12.19 In this condition, a reference to an approved Meter Installer is to a Meter Installer approved in accordance with the Supply Point Administration Retail Energy Code.

Condition 12A. Matters relating to Theft of Gas

Objective and obligation to achieve it

- 12A.1 The objective of this licence condition (the "Objective") is to ensure that:
 - (a) the licensee and any Representative individually and/or in cooperation with other licence holders where necessary:
 - (i) detect Theft of Gas;
 - (ii) investigate suspected Theft of Gas;
 - (iii) prevent Theft of Gas once detected;
 - (iv) prevent Theft of Gas by other means such as deterrence and the security of the supply in respect of any premises to which the licensee is registered for the purposes of the Network CodeRetail Energy Code; and
 - (b) when taking the steps mentioned in sub-paragraph 12A.1(a), the licensee and any Representative:
 - (i) behaves and acts towards Customers in a manner which is fair, transparent, not misleading, appropriate and professional; and
 - (ii) takes into account whether Domestic Customers and/or the occupants of Domestic Premises are of Pensionable Age, disabled or chronically sick and/or Domestic Customers at Domestic Premises will have difficulty in paying all or part of the Charges for the Supply of Gas resulting from Theft of Gas.
- 12A.4 For the avoidance of doubt, where the licensee is not registered at a premises for the purposes of the Network CodeRetail Energy Code, its obligations under paragraph 12A.2 in respect of that premises are limited to the provision of notification to the Relevant Gas Transporter under paragraphs 3 and/or 4 of standard condition 17.

Requirement to detect, prevent and investigate Theft of Gas

- 12A.5 In respect of any premises to which the licensee is registered for the purposes of the Network CodeRetail Energy Code, the licensee must take (and ensure that any Representative takes) all reasonable steps to detect and prevent Theft of Gas.
- 12A.6 Where, in respect of any premises to which the licensee is registered for the purposes of the Network CodeRetail Energy Code, the licensee has reasonable grounds to suspect Theft of Gas, it must take (and ensure that any Representative takes) all reasonable steps to investigate that suspected Theft of Gas.

Condition 14. Customer transfer blocking

Domestic Customer transfer blocking

- 14.9 If the licensee asks or allows the Relevant Gas Shipper to prevent a Proposed Supplier Transfer of a Domestic Customer, it must give a Notice to that customer as soon as reasonably practicable after making the request:
 - (a) to inform him or her:
 - (i) that it has made a request to prevent the transfer;
 - (ii) of the grounds for the request; and
 - (iii) how the customer may dispute or resolve such grounds; and
 - (b) to offer him or her advice (or to give them information on how and where advice may obtained) concerning:
 - (<u>iiii</u>) energy efficiency;
 - (<u>iiiv</u>) debt management; and
 - (<u>iii</u>*) alternative Domestic Supply Contract offered by the licensee which would be available to that Domestic Customer and which may be preferable to their existing Domestic Supply Contract; and
 - (c) to inform him or her that they have 30 Working Days after they receive the Notice to pay any Outstanding Charges where the Domestic Customer notified the licensee of their intention to end the Domestic Supply Contract following Notice of a unilateral variation from the licensee under paragraph 3 of standard condition 23.

Condition 14A. Customer transfer

Obligation to cooperate in respect of a Supplier Transfer

14A.9 (Not used).

Condition 22D. Dead Tariffs

Notification requirements where Domestic Customers are to become subject to the Relevant Cheapest Evergreen Tariff

- 22D.9 Subject to paragraph 22D.10, where the licensee has decided to not continue to supply a Domestic Customer using a Dead Tariff or is unable to do so by virtue of a requirement of this condition, it must ensure that, the particular Domestic Customer is provided with a Notice stating that they are due to become subject to the licencee's Relevant Cheapest Evergreen Tariff which:
 - (aa) is in a Form and at an appropriate time that is designed to prompt that Domestic Customer to make an informed choice in light of the change in Tariff, leaving reasonable time for that Domestic Customer to avoid that change before it takes effect:

- (a) complies with any direction issued pursuant to paragraph 22D.18;
- (b) contains a prominent title which clearly highlights that the Notice relates to ensuring that the Domestic Customer will become subject to the licensee's Relevant Cheapest Evergreen Tariff, and where applicable, that the licensee is changing the terms and conditions of the Dead Tariff;
- (c) sets out the date the Domestic Customer is due to become subject to the licensee's Relevant Cheapest Evergreen Tariff;
- (d) (Not used)
- (e) where the supplier has the ability to make unilateral changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff and, in order to ensure that the Domestic Customer would become subject to their Relevant Cheapest Evergreen Tariff, is changing those terms and conditions to ensure that they are the same as the Relevant Cheapest Evergreen Tariff, provides the following information:
 - (i) the changes to terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff which are taking place in a manner which compares the changes with the terms and conditions which currently apply in respect of the Dead Tariff (showing any Charges for the Supply of Gas and any other charges inclusive of value added tax at the applicable rate);
 - (ii) the main reasons for why the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are taking place;
 - (iii) a statement to the effect that the Domestic Customer may end the Domestic Supply Contract if the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are unacceptable to them by changing their Gas Supplier or entering into a new contract with their Gas Supplier;
 - (iv) (Not used)
 - (v) where the licensee is increasing the Charges for the Supply of Gas of the Dead Tariff by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), the Domestic Customer's Annual Consumption Details displayed in kilowatt hours under a title which clearly highlights that the information relates to the Domestic Customer's estimated annual consumption; and
 - (vi) (Not used)
 - (vii)in close proximity to the information required by sub-paragraph 22D.9(e)(i), must include a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

- (f) where the licensee is terminating the Evergreen Supply Contract that is subject to a Dead Tariff in order to ensure that the Domestic Customer would become subject to their Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas), provides the following information:
 - a statement to the effect that the licensee is terminating the Evergreen Supply Contract that is subject to the Dead Tariff so that the Domestic Customer will become subject to the licensee's Relevant Cheapest Evergreen Tariff;
 - (ii) the date the Evergreen Supply Contract that is subject to the Dead Tariff is due to be terminated;
 - (iii) a statement to the effect that if the Domestic Customer does not change supplier or agree a new Domestic Supply Contract, they will become subject to their Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas);
 - (iv) contains a statement to the effect that the Domestic Customer may be able to avoid becoming subject to 22D Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas) by changing their Gas Supplier or entering into a new contract with their Gas Supplier; and
- (g) informs the Domestic Customer where they may obtain impartial advice and information about changing their Gas Supplier;
- (h) informs the Domestic Customer that where they have any Outstanding Charges, their Gas Supplier may be able to prevent a Proposed Suppl<u>iery</u> Transfer;
- (i) explains the effect of paragraphs 22D.12 to 22D.15 in terms of how the Domestic Customer may be able to take steps to avoid becoming subject to the licensee's Relevant Cheapest Evergreen Tariff (including by indicating that the Domestic Customer would need to enter into a new contract with either their Gas Supplier or another Gas Supplier as soon as possible to facilitate this process);
- (j) (not used);
- (k) contains, in a separate part of the Notice, the Principal Terms of the:
 - (i) Evergreen Supply Contract (or, as the case may be Deemed Contract) that is subject to the Dead Tariff; and
 - (ii) Evergreen Supply Contract (or, as the case may be Deemed Contract) for the Relevant Cheapest Evergreen Tariff; and
- (l) contains the SLC 22D Supplier and Customer Information.

Condition 26. Priority Services Register

Definitions for condition

26.7 In this condition:

"Minimum Details" means the Domestic Customer's name, details of any relevant Personal Characteristics and/or vulnerable situation, and such other details which are relevant to the subject matter of standard condition 26 as the Authority may from time to time specify by publishing a statement in Writing (following public consultation and giving at least two months' prior notice).

"Personal Characteristics" means:

- (a) the Domestic Customer being of Pensionable Age;
- (b) the Domestic Customer being chronically sick, or having an impairment, disability, or long term medical condition (including but not limited to a visual, auditory or mobility impairment);
- (c) any other characteristics identified by the licensee as being relevant due to the nature of the Priority Services.
- "Priority Services" is to be interpreted in accordance with paragraph 26.5.
- "Relevant Industry Mechanisms" means arrangements for the purposes of sharing the Minimum Details with specified persons as:
- (a) set out in the <u>Retail Energy Code and/or the Uniform Network Code</u>Supply Point Administration Agreement and/or the Uniform Network Code, or
- (b) designated by the Authority by publishing a statement in Writing (following public consultation and giving at least two months' prior notice).
- "Safe and Reasonably Practicable in all the Circumstances of the Case" is to be interpreted in accordance with paragraph 28.1B of standard condition 28.

Condition 30. (Not used) Supply Point Administration Agreement

- 30.1 The licensee must be a party to, comply with and maintain the Supply Point Administration Agreement (for this condition only, the "SPAA").
- 30.2 If a consequential change is required, the licensee must take all reasonable steps to secure and implement, and must not take any unreasonable steps to prevent or delay, the making or implementation of that consequential change.
- 30.3 Paragraph 30.2 is without prejudice to:
 - (a) any right of appeal that the licensee may have in relation to a decision made by the Authority under Industry Documents; and
 - (b) any right of approval, veto or direction that the Authority or the Secretary of State may have in relation to changes to Industry Documents.
- 30.4 The licensee must take all reasonable steps to secure and implement changes to its systems, procedures and processes which are necessary to give full, timely and practical effect to any modification of the SPAA.
- 30.5 The licensee must take all reasonable steps to ensure that the SPAA remains an agreement which:

- (a) is designed to facilitate the achievement of the relevant objectives set out in paragraph 30.6; and
- (b) includes the matters set out in paragraph 30.7.

30.6 The relevant objectives referred to in sub-paragraph 30.5(a) are:

- (a) the development, maintenance and operation of an efficient, coordinated and economical change of supplier process;
- (b) the furtherance of effective competition between Gas Suppliers and between relevant agents;
- (c) the promotion of efficiency in the implementation and administration of the supply point administration arrangements;
- (d) so far as is consistent with sub-paragraphs (a), (b) and (c), the efficient discharge of the licensee's obligations under this licence;
- (e) the establishment, maintenance and operation of the Meter Asset Manager arrangements and/or the approved Meter Installer arrangements; and
- (f) securing compliance with standard condition 12A; and
- (g) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

30.7 The matters referred to in sub-paragraph 30.5(b) are:

- (a) provision for enabling the SPAA-to be modified from time to time so as to better facilitate the achievement of the relevant objectives set out in paragraph 30.6;
- (b) provision for enabling parties to the SPAA, and such other persons as may be specified in the code, to appeal against a decision to implement or reject any proposed modification of it, where that modification does not require the Authority's approval, to the Authority for determination;
- (c) provision for a copy of the SPAA and accompanying schedules to be provided to any person on request, upon payment of an amount not exceeding the reasonable costs of making and providing it.
- (d) where an appeal has been raised in respect of a modification proposal in accordance with sub-paragraph (b), provision for that modification proposal to be treated in accordance with any decision and/or direction of the Authority following that appeal.

30.8 The SPAA must provide for:

- (a) a panel body, as specified in the SPAA (the "panel") whose functions shall include the matters required by this condition and as set out in the SPAA; and
- (b) a secretarial or administrative person or body, as specified in the SPAA, to perform the role of code administrator (the "code administrator"). In addition to any powers, duties or functions set out in the SPAA, the code administrator shall:
 - (i) together with other code administrators, publish, review and (where appropriate) amend from time to time the Code of Practice approved by

the Authority (any amendments to the Code of Practice are to be approved by the Authority);

- (ii)—facilitate the procedures for making a modification to the SPAA;
- (iii)—have regard to, and in particular (to the extent relevant) be consistent with the principles contained in, the Code of Practice; and
- (iv) provide assistance, insofar as is reasonably practicable and on reasonable request, to parties (including, in particular, small participants) and, to the extent relevant, consumer representatives that request the code administrator's assistance in relation to the SPAA including, but not limited to, assistance with:

_	drafting a modification proposal;
_	—understanding the operation of the SPAA;
	their involvement in, and representation during, the modification procedure processes (including, but not limited to, code panel and/owworkgroup meetings);

-accessing information relating to modification proposals and/or modifications.

30.9 The modification procedures referred to in sub-paragraph 30.7(a) must provide:

- (a) for a modification report to be prepared in such manner and with all such contents as specified in the SPAA, which shall include an assessment of the extent to which the proposed modification would better facilitate achieving the relevant objectives and a detailed explanation of the reasons for that assessment;
- (b) where the proposed modification requires Authority approval in accordance with the provisions of the SPAA, for the revision and resubmission of the modification report upon, and in accordance with, a direction issued to the panel by the Authority where the Authority determines that it cannot properly form an opinion on the approval of the modification proposal;
- -without prejudice to paragraph 30.10B, that proposals for the modification of the SPAA falling within the scope of a significant code review may not be made during the significant code review phase, except:
 - a. where the Authority determines that the modification proposal may be made, having taken into account (among other things) the urgency of the subject matter of the proposal; or
 - b.-at the direction of, or by, the Authority;
- -that where a modification proposal is made during a significant code review phase the panel shall:
 - i.— unless exempted by the Authority, notify the Authority as soon as practicable of:
 - 1. any representations received in relation to the relevance of the significant code review; and
 - 2. the panel's assessment of whether the proposal falls within the scope of the significant code review and its reasons for that assessment; and

- ii. if the Authority so directs, not proceed with the modification proposal until the significant code review phase has ended;
- (e) for proposals for the modification of the SPAA to be made by the licensee or the Authority (in relation only to modifications which fall within the scope of paragraph 30.10E);
- (f) for modification proposals made by the Authority and the licensee in accordance with paragraphs 30.9(e) and 30.9(g)(i) respectively which fall within the scope of paragraph 30.10E:
 - (i) to be accepted into the SPAA modification procedures by the panel;
 - (ii) where they are raised by the licensee, not to be withdrawn without the Authority's prior consent; and
 - (iii) to proceed in accordance with paragraph 30.9(g);
- (g) For compliance by the licensee and (where applicable) the panel with any direction(s) issued by the Authority under this paragraph setting and/or amending a timetable (in relation to a modification proposal which falls within the scope of paragraph 30.10E) for:
 - (i) the licensee to raise a modification proposal(s); and/or
 - (ii) the completion of each of the procedural steps outlined in the direction, to the extent that they are relevant; and/or
 - (iii) the implementation of a modification.
- 30.10 If, within twenty eight (28) days after the Authority has published its significant code review conclusions:
 - (a) the Authority issues directions to the licensee, the licensee shall comply with those directions and shall treat the significant code review phase as ended;
 - (b) the Authority issues to the licensee a statement that no directions under subparagraph (a) will be issued in relation to the SPAA, the licensee shall treat the significant code review phase as ended;
 - (ba) the Authority raises a modification proposal in accordance with paragraph 30.9(e), the licensee shall treat the significant code review phase as ended;
 - (bb) the Authority issues a statement that it will continue work on the significant code review, the licensee shall treat the significant code review phase as continuing until it is brought to an end in accordance with paragraph 30.10A;
 - (c) neither directions under sub-paragraph (a) nor a statement under subparagraph (b) or (bb) have been issued, nor a modification proposal under sub-paragraph (ba) has been made, the significant code review phase will be deemed to have ended.

The Authority's published conclusions and directions to the licensee will not fetter any voting rights of SPAA parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 30.9(a).

- 30.10A Where the Authority issues a statement under sub-paragraph 30.10(bb) and/or a direction in accordance with paragraph 30.10D, the significant code review phase will be deemed to have ended when:
 - (a) the Authority issues a statement that the significant code review phase has ended;
 - (b) one of the circumstances in sub-paragraphs 30.10(a) or (ba) occurs (irrespective of whether such circumstance occurs within twenty eight (28) days after the Authority has published its significant code review conclusions); or
 - (c) the Authority makes a decision consenting, or otherwise, to the modification of the SPAA following the submission of the modification report prepared pursuant to sub-paragraph 30.10C(a).
- 30.10B Where the Authority issues a statement in accordance with sub-paragraph 30.10(bb) and/or a direction in accordance with paragraph 30.10D, the Authority may submit a modification proposal for a modification falling within the scope of sub-paragraph 30.10E(b) to the panel.
- 30.10C The modification procedures must provide, where the Authority submits a significant code review modification proposal to the panel in accordance with paragraph 30.10B, for compliance with the modification procedures set out in subparagraphs 30.9(a) and (b).

The Authority's published conclusions and significant code review modification proposal will not fetter any voting rights of SPAA parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 30.9(a).

- 30.10D The modification procedures must provide for modification proposals raised in accordance with sub-paragraph 30.10(a) or 30.9(g), or by the Authority under sub-paragraph 30.10(ba) and which fall within the scope of paragraph 30.10E(b), the Authority may issue a direction (a "backstop direction"), which requires such proposal(s) and any alternatives to be withdrawn and which causes the significant code review phase to recommence.
- 30.10E Modification proposals fall within the scope of this paragraph where:
 - (a) the Authority reasonably considers the modifications are necessary to comply with, or implement, the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators; and/or
 - (b) the modification proposal is in respect of a significant code review.
- 30.11 Eligible grounds for appeal under the provisions referred to in sub-paragraph 30.7(b) shall be that, in the opinion of the Authority:
 - (a) (i) the appealing party is likely to be unfairly prejudiced by the implementation or non-implementation of that modification proposal; or
 - (ii) the appeal is on the grounds that:
 - 1.—in the case of implementation, the modification proposal may not better facilitate the achievement of at least one of the relevant objectives; or
 - 2.—in the case of non-implementation, the modification may better facilitate the achievement of at least one of the relevant objectives; and

- (b) the appeal is not brought for reasons that are trivial or vexatious, nor does the appeal have no reasonable prospect of success.
- 30.12 The procedures for the modification of the SPAA must provide that recommendations or decisions for or against the implementation of a modification proposal shall be made with regard to whether that modification would, as compared with the existing provisions of the SPAA, better facilitate the achievement of the relevant objectives.
- 30.13 The procedures for the modification of the SPAA must be consistent with the principles set out in the Code of Practice, to the extent that they are relevant.
- 30.14 Without prejudice to any rights of approval, veto or direction the Authority may have, the licensee shall use its best endeavours to ensure that procedures are in place that facilitate its compliance with the requirements of this condition including, but not limited to, modifying the SPAA where necessary no later than 31 March 2017.
- 30.15 For the purposes of this condition:

directions

in the context of paragraph 30.10(a), means direction(s) issued following publication of significant code review conclusions which will contain:

- (a) instructions to the licensee to make (and not withdraw, without the Authority's prior consent) a modification proposal;
- (b) the timetable for the licensee to comply with the Authority's direction(s); and
- (c) the Authority's reasons for its direction(s).

significant code review

means a review of one or more matters which the Authority considers likely to:

- (a) relate to the SPAA (either on its own or in conjunction with any other industry code(s));
 - (b)—be of particular significance in relation to its principal objective and/or general duties (under section 4AA of the Act), statutory functions and/or relevant obligations arising under Retained EU law; and

concerning which the Authority has issued a notice to the SPAA parties (among others, as appropriate) stating:

- (i) that the review will constitute a significant code review;
- (ii) the start date of the significant code review; and

(iii)—the matters that will fall within the scope of the review.

significant code review phase means the period

(a) commencing either:

- (i) on the start date of a significant code review as stated by the Authority; or,
- (ii) on the date the Authority makes a direction under paragraph 30.10D (a "backstop direction");

and

- (b) ending in one of the following ways:
 - (i) on the date on which the Authority issues a statement under sub-paragraph 30.10(b) that no directions will be issued in relation to the SPAA; or
 - (ii) if no statement is made under subparagraph 30.10(b) or (bb), on the date on which the licensee has made a modification proposal in accordance with directions issued by the Authority under sub-paragraph 30.10(a), or the Authority makes a modification proposal under subparagraph 30.10(ba); or
 - (iii) immediately under sub-paragraph
 30.10(c) if neither a statement, nor a
 modification proposal, nor directions are
 made by the Authority within (and
 including) twenty eight (28) days from
 the Authority's publication of its
 significant code review conclusions; or
 - (iv) if a statement has been made under sub-paragraph 30.10(bb) or a direction has been made under paragraph 30.10D (a "backstop direction"), on the date specified in accordance with paragraph 30.10A.

Condition 35. Smart Metering Installation and Installation Code of Practice – Domestic Customers

35.1 This Condition applies only where the licensee supplies or offers to supply gas n to Domestic Premises.

The Domestic Installation Code

- 35.4 The steps that the licensee must take to secure the achievement of the Objectives include, without limitation, taking such steps and doing such things as are within its power to ensure that the Retail Energy Code contains provisions to be known as the Domestic Installation Code of Practice (Domestic Installation Code).÷
 - (a) together with all other licensed electricity and gas suppliers of Domestic Premises; and
 - (b) by no later than one month after this Condition takes effect (or such later date as the Authority may direct) (the **relevant period**),

prepare and submit for approval to the Authority a document to be known as the Domestic Installation Code of Practice (**Domestic Installation Code**).

35.5 (Not used). If:

- (a) the licensee, together with all other licensed electricity and gas suppliers of Domestic Premises, does not submit a Domestic Installation Code to the Authority within the relevant period; or
- (b) the Authority does not approve the Domestic Installation Code submitted to it,

the Authority may:

- (c) designate a Domestic Installation Code which shall apply for the purposes of this Condition; or
- (d) in the case of sub-paragraph (b), issue a direction requiring the licensee and all other licensed electricity and gas suppliers of Domestic Premises to make such modifications to the Domestic Installation Code which has been submitted to it as are specified in the direction.

Content of the Domestic Installation Code

- 35.14 (Not used). The Domestic Installation Code must set out procedures for its review and revision which shall, as a minimum, provide for:
 - (a) the making of proposals by:
 - (i) the licensee and any other licensed electricity or gas supplier of Domestic Premises; and
 - (ii) Citizens Advice and Citizens Advice Scotland,

for revisions to the Domestic Installation Code;

(b) a requirement to obtain the approval of the Authority to proposed revisions to the Domestic Installation Code; and

- (c) the Authority:
 - (i) at any time to require the licensee, together with all other licensed electricity and gas suppliers of Domestic Premises, to review such features of the Domestic Installation Code as it may specify ('the specified features');
 - (ii) following such a review, to issue a direction requiring the licensee and all other licensed electricity and gas suppliers of Domestic Premises to make such modification to any of the specified features as it may direct.

Consultation on the Domestic Installation Code

- 35.15 (Not used). The licensee must:
 - (a) before submitting the Domestic Installation Code or any proposed revisions to it to the Authority for its approval; and
 - (b) in carrying out any review of the Domestic Installation Code,

consult with, and consider any representations made by, Citizens Advice and Citizens Advice Scotland and any other person or body likely to be affected.

Compliance with the Domestic Installation Code

35.16 The licensee must take such steps and do such things as are within its power to comply with the Domestic Installation Code. approved or designated (as the case may be) by the Authority.

Review of the Domestic Installation Code

- 35.19 (Not used). Where, within 30 working days of the licensee submitting to the Authority the proposed revisions to the Domestic Installation Code, the Authority has not given:
 - (a) its approval in Writing to the proposed revisions;
 - (b) Notice to the licensee that it is withholding approval; or
 - (c) Notice to the licensee that it is unable to reach a decision on whether to approve or withhold approval within the 30 working day period but that it will aim to do so within the timescales set out in the Notice,

the proposed revisions submitted to the Authority shall be treated as having been approved by the Authority and incorporated into the Domestic Installation Code.

35.20 (Not used). As soon as practicable following the Authority's approval or designation of the Domestic Installation Code (including following any revision to it), the licensee must take steps to ensure that an up-to-date copy of the approved or designated (as the case may be) Domestic Installation Code is:

- (a) sent to the Authority and Citizens Advice and Citizens Advice Scotland; and
- (b) made readily accessible, including by being published on and made readily accessible from its Website (if it has one).

Condition 36. Smart Metering Installation and Installation Code of Practice – Micro Business Consumers

The Installation Code

- 36.3 The steps that the licensee must take to secure the achievement of the Objectives include, without limitation, taking such steps and doing such things as are within its power to ensure that the Retail Energy Code contains provisions to be known as the Installation Code of Practice (Installation Code).÷
 - (a) together with all other licensed electricity and gas suppliers; and
 - (b) by no later than one month after this Condition takes effect (or such later date as the Authority may direct) (the **relevant period**),

prepare and submit for approval to the Authority a document to be known as the Installation Code of Practice (Installation Code).

36.4 (Not used). If:

- (a) the licensee, together with all other licensed electricity and gas suppliers, does not submit an Installation Code to the Authority within the relevant period; or
- (b) the Authority does not approve the Installation Code submitted to it,

the Authority may:

- (i) designate an Installation Code which shall apply for the purposes of this Condition; or
- (ii) in the case of sub-paragraph (b), issue a direction requiring the licensee and all other licensed electricity and gas suppliers to make such modifications to the Installation Code which has been submitted to it as are specified in the direction.

Content of the Installation Code

- 36.8 (Not used). The Installation Code must set out procedures for its review and revision which shall, as a minimum, provide for:
 - (a) the making of proposal by:
 - (i) the licensee and any other licensed electricity or gas supplier; and
 - (ii) Citizens Advice and Citizens Advice Scotland,

for revisions to the Installation Code;

- (b) a requirement to obtain the approval of the Authority to proposed revisions to the Installation Code; and
- (c) the Authority:
 - (i) at any time to require the licensee, together with all other licensed electricity and gas suppliers, to review such features of the Installation Code as it may specify ('the specified features');
 - (ii) following such a review, to issue a direction requiring the licensee and all other licensed electricity and gas suppliers to make such modification to any of the specified features as it may direct.

Consultation on the Installation Code

- 36.9 (Not used). The licensee must:
 - (a) before submitting the Installation Code or any proposed revisions to it to the Authority for its approval; and
 - (b) in carrying out any review of the Installation Code,

consult with, and consider any representations made by, Citizens Advice and Citizens Advice Scotland and any other person or body likely to be affected.

Compliance with the Installation Code

36.10 The licensee must take such steps and do such things as are within its power to comply with the Installation Code approved or designated (as the case may be) by the Authority.

Review of the Installation Code

- 36.13 (Not used). Where, within 30 working days of the licensee submitting to the Authority the proposed revisions to the Installation Code, the Authority has not given:
 - (a) its approval in Writing to the proposed revisions;
 - (b) Notice to the licensee that it is withholding approval; or
 - (c) Notice to the licensee that it is unable to reach a decision on whether to approve or withhold approval within the 30 working day period but that it will aim to do so within the timescale specified in the Notice,

the proposed revisions submitted to the Authority shall be treated as having been approved by the Authority and incorporated into the Installation Code.

- 36.14 (Not used). As soon as practicable following the Authority's approval or designation of the Installation Code (including following any revision to it), the licensee must take steps to ensure that an up-to-date copy of the approved or designated (as the case may be) Installation Code is:
 - (a) sent to the Authority and Citizens Advice and Citizens Advice Scotland; and
 - (b) made readily accessible, including by being published on and made readily accessible from its Website (if it has one).

Condition 39. Smart Metering Consumer Engagement

39.46 In this condition:

Energy Meter Point

means:

- (a) in relation to the supply of electricity, a Metering Point as defined in the Master Registration AgreementRetail Energy Code; or
- (b) in relation to the supply of gas, a Supply Meter Point as defined in the Uniform Network Code.

Master Registration Agreement

has the meaning given to it in accordance with the definition at standard condition 1 of the Electricity Supply Licence.

Condition 39A. Smart Metering Consumer Engagement

39A.50 In this condition:

Energy Meter Point

means:

(a) in relation to the supply of electricity, a Metering

Point as defined in the Master Registration

AgreementRetail Energy Code; or

(b)in relation to the supply of gas, a Supply Meter Point

as defined in the Uniform Network Code.

Master Registration Agreement

has the meaning given to it in accordance with the definition at standard condition 1 of the Electricity Supply Licence.

Schedule 2 - Relevant licence holders

Adrian Francis Associates Limited

Affect Energy Ltd Ampoweruk Ltd AMRECS LLC

AvantiGas On Limited

Avro Commercial Energy Trading Ltd

Avro Energy Limited Axpo UK Limited

Barrow Shipping Limited
Better Business Energy Limited

BGI Trading Limited

Bluebell Energy Supply Limited
Bluegreen Energy Services Limited

BP Gas Marketing Limited Brighton Power Limited Bristol Energy Limited Britannia Gas Limited British Gas Trading Limited British Gas X Limited

Brook Green Trading Limited

Bulb Energy Ltd

Business Energy Solutions Limited Business Power and Gas Limited

Ceres Energy Limited

Chevron Products UK Limited Cilleni Energy Supply Limited

CNG Energy Limited

Cofathec Heatsave Limited
Colorado Energy Limited
Contract Natural Gas Limited
Co-Operative Energy Limited
Corona Energy Retail 1 Limited
Corona Energy Retail 2 Limited
Corona Energy Retail 3 Limited
Corona Energy Retail 4 Limited
Corona Energy Supply Limited
Coulomb Energy Supply Limited
Crown Gas and Power Limited

Crown Oil Limited Daligas Limited

Data Energy Management Services Limited

Delta Gas and Power Limited D-Energi Trading Limited Donnington Energy Limited Dyce Energy Limited

E (Gas and Electricity) Limited E.ON Energy Gas (Eastern) Limited E.ON Energy Gas (North West) Limited

E.ON Energy Solutions Limited E.ON Next Energy Limited

E.ON UK Industrial Shipping Limited

E.ON UK Plc

E2M - Energy Trading Ltd.

Eco Green Management Limited

Economy Gas Limited Economy Power Limited Ecotricity Limited

EDF Energy Customers Limited

EDF Trading Limited

Energise Britain Gas & Electric Ltd

ENGIE Gas Limited

ENGIE Gas Shipper Limited ENGIE Power Limited

ENGIE Supply Holding UK Limited Eni Global Energy Markets SpA

Eni UK Limited Enstroga Ltd

Entice Energy Supply Limited Equinor Energy Trading Limited

Equinor UK Limited
ESB Energy limited
Euston Energy Limited
Exelon Generation Limited
Fidelity Energy Limited
Flexitricity Limited
Flogas Britain Limited
Flow Energy Limited

Foxglove Energy Supply Limited

Gas and Power Limited Gas Plus Supply Limited

Gazprom Marketing & Trading Retail Limited

Good Energy Gas Limited Goto Energy (UK) Limited Green Energy (UK) plc Green Supplier Limited

Hartree Partners Power & Gas Company (UK)

Limited

Hartree Partners Supply (UK) Limited

Home Energy Trading Ltd

I.A.Z.F.S. Limited

Igloo Energy Supply Limited

International Power Fuel Company Limited

International Power Ltd. ISE Estates Limited JP Morgan Securities Plc K O Brokers Limited

Labrador Ltd

Lambeth Borough Council

LCC Power Limited

London Borough of Camden Lourdes Associates Limited Macquarie Bank Limited

Macquarie Commodities Finance (UK) Limited

Macquarie Factoring (UK) Limited

Marble Power Limited

Maxen Power Supply Limited

Mercuria Energy Europe Trading Limited

Mercuria Energy Trading SA

Metropolitan Housing Trust Limited

Mississippi Energy Limited MoneyPlus Energy Limited

Nabuh Energy Ltd Nationwide Gas Limited Naturgy Limited

Natwest Markets PLC
Neon Reef Limited

New Work Trust Company Limited

North Sea Gas Limited

Npower Commercial Gas Limited

Npower Gas Limited Npower Northern Limited Npower Yorkshire Limited Octopus Energy Limited

Omni Energy Ltd
Opal Gas Limited
Opus Energy Limited
Opus Gas Supply Limited
Orbit Energy Limited
Orsted Sales (UK) Limited
Orsted Sala & Service A/S

OSSO Gas Limited Ovo (S) Gas Limited Ovo Gas Limited

Palladium Energy Supply Limited People's Energy (Supply) Limited Petronas Energy Trading Limited PFP Energy Supplies Limited Pirranello Energy Supply Limited

Pozitive Energy Ltd Pure Planet Limited Regent Gas Limited RWE Generation UK Plc

RWE Supply and Trading Gmbh

S. C. Isramart SRL

Scottish Power Energy Retail Limited Sembcorp Utilities (UK) Limited Shell Energy Retail Limited Shell Energy Supply UK Ltd. Shell Energy UK Limited Smart Pay Energy Ltd

SmartestEnergy Business Limited

SmartestEnergy Limited
So Energy Trading Limited
Social Energy Supply Ltd
SQUARE1 ENERGY LIMITED
SSE Energy Supply Limited
Star Energy Oil and Gas Limited
SW9 Community Housing
Swift Administration Limited

Switch Business Gas and Power Ltd

Symbio Energy Limited Synergie Environ Limited

Telecom Plus PLC

The Nuclear Decommissioning Authority

Together Energy (Retail) Limited

Total Gas & Power Limited

Tru Energy Limited UK Gas Supply Ltd

UK Healthcare Corporation Limited

UK National Gas Ltd Unify Energy Limited Unigas Limited

United Gas & Power Ltd
University of Keele
Utilita Energy Limited
Utilita Gas Limited
Utility Point Limited
Valda Energy Limited
Valero Energy UK Ltd
Whoop Energy Ltd
WINGAS GmbH
Xcel Power Limited
XLN Energy Limited
Yu Energy Retail Limited
Zebra Power Limited
Zog Energy Limited