

## To: All holders of an electricity distribution licence

# Electricity Act 1989 Section 11A(1)(b)

### Modification of the standard conditions of all Electricity Distribution Licences

- 1. Each of the licensees to whom this document is addressed has an electricity distribution licence which has been granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the Act).
- 2. Under section 11A(2) of the Act, the Gas and Electricity Markets Authority (the Authority)<sup>1</sup> gave notice on 17 February 2022 (the Notice) that we proposed to modify the following electricity distribution standard licence conditions (SLCs) in the manner set out in Schedule 1 to the Notice:
  - Condition 1. Definitions for the standard conditions

We stated that any representations with respect to the proposed licence modifications must be made on or before 5pm on 21 March 2022.

- 3. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received a direction that the modifications should not be made.
- 4. We received five responses to our consultation, all of which we carefully considered. The responses broadly agreed with our proposals, with a suggestion for one alteration which we set out below and which we have accepted. 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, are set out in our accompanying Decision document which is available on our website.
- 5. We have decided to proceed with making the licence modification proposed, with the text amended in response to stakeholder representations, as follows:
  - Amendment to Condition 1. Definitions for the standard conditions: Amendment to the definition of Metering Point Administration Services (MPAS) in order to clarify that different terminology is used in different codes.

The changes that we have made post-consultation are marked up in Schedule 1 in yellow highlight.

6. The reason why the Authority is making this SLC modification, in summary, is in order that the new policy arrangements aimed at facilitating customer switches within five working days, and consequential changes, are properly reflected in the SLCs. The reason for the difference between the proposed modification set out in the Notice and that in Schedule 1 below, namely the slight amendment to the

<sup>&</sup>lt;sup>1</sup> The terms "the Authority", "we" and "us" are used interchangeably in this document.

<sup>&</sup>lt;sup>2</sup> Link <u>here</u> to the electricity distribution statutory consultation responses

- definition of MPAS, is to be even clearer in the definition that the individual MPAS services may be referred to under different names in the different codes.
- 7. In summary, the effect of this modification is to make clear that MPAS, which licensees are required to operate and maintain in accordance with the requirements of standard condition 18 (Provision of and charges for Metering Point Administration Services), will be referred to using different names in the different codes. For example, this will include MPAS being referred to as the Supplier Meter Registration Service (SMRS) in the Balancing and Settlement Code (BSC), or the Electricity Retail Data Service (ERDS) in the Retail Energy Code.
- 8. A more detailed description of the reasons for and effects of these licence modifications can be found in our accompanying Decision document.
- 9. 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 Rules<sup>3</sup> 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 11A(10) of the Act sets out the meaning of "relevant licence holder".
- 10. Under the powers set out in section 11A(1)(b) of the Act, we hereby modify the standard licence conditions of all electricity distribution licences in the manner specified in the attached Schedule 1. These modifications will take effect from the 'CSS Go-Live Date', 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 'CSS Go-Live Date' is currently anticipated to be, and will not be earlier than, 18 July 2022.<sup>4</sup>
- 11. This document is notice of the reasons for the decision to modify the electricity distribution licences as required by section 49A(2) of the Act.

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Nicola Garland, Head of Switching Programme

Duly authorised on behalf of the Gas and Electricity Markets Authority

12 May 2022

<sup>&</sup>lt;sup>3</sup> CMA70: https://www.gov.uk/government/publications/energy-licence-modification-appeals-rules-cma70

<sup>&</sup>lt;sup>4</sup> Although the 56 day standstill period ends on 7<sup>th</sup> July, the 'CSS Go-Live Date' date will not be any earlier than 18 July 2022.

# Schedule 1 – Modification of the standard conditions of all electricity distribution licences

We have included the sections of the electricity distribution SLCs being removed or amended below. Deletions are shown in strike through and new text is double underlined. Additional amendments to those consulted upon in the December 2021 statutory consultation are shown in yellow highlight. We have only shown those licence conditions where modifications are being made.

#### Condition 1. Definitions for the standard conditions

Metering Point Administration Services means the service of that name that the licensee must operate and maintain in accordance with the requirements of standard condition 18 (Provision of and charges for Metering Point Administration Services) for the purpose of providing Metering Point Administration Services.

For the avoidance of doubt, the provision of the registration services of the a Metering Point

Administration Services may be referred to by a name other than Metering Point Administration Services in any industry code, for example the 'Supplier Meter Registration Services' (SMRS) in the Balancing and Settlement Code, or the 'Electricity Retail Data Service' (ERDS) in the Retail Energy Code, whilst the provision of the enquiry service for Suppliers of the Metering Point Administration Services is referred to as the 'Electricity Enquiry Service' (EES) under the Retail Energy Code.

### Schedule 2 - Relevant licence holders

**Eclipse Power Networks Limited** Eastern Power Networks Plc **Electricity North West Limited Energy Assets Networks Limited** 

**ESP Electricity Limited** 

Fulcrum Electricity Assets Limited Harlaxton Energy Networks Limited Independent Power Networks Limited

Indigo Power Limited

Last Mile Electricity Limited Leep Electricity Networks Limited London Power Networks Plc Mua Electricity Limited

Northern Powergrid (Northeast) Limited Northern Powergrid (Yorkshire) Plc

OPTIMAL POWER NETWORKS LIMITED

Scottish Hydro Electric Power Distribution Plc

South Eastern Power Networks Plc Southern Electric Power Distribution Plc

SP Distribution Plc SP Manweb Plc

The Electricity Network Company Limited

**UK Power Distribution Limited** 

**Utility Assets Limited** 

Vattenfall Networks Limited

Western Power Distribution (East Midlands)

Western Power Distribution (South Wales) Plc Western Power Distribution (South West) Plc Western Power Distribution (West Midlands)

Plc