To all holders of an electricity supply licence

Electricity Act 1989

Section 11A(1)(b)

Modification of the standard conditions of all electricity supply licences

- 1. Each of the licensees to whom this document is addressed has an electricity supply licence which has been granted or treated as granted under section 6 of the Electricity Act 1989 ('the Act') to supply electricity.
- 2. Under section 11A(2) of the Act the Gas and Electricity Markets Authority ('the Authority')1 gave notice on 29th of April of 2022 ('the Notice') that we propose to introduce a new standard condition 25E. Power to direct Energy Bill Support Scheme grant payments to Domestic Customers. We stated that any representations to the modification proposal must be made on or before 28th of May 2022.
 - 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 change should not be made.
- 3. We received 5 responses to the Notice, which we carefully considered. We have placed all non-confidential responses on our website. Our response to these comments is set out in the accompanying decision document, published alongside this notice and available on our website.
- 4. The Authority's reason for making the licence modifications is to support the implementation of the Government's Energy Bill Support Scheme (EBSS). We are of the view that the EBSS is, on balance, in consumers' interests o, as set out in the Secretary of State for Business, Energy and Industrial Strategy (BEIS) policy consultation. Further details of the reasons for the licence modification have been published by the Authority in our statutory consultation on the modification of standard conditions of electricity supply licences to enable the delivery of the EBSS and the accompanying decision document, both available on our website.
- 5. The effect of this proposed modification is to place an obligation on all electricity supply licencees to (i) provide and deliver a support payment to eligible domestic customers in accordance with the direction to be issued by the Secretary of State; and (ii) provide the Authority or Secretary of State with specified information relevant to the licensee's compliance with the direction.
- 6. It is necessary to make minor alterations to the modifications set out in the Notice. These alterations are shown in cyan highlight in the modification text which can be found in Schedule 1 attached to this notice. The reasons for the differences between the modifications set out in the Notice and the modifications are to correct errors in the modifications proposed, improve the modifications proposed and to address minor issues raised since the issuing of the Notice.
- 7. A copy of the modifications introduced, and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from foi@ofgem.gov.uk.

¹ The terms "the Authority", "we" and "us" are used interchangeably in this 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 Rules4 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".

Under the powers set out in section 11A(1)(b) of the Act, we hereby modify the standard licence conditions for all electricity supply licences in the manner specified in attached Schedule 1. This decision will take effect from 25th of September 2022.

This document is notice of the reasons for the decision to modify the electricity supply licences as required by section 49A(2) of the Act.

Maureen Paul

Deputy Director, Retail Market Policy

Duly authorised on behalf of the Gas and Electricity Markets Authority

29 July 2022

SCHEDULE 1

MODIFICATIONS PURSUANT TO SECTION 11A OF THE ELECTRICITY ACT 1989 OF THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE GRANTED OR TREATED AS GRANTED UNDER SECTION 6(1)(d) OF THE ELECTRICITY ACT 1989

Insertion of new standard condition 25E. The text set out below in black (with cyan highlight showing amendment to the original text included within the Notice) is to be inserted after existing standard condition 25D of the electricity supply licence.

Standard Condition 25E. Power to direct Energy Bill Support Scheme grant pPayments to Domestic Customers.

- **25E.1** The licensee must comply with any direction issued pursuant to s.7(3)(a) and s.107 of the Electricity Act 1989 and relating to Relevant Matters for Standard Condition 25E which, following consultation and subject to the Secretary of State's duty to have regard to the Statutory Considerations, the Secretary of State may issue and may from time to time revise (following further consultation).
- **25E.2** The licensee must provide the Authority or the Secretary of State with information specified by the Authority or Secretary of State in relation to matters that itthe Authority or Secretary of State reasonably considers are relevant to the licensee's compliance with any direction issued pursuant to pursuant to Standard Condition 25E.1 s.7(3)(a) and s.107 of the Electricity Act 1989.
- **25E.3** The Authority or Secretary of State may direct the licensee to comply with paragraph **25E.2** by providing to the Authority or the Secretary of State information:
 - a. in a particular form or medium by a particular date;
 - b. <u>in a particular form or medium at such reoccurring intervals of time</u> as the Authority or Secretary of State considers appropriate; and
 - c. of any description specified by the Authority or Secretary of State, including any documents, accounts, estimates, returns, records or reports and data of any kind that it or they reasonably consider are relevant to the licensee's compliance with any direction issued pursuant to Standard Condition 25E.1, without limitation. whether or not prepared specifically at the request of the Authority or the Secretary of State and without limitation.
- **25E.4** The licensee is not required to comply with paragraph 25E.2 if it could not be compelled to produce or give the information in evidence in civil proceedings before a court.

Definitions for Conditions

25E.5 For the purposes of this condition:

"Relevant Matters for Standard Condition 25E" means:

- a. <u>a requirement to provide and deliver the government an Energy Bill</u> Support Scheme grant-Payment.
- b. <u>the time and manner in which an Energy Bill Support Scheme grant</u>
 Payment is to be provided and delivered.

- c. <u>a requirement to display or provide any information relating to the government an Energy Bill Support Scheme Payment-on or with a Bill or statement of account (or otherwise in Writing); and</u>
- d. the format of any information relating to the an Energy Bill Support Scheme Payment made available to domestic customers which must be displayed on or provided with a Bill or statement of account (or otherwise notified in Writing).

"Energy Bill Support Scheme Payment grant payment" means a rebate-support payment equal to the value specified in the direction, which the Secretary of State may in accordance with this condition direct the licensee to deliver to a Domestic Customer.

SCHEDULE 2

LIST OF RELEVANT LICENCE HOLDERS

Affect Energy Ltd Arto.Energy Limited AXPO UK Limited

British Gas Trading Limited

Brook Green Trading Limited

Bryt Energy Limited

Bulb Energy Ltd

Business Power and Gas Limited

Cilleni Energy Supply Limited

Constellation Generation Limited

Co-Operative Energy Limited

Corona Energy Retail 4 Limited

Coulomb Energy Supply Limited

Delta Gas and Power Limited

D-Energi Trading Limited

Drax Energy Solutions Limited

Ecotricity Limited

EDF Energy Customers Limited

E (Gas and Electricity) Limited

Electricity Plus Supply Limited

ElectroRoute Energy Limited

Eneco Energy Trade BV

Energise Britain Gas & Electric Ltd

ENGIE Power Limited

E.ON Energy Solutions Limited

E.ON Next Energy Limited

ESB Energy limited

Farmoor Energy Limited

Foxglove Energy Supply Limited

Good Energy Limited

Green Energy (UK) plc

Hartree Partners Supply (UK) Limited

Home Energy Trading Ltd

Limejump Energy Limited

Logicor Energy Limited

Marble Power Limited

Maxen Power Supply Limited

Mississippi Energy Limited

MVV Environment Services Limited

Neas Energy Limited

Npower Commercial Gas Limited

Npower Limited

Npower Northern Limited

Npower Northern Supply Limited

Npower Yorkshire Limited

Npower Yorkshire Supply Limited

Octopus Energy Limited

Opus Energy (Corporate) Limited

Opus Energy Limited

Opus Energy Renewables Limited Orsted Power Sales (UK) Limited **OVO Electricity Limited** Paddington Power Limited Planet 9 Energy Limited Pozitive Energy Ltd Scottish Power Energy Retail Limited Shell Energy Retail Limited Shell Energy UK Limited Sing Power Limited SmartestEnergy Business Limited So Energy Trading Limited SQUARE1 ENERGY LIMITED Squeaky Clean Energy Limited Switch Business Gas and Power Ltd Toucan Energy Limited Tru Energy Limited UK Energy Incubator Hub Limited Unify Energy Limited United Gas & Power Trading Ltd Utilita Energy Limited Valda Energy Limited Yu Energy Retail Limited