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Gas suppliers Licence: Standard Conditions - Consolidated to 01 July 2025**

Gas and Electricity Markets Authority

GAS ACT 1986
Standard conditions of
gas supply licence

SECTION A: STANDARD CONDITIONS FOR ALL SUPPLIERS 7

General arrangements 8

Condition 0. Treating Domestic Customers Fairly9

Condition 0A. Treating Non-Domestic Customers Fairly.....11

Condition 1. Definitions for standard conditions15

Condition 2. Interpretation of standard conditions47

Condition 3. Application of Section B of standard conditions.....50

Condition 4. Licensee's payments to Authority - Not used.51

Condition 4A. Operational capability.....52

Condition 4B. Financial responsibility principle.....53

Condition 4C. Ongoing fit and proper requirement.....63

Condition 4D. Protecting Domestic Customer Credit Balances.....65

Condition 5. Provision of Information to Authority and data retention74

Condition 5A. Principle to be open and cooperative.....76

Condition 5B. Independent Audits77

Condition 6. Classification of premises.....78

Continuity of supply 80

Condition 7. Terms of Contracts and Deemed Contracts81

Condition 7A. Supply to Micro Business Consumers85

Condition 7B. (Not Used – refer to standard condition 0A).....93

Condition 7D. Supply to Certain Micro Business Consumers – additional requirements.....94

Condition 8. Obligations under Last Resort Supply Direction.....97

Condition 9. Claims for Last Resort Supply Payment.....99

Condition 10. Restriction or revocation of licence104

Industry activities and procedures 105

Condition 11 - Retail Energy Code106

Condition 12. Matters relating to Gas Meters	113
Condition 12A. Matters relating to Theft of Gas	117
Condition 13. Arrangements for site access	121
Condition 14. Customer transfer blocking.....	122
Condition 14A. Customer transfer.....	126
Condition 15 - Not used.....	132
Condition 16. Security and emergency arrangements.....	133
Condition 17. Mandatory exchange of information.....	135
Condition 18. Undertakings to Relevant Gas Transporters	138
Condition 19. Payments to Customers.....	140
Condition 19A. Financial information reporting	141
Condition 19AA. Additional reporting requirement	143
Condition 19B. Prohibition of cross-subsidies	147
Condition 19C. Green Deal arrangements.....	148
Condition 19D. DSR Payments	150
Condition 19E. Customer supply continuity plans	153
Condition 19F. Trade Sales.....	154
Information for all Customers	155
Condition 20. Safety of gas supplies, Meter Point Reference Number, advice information and dispute settlement – for Non-Domestic Customers	156
Condition 21 - Not used	160
Condition 21A. Provision of the annual statement of supply to Participants of the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme	161
Condition 21B. Billing based on meter readings	162
Condition 21BA. Backbilling	164
SECTION B: STANDARD CONDITIONS FOR DOMESTIC SUPPLIERS	166
Regulation of Domestic Supply Contracts	167
Condition 22. Duty to offer and supply under Domestic Supply Contract	168

Standard condition 22A. Unit Rate, Standing Charge and Tariff Name requirements.....	171
Condition 22B - Requirements to make all tariffs available to new and existing customers	174
Condition 22C. Fixed Term Supply Contracts	176
Condition 22CA & 22CB – Not used	182
Condition 22D. Dead Tariffs.....	183
Condition 23. Notification of Domestic Supply Contract terms	190
Condition 23A. Mutual variations	196
Condition 24. Termination of Domestic Supply Contracts	198
Condition 24A Market Stabilisation Charge	202
Domestic Customer protection.....	203
Condition 25. Informed choices – Tariff comparability and marketing	204
Condition 25A – Not used	206
Condition 25B. Interoperability of Advanced Domestic Meters	207
Condition 25C. Not Used – refer to standard condition 0	210
Condition 26. Priority Services Register	211
Condition 27. Payments, Security Deposits, Disconnections, Direct Debits, and Final Bills	213
Condition 27A. Self-disconnection	220
Condition 28. Prepayment Meters	223
Condition 28A. Prepayment Charge Restriction	230
Condition 28AA. Regulation of charges for certain Domestic Customers	238
Condition 28AD. Regulation of charges for Domestic Customers supplied under certain Domestic Supply Contracts	244
Condition 28B. Not Used.....	277
Condition 28C. Milestone Assessments	278
Condition 29. Gas safety.....	280
Condition 30. (Not used).....	282
Domestic Customer information.....	283

Conditions 31 to 31D – Not used	284
Condition 31E. overarching requirements.....	285
Condition 31F. Encouraging and enabling engagement.....	286
Condition 31G. Assistance and advice information	291
Condition 31H. Relevant Billing Information, Bills and statements of account ..	295
Condition 31I. Contract changes information (notifications of price increases, disadvantageous unilateral variations and end of fixed term contracts).....	298
Condition 32. Reporting on performance	301
Condition 32A. Power to direct suppliers to test consumer engagement measures	302

SECTION C: STANDARD CONDITIONS FOR ALL SUPPLIERS 306

Condition 33. Smart Metering System – Roll-out, Installation and Maintenance	307
Condition 33A: Qualifying Metering Systems – Post-2020 Roll-out and Installation	315

Condition 34. Provision of an In-Home Display 325

Condition 35. Smart Metering Installation and Installation Code of Practice – Domestic Customers	329
Condition 36. Smart Metering Installation and Installation Code of Practice – Micro Business Consumers.....	334
Condition 37. Roll-out Reporting and Provision of Information to the Secretary of State.....	337
Condition 38. Roll-out Reporting, Setting and Achieving Annual Milestones, and Provision of Information to the Authority	340
Condition 38A: Roll-out and Installation of smart meters – Licensees reporting and publication requirements to the Authority.....	344
Condition 39. Smart Metering Consumer Engagement.....	349
Condition 39A. Smart Metering Consumer Engagement.....	363

Condition 40. Security controls in relation to Smart Metering Systems	379
Condition 40A. Security Controls in Relation to Smart Metering Systems	385
Enrolled with the DCC	385
Condition 41. Smart Metering – Matters Relating To Obtaining and Using Consumption Data	387
Condition 42. The Smart Energy Code	396
Condition 43. Smart Metering Systems and In-Home Displays – Operational Requirements.....	399
Condition 44 Smart Metering - Continuation of Arrangements on Change of Supplier	408
Condition 45. Smart Metering – Customer Access to Consumption Data.....	412
Condition 46: Smart Metering Systems – Requirements for Specified Optional Equipment Requirements on the Installation.....	424
Condition 47 - Not used	425
Condition 48. Enrolment of Smart Metering Systems.....	426
Condition 49. Smart Metering – The Alt HAN Arrangements	429
Condition 50 – Database to facilitate customer engagement	439

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions - Consolidated to 01 July 2025

SECTION A: STANDARD CONDITIONS FOR ALL SUPPLIERS

Standard conditions 0 to 6:

General arrangements

Condition 0. Treating Domestic Customers Fairly

Customer Objective

- 0.1 The objective of this condition is for the licensee and any Representative to ensure that each Domestic Customer, including each Domestic Customer in a Vulnerable Situation, is treated Fairly (“the Customer Objective”).

Achieving the Standards of Conduct

- 0.2 The licensee must, and must ensure that its Representatives, achieve the Standards of Conduct in a manner consistent with the Customer Objective.
- 0.3 The Standards of Conduct are that the licensee and any Representative:
- a) behave and carry out any actions in a Fair, honest, transparent, appropriate and professional manner;
 - b) provide information (whether in Writing or orally) to each Domestic Customer which:
 - i. is complete, accurate and not misleading (in terms of the information provided or omitted);
 - ii. is communicated (and, if provided in Writing, drafted) in plain and intelligible language with more important information being given appropriate prominence;
 - iii. relates to products or services which are appropriate to the Domestic Customer to whom it is directed;
 - iv. in terms of its content and in terms of how it is presented, does not create a material imbalance in the rights, obligations or interests of the licensee and the Domestic Customer in favour of the licensee; and
 - v. is sufficient to enable the Domestic Customer to make informed choices about their supply of gas by the licensee;
 - c) in relation to customer service arrangements:
 - i. make it easy for a Domestic Customer to contact the licensee;
 - ii. act promptly and courteously to put things right when the licensee or any Representative makes a mistake; and
 - iii. otherwise ensure that customer service arrangements and processes are complete, thorough, fit for purpose and transparent;
 - d) in relation to Domestic Customers in Vulnerable Situations:

- i. seek to identify each Domestic Customer in a Vulnerable Situation, in a manner which is effective and appropriate, having regard to the interests of the Domestic Customer; and
- ii. when applying the Standards of Conduct in paragraphs (a) to (c) above, do so in a manner which takes into account any Vulnerable Situation of each Domestic Customer identified in accordance with (d)(i) above or otherwise.

Scope of condition

- 0.4 Standard condition 0 only applies to the licensee if:
- a) the Secretary of State has provided, by a scheme made under Schedule 7 to the Utilities Act 2000, that Section B of the standard conditions will have effect; or
 - b) the Authority has issued a Domestic Supply Direction to the licensee under paragraph 3.3 of standard condition 3.
- 0.5 Subject to paragraph 0.6, standard condition 0 applies to all activities of the licensee and any Representative which involve, or otherwise relate to, dealings with a Domestic Customer.
- 0.6 Apart from any matters relating to Deemed Contracts, standard condition 0 does not apply in respect of the amount or amounts of any Charges for the Supply of Gas or any other type of charge or fee, applied or waived.
- 0.7 Standard Condition 0 applies to the exercise of a licensee's discretion to apply or waive any fee or charge.

Guidance

- 0.8 The licensee must have regard to any guidance on standard condition 0 (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority has issued, may issue and may from time to time revise (following further consultation).

Definitions

- 0.9 For the purposes of this condition:

Customer Objective	Is to be interpreted in accordance with paragraph 0.1.
Fair and cognate expressions	The licensee or any Representative would not be regarded as treating a Domestic Customer Fairly if their actions or omissions give rise to a likelihood of detriment to the Domestic Customer, unless the detriment would be reasonable in all the relevant circumstances.
Standards of Conduct	Means one or more of sub-paragraphs 0.3(a) to (d).

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Vulnerable Situation	Means the personal circumstances and characteristics of each Domestic Customer create a situation where he or she is: (a) significantly less able than a typical Domestic Customer to protect or represent his or her interests; and/or (b) significantly more likely than a typical Domestic Customer to suffer detriment or that detriment is likely to be more substantial.
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Condition 0A. Treating Non-Domestic Customers Fairly

Customer Objective

0A.1 The objective of this condition is for the licensee to ensure that each Non-Domestic Customer is treated Fairly (“the Customer Objective”).

Achieving the Standards of Conduct

0A.2 The licensee must ensure it achieves the Standards of Conduct in a manner consistent with the Customer Objective.

0A.3 The Standards of Conduct are that the licensee:

- a) behaves and carries out any actions in a Fair, honest, transparent, appropriate and professional manner;
- b) provides information (whether in Writing or orally) to Non-Domestic Customer which:
 - i. is complete, accurate and not misleading (in terms of the information provided or omitted);
 - ii. is communicated (and, if provided in Writing, drafted) in plain and intelligible language with more important information being given appropriate prominence;
 - iii. relates to products or services which are appropriate to the Non-Domestic Customer to whom it is directed; and
 - iv. in terms of its content and in terms of how it is presented, does not create a material imbalance in the rights, obligations or interests of the licensee and the Non-Domestic Customer in favour of the licensee;
- c) in relation to customer service arrangements:
 - i. makes it easy for a Non-Domestic Customer to contact the licensee;
 - ii. acts promptly to put things right when the licensee makes a mistake; and
 - iii. otherwise ensures that customer service arrangements and processes are fit for purpose and transparent.

Scope of Condition

0A.4 Standard condition 0A applies to all Designated Activities in respect of a Non-Domestic Customer.

0A.5 Apart from any matters relating to Deemed Contracts, standard condition 0A does not apply in respect of the amount or amounts of any Charges for the Supply of Gas or any other type of charge or fee, applied or waived.

0A.6 Standard Condition 0A applies to the exercise of a licensee’s discretion to apply or waive any fee or charge.

0A.7 In the event of a conflict between this condition and paragraph 14.2 of standard condition 14, this condition will prevail.

Guidance

0A.8 The licensee must have regard to any guidance on standard condition 0A (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority has issued, may issue and may from time to time revise (following further consultation).

Definitions

0A.9 For the purposes of this condition:

“Billing”	all matters relating to the provision of a Bill or statement of account to a Customer, including the content and calculations relating to such a Bill or statement of account and the collection and use of information relating to the consumption of gas.
“Contractual Information”	includes the drafting and content of a Non-domestic Supply Contract or Deemed Contract and the provision of information relating to the Non-domestic Supply Contract or Deemed Contract that a Non-Domestic Customer which is being supplied by the licensee.
“Customer Objective”	Is to be interpreted in accordance with paragraph 0A.1.
“Customer Transfers”	includes, but is not limited to, any matters that relate to a Customer’s ability to change supplier and/or affect the timeframe for changing supplier (including related terms and conditions of a Non-domestic Supply Contract or Deemed Contract that applies to a Non-Domestic Customer).
“Designated Activities”	mean each of the following: <ul style="list-style-type: none">a) the accuracy of a Bill or statement of Account;b) the timeframe for a Non-Domestic Customer receiving a Bill or statement of account and the timeframe for the payment of a Bill;c) any written or oral communications regarding Billing or Contractual Information;d) Customer Transfers;e) any matters relating to Deemed Contracts; and

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

	f) any matters which fall within the scope of standard condition 7A (in so far as they relate to a Micro Business Consumer), and any matters that fall within the scope of standard conditions 14, 14A and 21B (in so far as they relate to a Non-Domestic Customer).
“Fair” and cognate expressions	The licensee would not be regarded as treating a Non-Domestic Customer Fairly if their actions or omissions give rise to a likelihood of detriment to the Non-Domestic Customer, unless the detriment would be reasonable in all the relevant circumstances.
“Micro Business Consumer”	has the meaning given in standard condition 7A.
“Standards of Conduct”	Means one or more of sub paragraphs 0A.3 (a) to (c)

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

- 1.2 In this licence, unless the context otherwise requires:

“About Your Tariff” Label	has the meaning given in standard condition 31F.10;
Act	means the Gas Act 1986;
Account Management Arrangement	means: (a) where the Domestic Customer is subject to Offline Account Management, Offline Account Management; or (b) where the Domestic Customer is subject to Online Account Management, Online Account Management;
Active supplier	is a supplier that is actively engaging in the act of supplying gas to one or more Domestic Customers and / or one or more Non Domestic Customers;
Affiliate	means, in relation to a Gas Supplier, any holding company or subsidiary or subsidiary undertaking of a holding company of the licensee, in each case within the meaning of the Companies Act 2006;
Affiliate Gas Licensee	means any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which holds a gas supply licence granted or treated as granted pursuant to section 7A(1) of the Gas Act 1986;
Alternative Cheapest Tariff	means, in comparison with the Estimated Annual Costs for each specific Domestic Customer’s Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;
- (b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;
- (c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with any Gas Meter which could be installed at the Domestic Customer's premises; and
- (d) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs;
- (e) where the Domestic Customer is subject to a White Label Tariff:
 - (i) a White Label Tariff of the same White Label Tariff Provider; or
 - (ii) a Tariff of the licensee which is not a White Label Tariff; and
- (f) where the Domestic Customer is not subject to a White Label Tariff;
 - (i) a Tariff which is not a White Label Tariff; or
 - (ii) a White Label Tariff of any White Label Tariff Provider of the licensee;

**Affiliate
Licensee**

means any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which holds a gas supply licence granted or treated as granted pursuant to section 7A(1) of the Gas Act 1986 and/or an electricity supply licence granted or treated as granted pursuant to section 6(1)(d) of the Electricity Act 1989;

Amount

in relation to gas, means its energy content expressed in kilowatt hours;

- Applicable Customer** means, in relation to an application made by the licensee to the Authority in accordance with standard condition 10 (Restriction or revocation of licence), a Customer if:
- (a) immediately before the restriction or revocation takes effect, his premises are being supplied with gas by the licensee; and
 - (b) in the case of a restriction, his premises will be excluded by it from this licence;
- Application Regulations** means regulations made under section 7B of the Act that set out the form and manner in which applications for a Gas Supply Licence or an extension or restriction of such a licence are to be made;
- Annual Consumption Details** means:
- (a) where the Customer has held their Domestic Supply Contract or Micro Business Consumer Contract (as applicable) for at least 12 months and the licensee has obtained actual meter readings (including meter readings provided by the Customer and accepted by the licensee in accordance with standard condition 21B) which can reasonably be considered to cover the whole of that 12 month period, the quantity of gas which was treated as consumed at the Customer's Domestic Premises or Non-Domestic Premises (as applicable) during the previous 12 months on the basis of those meter readings; or
 - (b) where the Customer has held their Domestic Supply Contract or Micro Business Consumer Contract (as applicable) for:
 - (i) less than 12 months; or
 - (ii) at least 12 months and the licensee has not obtained actual meter readings (including meter readings provided by the Customer and accepted by the licensee in accordance with standard condition 21B) which can reasonably be considered to cover the whole of that 12 month period,
- the licensee's best estimate of the quantity of gas that the Customer may be expected to consume during a 12 month

period having regard to any relevant information that is available to the licensee or which the licensee could otherwise have reasonably ascertained (including any actual meter readings that have been obtained and which cover part of the previous 12 months);

ARS Specified Date	means 30 June 2021 or such later date as may be specified in a direction issued by the Secretary of State.
Authority	means the Gas and Electricity Markets Authority established under section 1 of the Utilities Act 2000;
Bill	means an invoice or a demand for payment or any other instrument of the same or similar character and purpose;
Category A Metering Arrangement	means using a Gas Meter on the basis of contractual arrangements whereby the Domestic Customer is required to pay for the Charges for the Supply of Gas on the basis of a single Unit Rate;
Category B Metering Arrangement	means using a Gas Meter on the basis of any contractual arrangement whereby the Domestic Customer is required to pay for the Charges for the Supply of Gas on the basis of Time of Use Rates;
Charges for the Supply of Gas	means, as between the licensee and a Customer, charges made by the licensee in respect of the supply of gas to that Customer's premises, including (but not limited to) any Unit Rate (or, where applicable, Unit Rates), a Standing Charge (or, where applicable, Standing Charges) and any charges made for the provision of a Gas Meter;
CH Technical Specification	means the Communications Hub Technical Specification, being the document (or part of a document) which: (a) identifies itself as such; and (b) applies in respect of a Communications Hub installed or provided for the purposes of the supply of electricity.
Citizens Advice	means the National Association of Citizens Advice Bureaux.
Citizens Advice Scotland	means the Scottish Association of Citizens Advice Bureaux.

Citizens Advice consumer service	an online, telephone or face to face service provided by Citizens Advice or Citizens Advice Scotland that provides advice in response to enquiries from individual consumers acting alone or in groups;
Closed Fixed Term Tarff	means a Tariff in respect of a Fixed Term Supply Contract which is no longer capable of being entered into by any Domestic Customer or Domestic Customers;
Code of Practice	<p>means the Code Administration Code of Practice approved by the Authority and:</p> <p>(a) developed and maintained by the code administrator(s) and/or manager(s) in existence from time to time.</p> <p>(b) amended subject to the Authority's approval from time to time; and</p> <p>(c) re-published from time to time</p>
Communications Hub	<p>means:</p> <p>(a) a device identified as a communications hub by the DCC,</p> <p>taken together with</p> <p>(b) any aerial which is required for the effective operation of that communications hub and is (or will be, when they are both installed) either a part of that device or situated adjacent to it,</p> <p>in each case as provided by the DCC in accordance with its obligations under Part E of Condition 17 of the DCC Licence (Terms for the Provision of the Communications Hub Service).</p>
Compatible	in respect of a Version of a Technical Specification, means that the relevant Version of the Technical Specification is not incompatible, in accordance with the meaning given to the term 'incompatible' in Section F2.12 of the Smart Energy Code, with a Version of any other Technical Specification as identified in the matrix created and published by the SEC Panel pursuant to Section F2.11 of the Smart Energy Code.

Compensation Payment	<p>means any payment made by the licensee (including any voluntary payment) to a specific Domestic Customer in accordance with any customer service, complaint handling or redress arrangements which:</p> <p>(a) in the case of a payment which is required by the Authority, any legislation, licence conditions, formal redress arrangement, or by the courts, is the payment which the licensee is required to provide; and</p> <p>(b) in all other cases, is a payment which is made solely on the basis of a specific issue which:</p> <p>(i) relates to customer service, complaint handling or redress; and</p> <p>(ii) specifically affects the Domestic Customer to whom the payment is made;</p>
Contingent Discount	<p>means a Discount which is not a Non-Contingent Discount and includes a Termination Fee;</p>
Contract	<p>includes, as between the licensee and a Customer, a contract deemed to have been made because of paragraph 19(2) of Schedule 5 to the Gas Act 1995 but does not include a Deemed Contract and related expressions must be read accordingly;</p>
Customer	<p>means any person supplied or requiring to be supplied with gas at any premises in Great Britain;</p>
Customer Credit Balances	<p>means the amount by which any payment made by the Customer to the licensee under or in accordance with the relevant Domestic Supply Contract and/or Non-Domestic Supply Contract which exceeds the total amount of Charge which is due and payable by the Customer to the licensee under that Domestic Supply Contracts and/or Non-Domestic Supply Contracts minus any amount refunded to the Customer;</p>
Credit Limiting	<p>means the practice by which the licensee limits the amount by which the total Charges for the Supply of Gas accrued by a Domestic Customer under a Domestic Supply Contract may exceed the payments made by that Domestic Customer to the licensee under or in accordance with the</p>

	relevant Domestic Supply Contract and related expressions must be read accordingly;
DCC	means the holder of the DCC Licence.
DCC Licence	means the licence for the provision of a smart meter communication service granted pursuant to section 7AB of the Gas Act 1986.
Dead Tariff	means a Tariff in respect of an Evergreen Supply Contract which is not a Live Evergreen Tariff;
Deemed Contract	means, as between the licensee and a Customer, a contract deemed to have been made because of paragraph 8 of Schedule 2B to the Act but does not include a contract deemed to have been made because of paragraph 19(2) of Schedule 5 to the Gas Act 1995;
Designated Premises	means Non-Domestic Premises at which the measured annual consumption of gas is 732,000 kWh or less;
Directive	means Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, as it has effect immediately before IP completion day as read with the modifications set out in the Act;
Directly Connected	in relation to any premises, means so connected to a Gas Transporter's pipeline system that the final connection to the premises is from that system;
Disadvantageous Unilateral Variation	is to be interpreted in accordance with paragraph 23.3 of standard condition 23;
Disconnect	in relation to the supply of gas only, means to stop that supply to a Domestic Premises and related expressions must be read accordingly;
Discount	means (excluding a Compensation Payment, an Outstanding Charges Discount, a Payment Difficulty Discount, and a Warm Home Discount) any form of payment, saving, rebate, benefit or reward (whether financial or otherwise) which is in any way linked or otherwise relates to a Domestic Supply Contract or Deemed Contract (and, for the avoidance of doubt,

includes goods and services provided to a Domestic Customer free of charge or at a reduced charge);

Domestic Customer means a Customer supplied or requiring to be supplied with gas at Domestic Premises but excludes such Customer insofar as he is supplied or requires to be supplied at premises other than Domestic Premises;

Domestic Premises has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);

Domestic Statement of Renewal Terms means a Notice provided prior to the end of a Fixed Term Supply Contract, in accordance with paragraph 31I.1(c) of standard condition 31I;

Domestic Supply Contract means a Contract for the supply of gas to Domestic Premises;

Domestic Supply Direction means a direction issued by the Authority under paragraph 3 of standard condition 3 (Application of Section B of standard conditions) to give effect to Section B of the standard conditions;

Dual Fuel Account means where:

- (a) the licensee supplies a Domestic Customer with gas; and
- (b) the licensee or an Affiliate Licensee (“the Relevant Affiliate”) also supplies that Domestic Customer with electricity under an Electricity Supply Licence; and
- (c) that Domestic Customer is treated by the licensee, and where applicable, the Relevant Affiliate, as being supplied under a single account for both the supply of electricity and gas;

Dual Fuel Discount means a Discount which the licensee may apply to a Tariff on the basis that the Same Domestic Customer is supplied with both electricity and gas from the licensee or the licensee and an Affiliate Licensee at the same Domestic Premises;

Electricity Supplier	means any person who holds an Electricity Supply Licence.
Electricity Supply Licence	means an electricity supply licence granted or treated as granted under section 6(1)(d) of the Electricity Act 1989;
Electronic Communication	<p>means a message comprising text or an image of text that:</p> <ul style="list-style-type: none">(a) is sent over a Public Electronic Communications Network;(b) can be stored in that network or in the recipient's terminal equipment until it is collected by the recipient; and(c) is in a particular form and is used for a particular purpose and the recipient of it has expressed a willingness, to the sender, to receive it in that form and for that purpose;
Energy Discount	means a Discount which is a monetary amount of a precise financial value and which is applied directly to a Unit Rate (or, if applicable, Unit Rates) or a Standing Charge (or, if applicable, Standing Charges);
Energy Ombudsman	means the person appointed by the Secretary of State, and approved by the Authority, to administer the redress scheme within the meaning of section 48(1) of the Consumers, Estate Agents and Redress Act 2007;
Estimated Annual Costs	<p>means a personalised and transparent calculation of the annual costs in pounds sterling (inclusive of value added tax) a consumer will pay on a given Domestic Supply Contract or Deemed Contract, which:</p> <ul style="list-style-type: none">(a) includes any Non-Contingent Discounts (and for these purposes the definition of "Non-Contingent Discount" in condition 1 is to be treated as including an Online Account Management Discount and Dual Fuel Discount), and excludes any Contingent Discounts including any situation where the only conditions a Domestic Customer has to satisfy in order to receive a one-off Discount are the fact that they have entered into a Domestic Supply Contract and/or supply commences under that contract;(a) includes any charges for Tied Bundles, where these can be expressed in p/day or p/kWh, and

excludes any charges for Optional Bundles;

- (b) is based on the Domestic Customer's Annual Consumption Details;
- (c) is based on all reasonably available data and reasonable assumptions where appropriate; and
- (d) is applied consistently when providing the Domestic Customer with a comparison of the relative cost of two or more Domestic Supply Contracts or Deemed Contracts;

Estimated Annual Savings

means:

(a) in the case of a Relevant Cheapest Tariff, the difference between the Estimated Annual Costs which apply to the Relevant Cheapest Tariff and the Domestic Customer's Estimated Annual Costs; and

(b) in the case of an Alternative Cheapest Tariff, the difference between the Estimated Annual Costs which apply to the Alternative Cheapest Tariff and the Domestic Customer's Estimated Annual Costs;

Evergreen Supply Contract

means a Domestic Supply Contract (or, where applicable, part of a Domestic Supply Contract) which is for a period of an indefinite length and which does not contain a fixed term period that applies to any of the terms and conditions of that Domestic Supply Contract;

Exact Payment Method

means the exact name used by the licensee to describe the payment method that applies to a particular Tariff (which must include a description of the characteristics of the payment method and, where applicable, the frequency of the payment method);

Exact Tariff Name

means the full and exact name used by the licensee to describe and promote a particular Tariff;

Financial Ombudsman Service

means the ombudsman scheme referred to in section 225 of the Financial Services and Markets Act 2000;

Financial Year	means a period of 12 months beginning on 1 April each year and ending on 31 March of the next calendar year;
Fixed Term Supply Contract	means a Domestic Supply Contract (or, where applicable, part of a Domestic Supply Contract) with a fixed term period that applies to any of the terms and conditions of that Domestic Supply Contract;
Form	includes the means by which information is communicated and the way in which information is presented or structured;
Gas Interconnector Licence	means a gas interconnector licence granted or treated as granted under section 7ZA(1) of the Act;
Gas Meter	means a meter which conforms to the requirements of section 17(1) of the Act and is of an appropriate type for registering the quantity of gas supplied;
Gas Shipper	means any person who holds a Gas Shipper Licence;
Gas Shipper Licence	means a gas shipper licence granted or treated as granted under section 7A(2) of the Act;
Gas Supplier	means any person who holds a Gas Supply Licence;
Gas Supply Licence	means a gas supply licence granted or treated as granted under section 7A(1) of the Act;
Gas Transporter	means any person who holds a Gas Transporter Licence;
Gas Transporter Licence	means a gas transporter licence granted or treated as granted under section 7(2) of the Act;
GSME Technical Specification (or GSMETS)	has the meaning given to 'Gas Smart Metering Equipment Technical Specification (or GSMETS)' in the Smart Energy Code.
HAN	<p>means, in relation to a Smart Metering System, the home area network operating within one or more harmonised frequency bands, which:</p> <ul style="list-style-type: none">(a) is created by virtue of the HAN Interfaces of that Smart Metering System; and(b) constitutes a means by which information can be exchanged between that Smart Metering System and any other device or system.

HAN Date	means, in respect of each Domestic Premises, the date on which the HAN first extends into a part of the premises that is located within the main dwelling area of the premises.
HAN Interface	<p>means in respect of a Smart Metering System a HAN Interface:</p> <ul style="list-style-type: none">(a) having the meaning given to that term in the Version of the GSME Technical Specification in accordance with which the Smart Metering System is maintained pursuant to the requirements of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance); and(b) which is operating at a frequency, and using the communications standards applicable to that frequency, as specified in that Version of the GSME Technical Specification.
Holding Company	means a holding company within the meaning of sections 1159 and 1160 of the Companies Act 2006;
Industry Codes	<p>means either of:</p> <ul style="list-style-type: none">(a) the Retail Energy Code; or(b) the Smart Energy Code; or(c) the Uniform Network Code; or(d) the Independent Gas Transporters' Uniform Network Code
Information	means information (other than information subject to legal privilege) in any form or medium and of any description specified by the Authority and includes any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Authority;
Installation Date	<p>means, in relation to a Smart Metering System:</p> <ul style="list-style-type: none">(a) where the system is installed after the Smart Metering Designated Date, the date on which it is installed; or

- (b) where the system is installed on or before the Smart Metering Designated Date, the Smart Metering Designated Date.

IHD Technical Specification (or IHDTS)	has the meaning given to it in the Smart Energy Code.
In-Home Display (or IHD)	<p>means a device provided at premises which, on the date on which it is provided:</p> <ul style="list-style-type: none"> (a) is a device of a type identified in a Version of the IHD Technical Specification which is within its Installation Validity Period on that date; and (b) as a minimum, has the functional capability specified by and complies with the other requirements of that Version of the IHD Technical Specification.
Installation Validity Period	has the meaning given to it in the Smart Energy Code.
IP completion day	has the same meaning as that given in section 39(1) of the European Union (Withdrawal Agreement) Act 2020.
Large Gas Meter	means a Gas Meter designed to operate with a maximum flow rate of greater than 11 cubic metres per hour;
Last Resort Supply Direction	means a direction given by the Authority to the licensee that specifies or describes the premises to be supplied with gas in accordance with standard condition 8 (Obligations under Last Resort Supply Direction);
Last Resort Supply Payment	means a sum of money payable to the licensee or any LRSP Permitted Assignee to compensate for any additional costs incurred by the licensee in complying with a Last Resort Supply Direction;
legally binding decisions of the European Commission and/or the Agency for the	means any relevant legally binding decisions of the European Commission and/or the Agency, but a binding

Co-operation of Energy Regulators	decision does not include a decision that is not, or so much of a decision as is not Retained EU Law;
Live Evergreen Tariff	means one Tariff in respect of an Evergreen Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariff is available;
Live Evergreen Tariffs	means one or more Tariffs in respect of an Evergreen Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariffs are available;
Live Fixed Term Tariff	means a Tariff in respect of a Fixed Term Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariff is available;
LRSP Permitted Assignee	means a person to whom the licensee has assigned or otherwise disposed of all or any of its rights in relation to or arising from a Last Resort Supply Payment pursuant to Condition 9, with the Authority's consent.
Maintenance Validity Period	has the meaning given to it in the Smart Energy Code.
Metering Equipment Manager	<p>means</p> <p>(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</p> <p>(b) a person or a class or description of persons approved in accordance with the Retail Energy Code.</p>
Meter Installer	<p>in relation to any Gas Meter, means a person a class or description of persons:</p> <p>(a) possessing the expertise to connect that meter satisfactorily so that the gas supplied through it is</p>

duly registered, or a person whose staff have such expertise; and

approved in accordance with the Retail Energy Code.

Meter Point Reference Number	means a number relevant to the registration of a Supply Meter Point Reference Number that is prescribed by the Network Code;
Multi-Site Contract	has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);
Mutualised	means one or more market participants other than the licensee bearing costs incurred by the licensee, which may include Customer Credit Balances and costs incurred by the licensee under government environmental and social schemes, by virtue of regulatory mechanisms;
Network Code	has the meaning given in and is to be interpreted in accordance with standard condition 9 (Network Code) of the Gas Transporter Licence;
New Supplier	means, in relation to a relevant premises, the Gas Supplier that became the Relevant Gas Supplier for the relevant premises by virtue of the most recent Supplier Transfer.
Non-Contingent Discount	<p>means, excluding a Dual Fuel Discount and an Online Account Management Discount, an Energy Discount which is not dependent on any of the following:</p> <p>(a) the occurrence of an event or period of time;</p> <p>(b) the actions or omissions of a Domestic Customer after they have entered into a Domestic Supply Contract;</p>
Non-Domestic Customer	means a Customer who is not a Domestic Customer;
Non-Domestic Premises	has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);

Non-Domestic Supply Contract	means a Contract for the supply of gas to Non-Domestic Premises, as varied from time to time;
Non-Energy Product	means any goods and/or services that could not reasonably be considered as being directly related to the supply of gas and or electricity to premises;
Non-Time of Use Tariff	means a Tariff which is not a Time of Use Tariff;
Notice	means notice given directly to a person in Writing;
Old Supplier	means, in relation to a relevant premises, the Gas Supplier that was, immediately prior to the most recent Supplier Transfer, the Relevant Gas Supplier for the relevant premises.
Offline Account Management	means any account management arrangement which is not Online Account Management;
Online Account Management	means any arrangement whereby a Customer does not receive a paper version of a Bill or statement of account and would need to access the internet and use a computer or communication device;
Online Account Management Discount	means a Discount which the licensee may apply to a Tariff on the basis that the Domestic Customer is subject to Online Account Management;
Open Standard Format	<p>means a format or software whose design principles (or “standard”):</p> <ul style="list-style-type: none">(a) are fully published and publicly available free of charge;(b) may be implemented, modified and adapted free of charge (including without the need for payment in respect of any rights essential to implementation of the standard, or necessary for interfacing with other implementations which have adopted that same standard); and <p>otherwise adheres to the definition of “open standard” provided within the Cabinet Office’s guidance entitled</p>

“Open Standards principles” as updated on 27 September 2013.¹

Optical Label	means a two-dimensional optical machine-readable image or code containing data embedded within such image or code in an Open Standard Format, which can be scanned, accessed and automatically processed with a Relevant Device.
Optional Bundle	means an Opt-in Bundle or an Opt-out Bundle;
Opt-in Bundle	means one or more Non-Energy Products (which may include a choice from a selection of Non-Energy Products) that does not initially form part of a Tariff, but which the Domestic Customer can choose to receive and which would then form part of or in any way be linked to a Tariff;
Opt-out Bundle	means one or more Non-Energy Products (which may include a choice from a selection of Non-Energy Products) that is offered as part of, or in any way linked to, a Tariff, but which the Domestic Customer can choose not to receive;
Other Outstanding Charges	means the amount of any charges for goods and/or services (other than Charges for the Supply of Gas) which are due to the licensee from a Domestic Customer, have been demanded of that Domestic Customer by the licensee in Writing at least 28 days previously and remain unpaid;
Outstanding Charges	means the amount of any Charges for the Supply of Gas which are due to the licensee from a Domestic Customer, have been demanded of that Domestic Customer by the licensee in Writing at least 28 days previously and remain unpaid;
Outstanding Charges Discount	means any form of reduction, saving, or write-off provided by the licensee in respect of a specific Domestic Customer (including a Domestic Customer whose identity is unknown) on the basis that the Domestic Customer has Outstanding Charges and/or Other Outstanding Charges;
Participating Interest	has the meaning given by section 260 of the Companies Act 1985;

¹ <https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles>

Payment Difficulty Discount	means any form of reduction, saving, or write-off provided by the licensee in respect of a specific Domestic Customer on the basis that paragraph 27.5 of standard condition 27 applies in respect of that Domestic Customer;
Pensionable Age	means, in relation to any person, pensionable age within the meaning given by section 48(2B) of the Act;
Prepayment Meter	includes any Gas Meter operating in a mode which requires a Domestic Customer to pay Charges for the Supply of Gas in advance, and references to the installation or removal of a Prepayment Meter includes the switching of any Gas Meter to or from such a mode;
Prepayment Meter Interface Device (or PPMID)	<p>means either a SMETS1 PPMID or a device installed (or to be installed) at a premises which:</p> <ul style="list-style-type: none">(a) consists of the components of each apparatus identified in; and(b) as a minimum, has the functional capability specified by and complies with the other requirements of, <p>a Version of the PPMID Technical Specification which was within its Installation Validity Period on the date on which the device was installed.</p>
PPMID Technical Specification (or PPMIDTS)	has the meaning given to it in the Smart Energy Code.
Principal Terms	<p>means, in respect of any form of Contract or Deemed Contract, the terms that relate to:</p> <ul style="list-style-type: none">(a) Charges for the Supply of Gas;(aa) where the licensee is relying on sub-paragraph 22C.11(a) of standard condition 22C or sub-paragraph 23.8(a) of standard condition 23, the method by which Charges for the Supply of Gas fluctuate automatically;(ab) where the licensee is relying on sub-paragraph 22C.11(b) of standard condition 22C or sub-paragraph 23.8(b) of standard condition 23, the precise variations to the Charges for the Supply of Gas;

(ac) Where the licensee is relying on paragraph 22C.11A of standard condition 22C and paragraph 23.8A of standard condition 23:

(i) moving a Domestic Customer from one payment method to another and the precise circumstances when that will occur; and

(ii) the precise variations to the Charges for the Supply of Gas and other terms and conditions which would occur as a result of the Domestic Customer being moved from one payment method to another;

(ad) Where the licensee is relying on paragraph 22C.11A of standard condition 22C but not paragraph 23.8A of standard condition 23, moving a Domestic Customer from one payment method to another and the precise circumstances when that will occur;

(b) any requirement to pay Charges for the Supply of Gas through a Prepayment Meter;

(ba) in relation to a Domestic Supply Contract, any Credit Limiting which applies, including the Credit Limit;

(c) any requirement for a Security Deposit;

(d) the duration of the Contract or Deemed Contract (including, but not limited to, the duration of any fixed term periods and any arrangements for renewing or extending the duration of the Contract or any fixed term periods);

(e) the rights to end the Contract (including any obligation to pay a Termination Fee) or the circumstances in which a Deemed Contract will end,

and any other term that may reasonably be considered to significantly affect the evaluation by the Customer of the Contract under which gas may be supplied to his premises including for the avoidance of doubt, in relation to Non-Domestic Customers any Third Party Costs, required to be paid or due to be paid in respect of a Non-Domestic Supply Contract and to be presented as defined in condition 20.7B.

Principal Version	has the meaning given to it in the Smart Energy Code.
Priority Services Register	means the register of certain of its Domestic Customers established and maintained by the licensee in accordance with standard condition 26 (Services for specific Domestic Customer groups);
Proposed Supplier Transfer	in relation to any premises at which a Gas Supplier is supplying gas, means the proposed transfer of responsibility for that supply from that Gas Supplier to any other Gas Supplier;
Protocol	means the arrangements in force under the 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;
Public Electronic Communications Network	has the meaning given in section 151 of the Communications Act 2003
Region	means any location within Great Britain;
Regulation	means Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation 2005/1775/EC, as amended by Commission Decision 2010/685/EU of 10 November 2010 amending Chapter 3 of Annex I to Regulation 2009/715/EC of the European Parliament and of the Council on conditions for access to the natural gas transmission networks;
Relevant Cheapest Evergreen Tariff	means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff for an Evergreen Supply Contract available from the

licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff for an Evergreen Supply Contract, rather than the Tariff the Domestic Customer is currently subject to;
- (b) their current payment method;
- (c) their current Relevant Meter Type;
- (d) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff for an Evergreen Supply Contract compatible with the Prepayment Meter installed at the Domestic Customer's premises;
- (e) their Account Management Arrangement;
- (f) where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider; and
- (g) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff;

Relevant Cheapest Tariff

means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensee) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;
- (b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;
- (c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with the Prepayment Meter installed at the Domestic Customer's premises;

- (d) their Account Management Arrangement;
- (e) where the Domestic Customer is subject to an Evergreen Supply Contract, an Evergreen Supply Contract;
- (f) where the Domestic Customer is subject to a Fixed Term Supply Contract, a Fixed Term Supply Contract; and
- (g) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs;
- (h) where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider; and
- (i) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff;

Relevant Communications Hub	means a Communications Hub which on the date it is installed at the Domestic Premises complies with a Version of the CH Technical Specification which is within its Installation Validity Period.
Relevant Contract Change Notice	means a Notice provided prior to the event of a Disadvantageous Unilateral Variation or an increase in the Charge(s) for the Supply of Gas to a Domestic Premises, in accordance with paragraphs 31I.1(a) and 31I.1(b) of standard condition 31I;
Relevant Data Items	means the Relevant Data Items for Gas and the Relevant Data Items for Electricity.
Relevant Data Items for Electricity	has the meaning given to that term in Standard Condition 1 of Electricity Supply Licences.
Relevant Data Items for Gas	means the following information items: <ul style="list-style-type: none">a) the Domestic Customer's postcode;b) the brand name the licensee uses to refer to the relevant supplier, followed by the registered company name of the licensee in round brackets;c) the Domestic Customer's Exact Tariff Name;

- d) the Exact Payment Method which applies to the Domestic Customer;
- e) the Meter Point Reference Number of the Domestic Customer's Gas Meter;
- f) the Domestic Customer's Annual Consumption Details in kilowatt hours; in the case of gas Tariffs with Time of Use Rates, the Annual Consumption Details should be shown as split between quantities of gas consumed at each applicable rate by means of a forward slash ("/"); and the start and end date of the annual period relating to the Domestic Customer's Annual Consumption Details given at (f) above in the form "DDMMYYYY-DDMMYYYY".

Relevant Device

means a portable electronic device with an inbuilt digital camera and that is capable of:

- (a) accessing and operating the Internet;
- (b) scanning, accessing and loading data items from an optical machine-readable image or code; and

automatically processing data items embedded within such an image or code with the use of a web-based or other software program.

Relevant Fixed Term Default Tariff

means a Fixed Term Supply Contract available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees), that:

- (a) has terms and conditions that are similar in nature to the existing Fixed Term Supply Contract for that Domestic Customer, including in respect of:
 - (i) their current payment method;
 - (ii) their current Relevant Meter Type;
 - (iii) their current Account Management Arrangement; ~~and~~
 - (iv) their characteristics and preferences;

- (v) where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider; and
- (vi) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff;
- (b) must not provide for a Domestic Customer to pay a Termination Fee; and
- (c) is cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer, based on a comparison of their respective Estimated Annual Cost;

Relevant Gas Shipper means a Gas Shipper that has made arrangements under which gas is conveyed:

- (a) to premises to which the licensee supplies gas; or
- (b) where the licensee supplies gas to Secondary Premises, to the Relevant Primary Premises;

Relevant Gas Supplier in relation to any premises, means the Gas Supplier that is supplying gas to the premises;

Relevant Gas Transporter in relation to any premises to which gas is supplied by the licensee, means:

- (a) the Gas Transporter that conveys gas to those premises and to whose pipeline system those premises are Directly Connected; or
- (b) where those premises are Secondary Premises, the Gas Transporter that conveys gas to the Relevant Primary Premises and to whose pipeline system the Relevant Primary Premises are Directly Connected;

Relevant Gas Transporter's Enquiry Service means the service established and operated by the Relevant Gas Transporter under standard condition 31 (Supply Point Information Service) or standard special condition A31 (Supply Point Information Service) of the Gas Transporter Licence for the provision to a Customer of information in respect of the supply of gas to premises which are, or are about to be, owned or occupied by that customer;

Relevant Meter Type	means using a Gas Meter on the basis of only one of the following contractual arrangements: (a) a Category A Metering Arrangement; or (b) a Category B Metering Arrangement;
Relevant Payment	means compensation payable to a Customer under standard condition 15 (Payments received in relation to standards of performance) of the Gas Shipper Licence or under any provision of regulations made under section 33AA of the Act;
Relevant Ombudsman	means the Energy Ombudsman or the Financial Ombudsman Service;
Relevant Person	excludes any Supplier or any person acting in the capacity of an employee of any Supplier;
Relevant Primary Premises	means, in relation to any Secondary Premises, the premises to which gas is conveyed by a Gas Transporter before being conveyed to the Secondary Premises;
Representative	in relation to the licensee, means any person directly or indirectly authorised to represent the licensee in its dealings with Customers;
Retail Energy Code	means the Retail Energy Code designated by the Authority in accordance with standard condition 11 (Retail Energy Code) of the licensee's Gas Supply Licence
Retained EU Law	has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018.
Same Domestic Customer	means a Domestic Customer which, following all reasonable steps being taking by the licensee, can reasonably be identified as being the same person which is supplied with both electricity and gas from the licensee or the licensee and an Affiliate Licensee at the same Domestic Premises;

Secondary Premises	means any premises to which gas is conveyed under an exemption from section 5(1)(a) of the Act, granted under section 6A of the Act, for supply by the licensee;
SEC Panel	has the meaning given to it in the DCC Licence.
Section B	means the section of the standard conditions of that name which is given effect in this licence in accordance with standard condition 3 (Application of Section B of standard conditions) and, if it has effect, allows the licensee to supply gas to Domestic Premises;
Security Deposit	means a deposit of money as security for the payment of Charges for the Supply of Gas;
Significant Managerial Responsibility or Influence	<p>means where a person plays a role in—</p> <ul style="list-style-type: none">(a) the making of decisions about how the whole or a substantial part of a licensee’s activities are to be managed or organised, or(b) the actual managing or organising of the whole or a substantial part of those activities.
Small Participant	<p>means</p> <ul style="list-style-type: none">(a) a supplier, or new entrant to the electricity and/or gas market in Great Britain that can demonstrate to the code administrator or manager that it is resource-constrained and, therefore, in particular need of assistance;(b) any other participant or class of participant that the code administrator considers to be in particular need of assistance; and(c) a participant or class of participant that the Authority has notified the code administrator as being in particular need of assistance.
Smart Energy Code	means the document of that name, as designated by the Secretary of State under Condition 22 of the DCC Licence.
Smart Metering Designated Date	means the date on which the SME Technical Specification is designated by the Secretary of State;
Smart Metering System	means, in respect of any Domestic Premises or Designated Premises:

- (a) a system installed at such premises for the purposes of the supply of gas to those premises which on the Installation Date:
 - (i) consists of an Gas Meter and any associated or ancillary devices identified in a Version of the GSME Technical Specification which is:
 - (A) within its Installation Validity Period;
and
 - (B) the same Version in respect of all such devices;
 - (ii) as a minimum, has the functional capability specified by and complies with the other requirements of that Version of the GSME Technical Specification; and
 - (iii) where the premises is a Domestic Premises, except where that Version of the GSME Technical Specification has a Principal Version number of 1, includes a Relevant Communications Hub, or
- (b) a system installed at such premises on or before 30 June 2021 (or such later date as may be specified in a direction issued by the Secretary of State under this paragraph) for the purposes of the supply of electricity to those premises which on the Installation Date:
 - (i) consists of an Gas Meter and any associated or ancillary devices identified in a Version of the GSME Technical Specification with a Principal Version number of 1 and is the same Version in respect of all such devices; and
 - (ii) as a minimum, has the functional capability specified by and complies with the other requirements of that Version of the GSME Technical Specification,

and where such a system installed at a Domestic Premises or Designated Premises is a Smart Metering System on the Installation Date it shall continue to be a Smart Metering System until such date as it is removed from the premises in its entirety.

SMETS1 PPMID	has the meaning given to it in the Smart Energy Code
SMETS1 Smart Metering System	means a Smart Metering System that meets the requirements of a Version of the GSME Technical Specification with a Principal Version number of 1.
SMETS2+ Smart Metering System	means a Smart Metering System that meets the requirements of a Version of the GSME Technical Specification with a Principal Version number that is greater than 1.
SM WAN	has the meaning given to it in the Smart Energy Code.
SM WAN Coverage Database	has the meaning given to it in the Smart Energy Code.
Specified Frequency Band	means the 2400 - 2483.5 MHz harmonised frequency band.
Specified Sequence	<p>means the following fields in the following order, in each case separated by a ‘comma’ delimiter:</p> <ol style="list-style-type: none"> i. Relevant Data Item for Gas (a) (Domestic Customer’s postcode); ii. Relevant Data Item for Electricity (b) (brand name and registered company name of the licensee) followed by Relevant Data Item for Gas (b) (brand name and registered company name of the licensee) separated by a forward slash (“/”); iii. Relevant Data Item for Electricity (c) (exact tariff name for electricity); iv. Relevant Data Item for Gas (c) (Domestic Customer’s Exact Tariff Name for gas); v. Relevant Data Item for Electricity (d) (exact payment method for electricity supply); vi. Relevant Data Item for Gas (d) (Exact Payment Method for gas supply); vii. Relevant Data Item for Electricity (e) (meter point administration number); viii. Relevant Data Item for Gas (e) (Meter Point Reference Number); ix. Relevant Data Item for Electricity (f) (annual consumption details for electricity supply);

- x. Relevant Data Item for Gas (f) (Annual Consumption Details for gas supply); and
- xi. Relevant Data Item for Electricity (g) (start and end date for Annual Consumption Details), followed by Relevant Data Item for Gas (g) (start and end date for Annual Consumption Details) separated by a forward slash (“/”).

Where the Domestic Customer is supplied with gas only, or where the licensee uses a separate Optical Label for the Relevant Data Items for Electricity, any data item referred to at (ii), (iii), (v), (vii), (ix) and (xi) above, which are Relevant Data Items for Electricity shall be included as blank fields (in the case of (ii) and (xi) they should be included as blank components of fields).

Standing Charge	means a monetary amount that is chargeable to a Customer on a daily basis and which is chargeable in addition to charges arising on the basis of a Unit Rate
Statutory Disconnection Power	means paragraphs 10(2) and 11(2)(b) of Schedule 2B to the Gas Act 1986;
Subsidiary	means a subsidiary within the meaning of sections 1159 and 1160 of the Companies Act;
Sub-Version	has the meaning given to it in the Smart Energy Code.
Supplier	means any person authorised to supply gas and/or electricity by virtue of a Gas Supply Licence and/or an Electricity Supply Licence;
Tariff	means the Charges for the Supply of Gas combined with all other terms and conditions that apply, or are in any way linked, to a particular type of Domestic Supply Contract or particular type of Deemed Contract;
Tariff Information Label	has the meaning given in standard condition 31F.11;
Tariff Name	means, excluding a prefix or suffix used to refer to a brand name, any name used by the licensee (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees) to describe, advertise or promote a Tariff;

Technical Specification	<p>means:</p> <ul style="list-style-type: none">(a) in respect of a Smart Metering System, the GSME Technical Specification;(b) in respect of a Communications Hub, the CH Technical Specification;(c) in respect of an In-Home Display, the IHD Technical Specification; and <p>in respect of a Prepayment Meter Interface Device, the PPMID Technical Specification.</p>
Termination Fee	<p>means any sum of money or other compensation (whether financial or not) which might be demanded of a Customer solely because his Contract or Deemed Contract has ended and/or any sum of money or other reward (whether financial or not) which would have been provided to a Customer if he continued to be supplied under a particular Domestic Supply Contract for a particular period of time and might not be provided to that Customer solely because that Domestic Supply Contract has ended before that period of time has elapsed;</p>
Third Party	<p>means a third party organisation or individual that, either on its own or through arrangements with other organisations or individuals, provides information and/or advice to a Non-Domestic Customer about the licensee's Charges and/or other terms and conditions and whose payment or other consideration for doing so is made or processed by the licensee;</p>
Third Party Costs	<p>means any fees, commission or other consideration including a benefit of any kind, processed by the licensee and paid or made or due to be paid or made to the Third Party in respect of a Non-Domestic Customer Contract, that are passed on to the Non-Domestic Customer;</p>
Tied Bundle	<p>means a Non-Energy Product that is offered as part of, or which is in any way linked to, a Tariff and which the Domestic Customer has to receive;</p>
Time of Use Rates	<p>means any contractual arrangement whereby the Charges for the Supply of Gas include two or more Unit Rates in circumstances where no more than one Unit Rate applies to any given period of time;</p>

Time of Use Tariff	means a Tariff whereby the Charges for the Supply of Gas include two or more Unit Rates in circumstances where no more than one Unit Rate applies to any given period of time;
Trade Sale or Trade Purchase	means a commercial transaction in which the licensee agrees the transfer of rights under one or more Domestic Supply Contracts and/or Non-Domestic Supply Contracts, or the novation of one or more Domestic Supply Contracts and/or Non-Domestic Supply Contracts;
Transportation Services Area	has the meaning given in and is to be interpreted in accordance with standard condition 2 (Application of Section C (Transportation Services Obligations)) of the Gas Transporter Licence;
Version	has the meaning given to it in the Smart Energy Code.
Undertaking	has the meaning given in section 259 of the Companies Act 1985;
Unit Rate	means the monetary amount that is chargeable in respect of each unit of gas consumed;
Warm Home Discount	means a monetary amount provided by the licensee pursuant to regulations made under section 11 of the Energy Act 2010;
Website	means a website controlled and used by the licensee to communicate with a Customer for reasons relating to the supply of gas;
White Label Tariff	<p>means a Tariff:</p> <p>(a) offered by virtue of a Gas Supply Licence of the licensee or an Affiliate Licensee;</p> <p>(b) which uses the brand name of a person that does not hold a Gas Supply Licence (excluding any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which does not hold a Gas Supply Licence); and</p> <p>(c) in respect of which the licensee does not, using its own brand name, engage in activities that are directed at or</p>

incidental to identifying and communicating with Domestic Customers for the purpose of promoting the tariff to them. For the avoidance of doubt, this paragraph(c) does not in any way relieve the licensee of any obligations to provide information to a Domestic Customer arising under any relevant provisions of legislation, law or other licence conditions.

**White Label Tariff
Provider**

means the person that owns the brand name used for a White Label Tariff.

Winter

means the months of October, November, December, January, February and March;

Working Day

means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day that is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971.

Writing

includes writing sent or received by Electronic Communication and “Written” shall be construed accordingly.

Condition 2. Interpretation of standard conditions

General rules of interpretation

- 2.1 Unless the context otherwise requires, any word or expression defined in the Act, the Utilities Act 2000 or the Energy Act 2004 has the same meaning when used in the standard conditions of this licence.
- 2.2 Unless the context otherwise requires, any reference in the standard conditions of this licence to an industry code, an agreement or a statement is a reference to that code, agreement or statement as modified, supplemented, transferred, novated or replaced from time to time.
- 2.3 The heading or title of any section, standard condition, schedule, paragraph or sub-paragraph in the standard conditions of this licence is for convenience only and does not affect the interpretation of the text to which it relates.
- 2.4 Unless the context otherwise requires:
 - (a) any reference in the standard conditions of this licence to a section, standard condition, schedule, paragraph or sub-paragraph is a reference to it in the standard conditions of this licence;
 - (b) any reference in a standard condition of this licence to a paragraph or sub-paragraph is a reference to it in that standard condition; and
 - (c) any reference in the standard conditions of this licence to any natural or legal person includes that person's successors.
- 2.5 Any reference in the conditions of this licence to any of the following:
 - (a) a provision of the conditions of this licence;
 - (b) a provision of the conditions of the Gas Shipper Licence;
 - (c) a provision of the conditions of the Gas Transporter Licence; or
 - (d) a provision of the conditions of the Gas Interconnector Licence,is to be read, if the conditions of this licence or of any of the other licences are subsequently modified, as a reference (so far as the context permits) to the corresponding provision of the relevant conditions.
- 2.5A Unless the context or a standard condition otherwise requires,
 - (a) words and expressions referencing the masculine gender include the feminine;
 - (b) words and expressions referencing the feminine gender include the masculine;

- (c) words and expressions in the singular include the plural and words and expressions in the plural include the singular.

Performance of obligations

- 2.6 Where any obligation in this licence is required to be performed by a specified date or time or within a specified period and the licensee has failed to do so, the obligation will continue to be binding and enforceable after the specified date or time or after the end of the specified period, without prejudice to all rights and remedies available against the licensee in relation to its failure.

Specific application of powers

- 2.7 Unless a contrary intention appears, any power of the Authority under any provision of this licence:
- (a) to give a direction, consent, derogation, approval or designation is a power:
 - (i) to give it to such extent, for such period of time and subject to such conditions as the Authority thinks reasonable in all the circumstances of the case; and
 - (ii) to revoke or amend it (after consulting with the licensee or, for the purpose of a Domestic Supply Direction given under standard condition 3 (Application of Section B of standard conditions), with the consent of the licensee) or give it again under that power; and
 - (b) to make a determination or a decision is a power:
 - (i) to make it subject to such conditions as the Authority thinks reasonable in all the circumstances of the case; and
 - (ii) to make it again under that power.
- 2.8 Any direction, consent, derogation, determination, approval, designation, decision or other instrument given or made by the Authority under this licence will be in Writing.

Date to be specified

- 2.9 In each case in which the Authority may specify a date under the standard conditions of this licence, it may specify:
- (a) that date; or
 - (b) the means by which that date is to be determined.

Continuing effect

- 2.10 Anything done under or because of a standard condition of this licence, which is in effect immediately before that standard condition is modified, has continuing effect for so long as it is permitted or required by or under the modified standard condition.
- 2.11 Without prejudice to the generality of paragraph 2.10, every direction, consent, determination, designation, approval, decision or other instrument given or made by the Authority or by a licensing scheme made under Schedule 7 to the Utilities Act 2000 in relation to a standard condition of this licence, which is in effect immediately before that standard condition is modified, has continuing effect for so long as it is permitted or required by or under the modified standard condition.

Specific Application of Powers – Secretary of State

- 2.12 Unless a contrary intention appears, any power of the Secretary of State under standard condition 1, 12, 33, 34, 39, 39A, 40, 43, 47, 48 or 49 of this licence to give a direction, and any power of the Secretary of State under standard condition 41 or 49 of this licence to give an approval is a power:
- (a) to give it to such extent, for such period of time and subject to such conditions as the Secretary of State thinks reasonable in all the circumstances of the case; and
 - (b) to revoke or amend it (after consulting with the licensee) or give it again under that power.
- 2.13 Any direction given by the Secretary of State under standard condition 1, 12, 33, 34, 39, 39A, 40, 43, 47, 48 or 49 of this licence, and any approval given by the Secretary of State under standard condition 41 or 49 of this licence, will be in Writing.
- 2.14 In each case in which the Secretary of State may specify a date under standard condition 12, 33, 34, 39, 39A, 40, 43, 48 or 49 of this licence, he may specify:
- (a) that date; or
 - (b) the means by which that date is to be determined.
- 2.15 Without prejudice to the generality of paragraph 2.10, every direction given by the Secretary of State in relation to standard condition 1, 12, 33, 34, 39, 39A, 40, 43, 47, 48 or 49 of this licence, and every approval given by the Secretary of State under standard condition 41 or 49 of this licence, which is in effect immediately before that standard condition is modified, has continuing effect for so long as it is permitted or required by or under the modified standard condition.

Condition 3. Application of Section B of standard conditions

- 3.1 Section B of the standard conditions will have effect in this licence if:
- (a) the Secretary of State has provided, by a scheme made under Schedule 7 to the Utilities Act 2000, that it will have effect; or
 - (b) the Authority issues a Domestic Supply Direction under paragraph 3.3.
- 3.2 If Section B of the standard conditions does not have effect in this licence, the licensee:
- (a) must not supply gas to any Domestic Premises; and
 - (b) will not be required to comply with any of the requirements of that section of this licence.
- 3.3 After the Authority receives an application from the licensee in accordance with the Application Regulations, it may issue a Domestic Supply Direction to the licensee.
- 3.4 If the licensee applies to the Authority in Writing:
- (a) for a variation of the terms under which Section B of the standard conditions has effect in this licence; or
 - (b) for Section B of the standard conditions to stop having effect in this licence,
- the Authority may approve that variation or cessation and specify the date on and from which it will have effect.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 4. Licensee's payments to Authority - Not used.

Condition 4A. Operational capability

- 4A.1 The licensee must ensure it has and maintains robust internal capability, systems and processes to enable the licensee to:
- (a) efficiently and effectively serve each of its Customers;
 - (b) efficiently and effectively identify likely risks of consumer harm and to mitigate any such risks; and
 - (c) comply with relevant legislative and regulatory obligations.

Meeting the operational capability principle

- 4A.2 The licensee must have Sufficient Control over the Material Economic and Operational Assets used or needed to run its supply business.

Guidance

- 4A.3 The licensee must have regard to any guidance on standard condition 4A (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise

Condition 4B. Financial responsibility principle

- 4B.1 The licensee must ensure that it maintains Capital and Liquidity of sufficient amount and Quality that it is able to meet its reasonably anticipated financial liabilities as they fall due on an ongoing basis.
- 4B.2 The licensee must ensure that, were it to exit the supply market (due to insolvency, licence revocation or in any other circumstances), its operational and financial arrangements are such that any Supplier of Last Resort or special administrator appointed would be able to efficiently and effectively serve its customers and that the exit would result in minimised Mutualised costs.
- 4B.3 The licensee shall at all times manage responsibly costs that could be Mutualised and take appropriate action to minimise such costs.

Meeting the financial responsibility principle

- 4B.4 The licensee shall at all times have adequate financial arrangements in place to meet its costs at risk of being Mutualised.
- 4B.5 Where the licensee uses a Material Economic and Operational Asset to meet obligations under this condition, the licensee must have Sufficient Control over it.
- 4B.6 The licensee shall not liquidate, sell or otherwise dispose of Material Economic and Operational Assets it uses to meet its obligations under this condition, if doing so risks an increase in costs at risk of being Mutualised.
- 4B.7 If any of the Trigger Points have occurred, the licensee must notify the Authority 28 days before making any payment, providing any loan or transferring any asset to any third party unless that payment, loan or transfer is one that it is essential to the licensee's operation as a supplier of gas to consumers. The licensee must continue to notify the Authority in respect of such payments until the Authority has confirmed in writing that such notification is no longer required.

Monitoring and Reporting

- 4B.8 The licensee must notify the Authority in writing: (i) as soon as reasonably practicable but no later than 7 days after it becomes aware that there is a Material risk that any of the Trigger Points set out in sub-paragraphs (a) to (d) will occur; and (ii) as soon as reasonably practicable but no later than 7 days after it becomes aware that any of the following Trigger Points have occurred:
 - (a) any reduction in the licensee's Access to Funds, where this may impact the licensee's ability to meet standard conditions 4B.1, 4B.2, 4B.3, 4B.4, 4B.5 and 4B.6;

- (b) any changes with respect to the licensee's contractual arrangements with counterparties, where this may impact the licensee's ability to meet standard conditions 4B.1, 4B.2, 4B.3, 4B.4, 4B.5 and 4B.6; or
 - (c) any change that could have a Material adverse effect in respect to the cash position of the licensee.
 - (d) the licensee's monthly average Cash is less than 20% of the value of its Domestic Customer Credit Balances (the "Cash Coverage Trigger")
- 4B.9 Where the licensee notifies the Authority in accordance with standard condition 4B.8, it must, along with the notification, explain the impact that the relevant change will have, may have or has had on its ability to meet standard conditions 4B.1, 4B.2, 4B.3, 4B.4, 4B.5 and 4B.6.

Annual Adequacy Self-Assessment

- 4B.10 The licensee must submit an annual assessment ("the Annual Adequacy Self-Assessment") at least once every 12 calendar months.
- 4B.11 The Annual Adequacy Self-Assessment must set out the how the licensee:
- (a) has complied with standard conditions 4B.1, 4B.2, 4B.3, 4B.4, 4B.5 4B.6 and 4B.16 over the previous 12 calendar months; and
 - (b) intends to comply with standard conditions 4B.1, 4B.2, 4B.3, 4B.4, 4B.5, 4B.6 and 4B.16 for the next 12 consecutive calendar months.
 - (c) has met the Capital Target or has complied with standard condition 4B.18 and 4B.20 over the previous 12 calendar months; and
 - (d) intends to meet the Capital Target or intends to comply with standard condition 4B.18 and 4B.20 over the next 12 consecutive calendar months.
- 4B.12 The first Annual Adequacy Self-Assessment must be submitted to the Authority no later than 31 March 2024.
- 4B.13 The licensee must, within 28 days of this standard condition taking effect, notify the Authority of the date on which it will submit the Annual Adequacy Self-Assessment (the "Submission Date") for the purpose of standard condition 4B.10.
- 4B.14 The licensee may notify the Authority of a revised Submission Date for the purpose of standard condition 4B.10 provided that the revised Submission Date will not result in the licensee submitting information relating to a period of more than 12 consecutive months.
- 4B.15 The licensee must submit a signed declaration of financial and operational adequacy ("Certificate of Adequacy") with the Annual Adequacy Self-Assessment. The Certificate of Adequacy must be signed by the licensee's Chief Financial Officer or a senior official of the licensee with equivalent responsibility.

Capital Floor and Capital Target

4B.16 If the licensee supplies to Domestic Premises, with effect from 31 March 2025, the licensee's Adjusted Net Assets must not be below the Capital Floor.

4B.17 The licensee must, with effect from 31 March 2025, notify the Authority in writing as soon as reasonably practicable, and not more than 7 days, after it becomes aware that its Adjusted Net Assets are below the Capital Floor or there is a Material risk that its Adjusted Net Assets will be below the Capital Floor.

4B.18 If the licensee supplies to Domestic Premises, with effect from 31 March 2025, where the licensee's Adjusted Net Assets exceed the Capital Floor but are below the Capital Target (the "Intermediate Position"), it must:

- i) Notify the Authority, as soon as reasonably practicable, and at most within 7 days, of being in the Intermediate Position, that it is in the Intermediate Position;
- ii) Notify the Authority at least 28 days before making any payment, providing any loan or transferring any asset to any third party unless that payment, loan or transfer is one that it is essential to the licensee's operation as a supplier of gas to consumers (with such payments and transactions together hereinafter referred to as "Non-essential Payments");
- iii) Adhere to Transition Controls until the Capitalisation Plan has been approved by the Authority in accordance with standard condition 4B.20 ("Approved Capitalisation Plan"); and
- iv) Once the Capitalisation Plan has been so approved, adhere to the Approved Capitalisation Plan.

4B.19 Where a licensee uses Alternative Sources of Capital to meet the Capital Floor or Capital Target:

- i) the Authority must approve these Alternative Sources of Capital before they can take effect for the purposes of meeting 4B.16 and 4B.18.
- ii) Requests to utilise Alternative Sources of Capital to meet the Capital Floor or Capital Target must be notified to the Authority in writing 8 weeks before the date provided for in standard condition 4B.16 and in respect of new market entrants at least 28 days before the grant of the gas supply licence.
- iii) Licensees must notify the Authority of any changes to their Alternative Sources of Capital as soon as reasonably practicable and no later than 7 days of becoming aware of changes.

4B.20 Where the licensee is in the Intermediate Position:

- i) It must submit to the Authority a credible proposed Capitalisation Plan (the "Proposed Capitalisation Plan") as soon as reasonably practicable.

- ii) The Authority will consider the Proposed Capitalisation Plan and confirm in writing to the licensee whether it has been approved or rejected (where approved, this is the “Approved Capitalisation Plan”).
- iii) Where the Authority approves the Proposed Capitalisation Plan the licensee must adhere to the Approved Capitalisation Plan in accordance with 4B.18(iv).
- iv) Where the Authority rejects the Proposed Capitalisation Plan, it will provide the licensee with reasons for its rejection. In those circumstances, the licensee must submit to the Authority a further Proposed Capitalisation Plan which the Authority will consider and either approve or reject with reasons.

4B.21 Where the licensee seeks to amend the Approved Capitalisation Plan:

- i) It must notify the Authority of the amendment(s) it proposes and the reasons for proposing the amendment(s) at least 28 days before the next Quarterly Progress Milestone.
- ii) After receiving notification, the Authority will consider, and either accept or reject, the proposed amendment(s). For the avoidance of doubt, the Authority will only accept the proposed amendment(s) where the licensee satisfies it that there is reason to do so.
- iii) If the Authority accepts the proposed amendment(s), the licensee must adhere to the amended Approved Capitalisation Plan.
- iv) If the Authority rejects the proposed amendment(s), it will provide the licensee with reasons for its rejection. Upon receiving notification from the Authority of rejection, the licensee will then have a further 14 days during which representations may be made on the Authority’s decision to reject the proposed amendment(s).
- v) If, following any representations from the licensee, the Authority accepts the proposed amendment(s), the licensee must adhere to the amended Approved Capitalisation Plan.
- vi) If, following any representations from the licensee, the proposed amendment(s) are rejected, the licensee must continue to adhere to the (unamended) Approved Capitalisation Plan.

4B.22 Where the Authority seeks to amend the Approved Capitalisation Plan:

- i) It must notify the licensee of the amendment(s) to the Approved Capitalisation Plan it proposes and the reasons for proposing the amendment(s) at least 28 days before the next Quarterly Progress Milestone.
- ii) After receiving notification, the licensee will have 14 days to consider the proposed amendment(s) and a further 14 days during which representations may be made on the proposed amendment(s).
- iii) If, following any representations from the licensee, the Authority continues to proceed with amendment(s) to the Capitalisation Plan that it has proposed, the licensee must adhere to the amended Approved Capitalisation Plan.
- iv) If, following any representations from the licensee, the Authority decides not to proceed with the amendment(s) to the Approved Capitalisation Plan that it has proposed, the licensee must continue to adhere to the original Approved Capitalisation Plan.

Circumstances for directing ringfencing of Customer Credit Balances

4B.23 The Authority will direct the licensee to Protect a proportion of its Domestic Customer Credit Balances in accordance with standard condition 4D where:

- i) the licensee does not have Cash equal to or greater than the “Cash Coverage Trigger”; or
- ii) From 31 March 2025 onwards, the licensee’s Adjusted Net Assets are below the Capital Target (the “Capital Target Trigger”); or
- iii) There is a Material risk that, within the next 12-month period the licensee will be below the Cash Coverage Trigger or the Capital Target Trigger

except in circumstances where the Authority is satisfied, in accordance with standard condition 4B.25, that Protecting Domestic Customer Credit Balances in accordance with standard condition 4D would not be in the Consumer Interest (the “Consumer Interest Test”).

4B.24 Before a direction is issued by the Authority in accordance with standard condition 4B.23:

- i) The Authority must notify the licensee that it is minded to issue a direction in accordance with standard condition 4B.23;
- ii) After receiving such notification from the Authority, the licensee will have 7 working days within which to make representations to the Authority on the Consumer Interest Test.

4B.25 Where the Authority issues a direction under standard condition 4B.23 the licensee must apply an Adjustment Percentage of 100% for the purposes of standard condition 4D.4 unless, the Authority considers that an Adjustment Percentage of 100% will not be in the Consumer Interest, in which case the Authority may direct an Adjustment Percentage of less than 100%.

4B.26 The Authority will revoke a direction issued under standard condition 4B.23 where it is satisfied that the circumstances for issuing a direction under standard condition 4B.23 are no longer present.

Guidance

4B.27 The licensee must have regard to the Guidance issued on standard condition 4B which, following consultation, the Authority may issue and may from time to time revise.

4B.28 Definitions:

For the purpose of condition 4A and 4B:

“Access to Funds” means any legally binding agreement which provides the supplier with capital or access to funding to be utilised for their licensable activities.

Examples of capital instruments include: unsecured shareholder loans, parent or group company working capital facilities and unconditional guarantees.

Examples of other financial instruments that provide access to funding include, but are not limited to: parent company guarantees, loans (including senior and subordinated, third party and intercompany), mezzanine finance, working capital facilities, trade finance facilities (including letter of credit, guarantee, factoring and invoice discounting), securitisation facilities, and guarantees.

“Adjusted Net Assets” means Net Assets without intangible assets, as measured according to suppliers’ internal accounting standards (e.g. IFRS or UK GAAP) and reported in suppliers’ financial statements plus any Alternative Source of Capital that has been approved by the Authority.

“Adjustment Percentage” means the % the Authority directs in accordance with standard condition 4B.25

“Alternative Sources of Capital” means one of the following which has been approved by the Authority:

- Unsecured loans approved by the Authority which satisfy each of the following conditions; (i) the loan is not repayable within the following 12 months, and (ii) the relevant lender (nor agent for the lender) has no right to accelerate the loan (including on the licensee’s insolvency or any other event of default or other event).
- The full value of a parent / group company committed, unsecured, documented loan facility from a parent / group company to the licensee (drawn or undrawn), which satisfies the following conditions: (i) the parent/ group company providing such commitment maintains a minimum long-term credit rating of at least two of the following: BBB- by Standard and Poor’s, BBB- by Fitch or Baa3 by Moody’s; (ii) the commitment is fully committed under a legally binding commitment letter or facility agreement for at least the next 12 months, and is not subject to any conditions to drawing or payment, and (iii) the parent/ group company has no right to cancel its commitment.
- Unconditional, unsecured, quantifiable, legally-binding, guarantee from a parent or group company to the licensee to discharge liabilities of the licensee, which guarantee satisfies the following conditions: (i) the parent/ group company providing such guarantee maintains a minimum long-term credit rating of at least two of the following: BBB- by Standard and Poor’s, BBB- by Fitch or at least Baa3 by Moody’s; (ii) the guarantee is

legally binding for at least the next 12 months, and is not subject to any conditions to drawing or payment, and (iii) the parent/ group company has no right to cancel such guarantee, (iv) any counter indemnity or other obligation by the licensee to parent/ group company in relation to payments by the parent/ group company under such guarantee will comply with the conditions referred to in “unsecured loans” above.

“Capital” means the elements of a supplier’s equity and appropriate loss-absorbing debt liabilities.

“Capitalisation Plan” means a credible plan submitted by the licensee and accepted by the Authority in accordance with SLC 4B.20. The plan must, at a minimum, include the following:

- The cause for the licensee being below the Capital Target
- The level of funds needed to meet the Capital Target
- How they intend to raise further funds
- How they intend to conserve existing funds, including limiting Non-essential Payments
- Whether core business functions will be affected
- The timeframe it would take to recover
- Assumptions on customer numbers and relevant commercial strategy
- Risks to recovering within the proposed timeframe
- The governance arrangements, including who is responsible for taking relevant decisions
- Quarterly Progress Milestones

“Capital Floor” means licensee Adjusted Net Assets of £0 per Domestic Customer.

“Capital Target” means licensee Adjusted Net Assets of £57.50 per Domestic Customer.

“Cash” means the total amount of money held at the bank by licensee in current or deposit accounts and which is included in the balance sheet under current assets.

“Consumer Interest” means the likely impact of any adjustments on Resilience, Prices, Quality and Standards, and Low-Cost Transition to Net Zero.

“Credit Balance Support Arrangements” One or more of the following: (i) Standby Letter of Credit; (ii) First Demand Guarantee; or (iii) Cash deposited in a Credit Balance Trust Account.

“Domestic Customer Credit Balance” means, during any period, the aggregate amount by which payments made by Fixed Direct Debit Domestic Customers under or in accordance with the relevant Domestic Supply Contracts exceed the total amount of Charges which are to become payable by Fixed Direct Debit Domestic Customers under those Domestic Supply Contracts during such period minus any amount refunded to the Domestic Customer during that period.

“Domestic Premise” means premises at which a supply is taken wholly or mainly for domestic purposes.

“Fixed Direct Debit” means an instruction from the customer to their bank or building society that authorises an organisation to collect a fixed amount from the customer’s account at regular intervals, provided that advance notice of the amount and the dates of collection have been provided.

“Liquidity” means the resources that suppliers can convert into ‘cash’ as soon as needed and with minimal loss in value to meet liabilities as they fall due, including under adverse circumstances.

“Low-Cost Transition to Net Zero” means the ability of gas supply licence holders to take the appropriate steps, at lowest cost to consumers, toward an energy system which relies on renewable, zero-emission sources and to facilitate the use of zero emission technologies that are connected to the energy network.

“Material” means more than negligible (de-minimis).

“Material Economic and Operational Assets” are those assets, mechanisms or arrangements used or needed by a supplier: to run its supply business and meet its obligations with regards to customers; to manage responsibly its costs at risk of being Mutualised; as adequate financial arrangements to meet its costs at risk of being Mutualised, with such assets, mechanisms or arrangements including, but not limited to, premises, facilities, shipping arrangements, staff, equipment, IT system, brand name and hedging contracts.

“Mutualisation [/Mutualised]” has the meaning given to it at standard condition 1.

“Net Assets” means (fixed assets + current assets) – (current liabilities + non-current liabilities).

“Prices” means Charges for the Supply of Gas.

“Protect” means to put in place and maintain in effect a Credit Balance Support Arrangement in respect of the Protected Amount that protects that sum of money in the event of the licensee’s insolvency or licence revocation. "Protecting" and "Protection" shall be construed accordingly.

“Protected Amount” means the gross credit balance minus the unbilled consumption multiplied by the Adjustment Percentage.

“Quality” means characteristics that make a source of funding best suited to allow a firm to absorb losses unambiguously on an ongoing basis, including under adverse circumstances.

“Quality and Standards” means the extent of competition, innovation and level of customer service in the market.

“Quarterly Progress Milestones” means the agreed quarterly deadline for the licensee to report to the Authority on: (i) the progress made towards achieving the Approved Capitalisation Plan; and (ii) in circumstances where the Capital Target Trigger has occurred and the Authority has not issued a direction under standard condition 4B.23, whether and why Protecting Domestic Customer Credit Balances in accordance with SLC 4D is or is not in the Consumer Interest

“Resilience” means the proportion of the market at risk of failure and the likely Mutualised cost that would result in the event of that failure occurring.

“Sufficient Control” means having either direct ownership or legally enforceable rights over Material Economic and Operational Assets so that the licensee can legally rely on them and enjoy the benefit of them.

“Supervisory Financial Monitoring” means the processes by which the Authority obtains information about the financial position of licence holders with such information including, but not limited to, licensee hedging position, the level of assets and liabilities held by the licensee, and the licensee’s ability to meet its debts as they fall due.

“Transition Controls” means the controls in place where the licensee is in Intermediate Position but before there is an Approved Capitalisation Plan in place. These controls are that the licensee must:

- refrain from all sales, marketing and customer acquisition activity, including the acquisition of any new domestic customers or upgrading of all existing domestic customer to dual fuel (“Sales Ban”)
- refrain from making any payment, providing any loan or transferring any asset to any third party unless that payment, loan or transfer is one that:
 - i) is required to make by virtue of a statutory requirement, court order or by virtue of a contractual requirement where making that payment is essential to enable the licensee to run its business;
 - ii) is essential to the licensee’s operation as a supplier of gas to consumers; or
 - iii) is otherwise approved in writing by the Authority (“Non-essential Payments Ban”).

“Trigger Point” are indicators linked to supplier financial resilience in the four situations described in paragraphs a) to d) of standard condition 4B.8.

“Working Capital” means the capital used to cover differences between when goods and services are paid for by suppliers, and when customers pay their bills. This can also be considered as the net current assets/liabilities of a supplier.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

Condition 4C. Ongoing fit and proper requirement

- 4C.1 The licensee must not appoint or have in place a person in a position of Significant Managerial Responsibility or Influence who is not a fit and proper person to occupy that role.
- 4C.2 The licensee must:
- (a) have and maintain robust processes, systems and governance in place to ensure that any person holding a position of Significant Managerial Responsibility or Influence in the licensee is fit and proper to occupy that role; and
 - (b) carry out regular assessments on such person(s) to ensure that they remain fit and proper to occupy that role.
- 4C.3 In complying with paragraphs 4C.1 to 4C.2, the licensee must have regard to and take account of all relevant matters including, but not limited to, whether the individual has:
- (a) been responsible for, contributed to or facilitated any serious misconduct or mismanagement (whether unlawful or not) in the course of carrying out a regulated activity (or, providing a service elsewhere which, if provided in Great Britain, would be a regulated activity);
 - (b) any relevant unspent criminal convictions in any jurisdiction in particular fraud or money laundering;
 - (c) any insolvency history, including undischarged bankruptcy, debt judgements and County Court judgements;
 - (d) been disqualified from acting as a director of a company;
 - (e) been a person with Significant Managerial Responsibility or Influence at a current or former licensed Gas Supplier or Electricity Supplier in respect of whose Customers' premises the Authority issued a Last Resort Supply Direction (including where they were a person with Significant Managerial Responsibility or Influence at that licensed Gas Supplier or Electricity Supplier within the 12 months prior to the Last Resort Supply Direction being issued);
 - (f) been refused, had revoked, restricted or terminated any form of authorisation, or had any disciplinary, compliance, enforcement or regulatory action taken by any regulatory body in any jurisdiction whether as an individual, or in relation to a business in which that person held Significant Managerial Responsibility or Influence.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

- 4C.4 The licensee must give particular regard to circumstances in which the relevant person has a background in the energy sector in Great Britain and the previous actions of that person resulted in or contributed towards significant consumer or market detriment.

Condition 4D. Protecting Domestic Customer Credit Balances

Credit Balance Support Arrangements

- 4D.1 The licensee must comply with the provisions of this condition where the Authority has issued a direction pursuant to standard condition 4B.23 setting out the Adjustment Percentage for the purposes of calculating the Protected Amount in accordance with the formula set out in paragraph 4D.4 of this condition.
- 4D.2 The licensee must:
- (a) put in place and thereafter maintain Credit Balance Support Arrangements that covers the Protected Amount in full for the duration of the Initial Period and thereafter each consecutive calendar month; and
 - (b) confirm to the Authority that the Credit Balance Support Arrangements Protect the Protected Amount.
- 4D.3 The licensee's Credit Balance Support Arrangements must be notified to the Authority in the form published on the Authority website and which the Authority may from time-to-time revise following consultation.

Calculating the Protected Amount

- 4D.4 The Protected Amount for the Initial Period and each subsequent calendar month (each being a “Relevant Period”) shall be:
- the Gross Credit Balance minus the Unbilled Consumption multiplied by the Adjustment Percentage.
- 4D.5 The Gross Credit Balance and the Unbilled Consumption for a Relevant Period are nominal values recorded by the licensee at the close of business the day after the date of the direction in respect of the Initial Period or the nominal values recorded by the licensee at the close of business on the last day of the calendar month immediately preceding the commencement of such Relevant Period.
- 4D.6 For each consecutive Relevant Period, the licensee must ensure that:
- i) its existing Credit Balance Support Arrangements cover the Protected Amount in full for the duration of each Relevant Period; or
 - ii) if it has modified or supplemented its Credit Balance Support Arrangements, the modified or new Credit Balance Support Arrangements cover the Protected Amount in full for the duration of the Relevant Period.

Process for calculating the Protected Amount

4D.7 Following a direction by the Authority, the licensee must calculate and notify to the Authority the Protected Amount for each Relevant Period in accordance with the provisions of paragraph 4D.4 of this condition. Day 1 of the Initial Period commences on the date specified in the direction. Day 1 of each subsequent Relevant Period commences on the first day of each calendar month.

4D.8 The licensee must:

- a) assess the sum total of funds to be protected for the duration of the Relevant Period;
- b) submit the calculation of the funds to be protected including any information data or analysis used to make the final calculation;
- c) source and arrange one or more of the following Credit Balance Support Arrangements to cover the Protected Amount in full for the duration of the Relevant Period:
 - i. Letter of Credit;
 - ii. First Demand Guarantee; or
 - iii. Cash deposited in a Credit Balance Trust Account.
- d) submit written confirmation from a Director with responsibility or oversight for the licensee's finances that the calculation of the Protected Amount made and notified to the Authority has been made in accordance with paragraph 4D.7 of this condition;
- e) evidence that the licensee's Credit Balance Support Arrangements cover the most recently calculated Protected Amount, including (where applicable) the most recent bank statement in relation to any Credit Balance Trust Account and copies of its Credit Balance Support Arrangements
- f) submit to the Authority the information set out in sub-paragraphs (b), (d) and (e) above in the form provided for in the Guidance on the Operational Capability and Financial Responsibility Principles for each consecutive Relevant Period on or before Day 14 of the Relevant Period.

Guidance

4D.9 The licensee must have regard to any Guidance (in addition to the 'Guidance on the Operational Capability and Financial Responsibility Principle') issued and from time-to-time revised, following consultation, in respect of standard condition 4D.

Methodology and Definitions

4D.10 For the purpose of this condition:

Acceptable Bank	A bank or other regulated financial institution situated in the United Kingdom that has an Acceptable Credit Rating.
Acceptable Credit Rating	An Acceptable Credit Rating is an assessment by at least two of Fitch Ratings, Moody's and Standard and Poor's that the bank or other regulated financial institution has a long-term debt rating of "A-" or better (in the case of Fitch Ratings and Standard and Poor's) or "A3" or better by Moody's.
Adjustment Percentage	is the % the Authority directs in accordance with standard condition 4B.25.
Credit Balance Support Arrangements	One or more of the following: <ul style="list-style-type: none">(i) Standby Letter of Credit;(ii) First Demand Guarantee; or(iii) Cash deposited in a Credit Balance Trust Account.
Credit Balance Trust Account	A dedicated and segregated bank account in the name of the licensee (i) with a bank branch in England or Wales, (ii) over which the licensee has declared a trust complying with the Credit Balance Trust Requirements.
Credit Balance Trust Beneficiaries	Means both: <ul style="list-style-type: none">(i) the licensee and(ii) any Supplier(s) of Last Resort nominated from time to time by the Authority in relation to Fixed Direct Debit Domestic Customers of the licensee or, prior to the appointment of any such Supplier(s) of Last Resort, the Fixed Direct Debit Domestic Customers of such licensee as a whole.
Credit Balance Trust Requirements	A dedicated and segregated bank account in the name of the licensee: (i) with a bank branch in England and Wales; (ii) over which the licensee has declared a trust in favour of the Credit Balance Trust Beneficiaries in the form published on the Authority's website that meets the following requirements: <ul style="list-style-type: none">a) the trust provides for the licensee to hold the entire benefit of the Credit Balance Trust Account, and all funds from time to time standing to the credit of the Credit Balance Trust Account, on trust for the Credit Balance Trust Beneficiaries as the only beneficiaries;b) the trust allows funds standing to the credit of the Credit Balance Trust Account in excess of the then applicable Protected Amount to be released from the Credit Balance

- Trust Account to a general operations account of the licensee;
- c) the payment of the Protected Amount, following a Credit Event or a Licence Event, to the Supplier of Last Resort nominated from time to time by the Authority, or, in the case of a sale by the Licensee of the accounts of any Fixed Direct Debit Domestic Customers, the portion of Protected Amount allocable to the Consumer Credit Balances of such Fixed Direct Debit Domestic Customers to the relevant purchaser, or otherwise in accordance with the directions of the Authority;
 - d) the trust prohibits:
 - (i) any security being created by the licensee over the Credit Balance Trust Account;
 - (ii) the Credit Balance Trust Account being overdrawn;
 - (iii) withdrawals of the Protected Amount from the Credit Balance Trust Account other than: (A) in excess of the then applicable Protected Amount, (B) to refund to Fixed Direct Debit Domestic Customers overpayments by such Fixed Direct Debit Domestic Customers, (C) if the Authority determines that the Licensee no longer needs to hold its interest in Credit Balance Trust Account on trust, or (D) as mentioned in paragraph (c) of this definition of Credit Balance Trust Requirements; and or (E) in accordance with directions by the Authority;
 - (iv) the crediting of funds to the Credit Balance Trust Account that are not Domestic Consumer Credit Balances or interest accruing on the Credit Balance Trust Account;and
 - e) notice of such trust has been given to the relevant account bank.

Credit Event

Means:

- (a) any of the following shall occur with respect to the Licensee (excluding a winding-up petition which the beneficiary considers to be frivolous or vexatious, or to have no real prospect of success, and which is discharged, stayed or dismissed within ten days of its presentation and, in any event, before it is advertised):

- (i) the licensee is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts; or
- (ii) a moratorium is declared in respect of any indebtedness of the licensee;
- (iii) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the licensee;
 - (B) a composition, compromise, assignment or arrangement with any creditor of the licensee; or
 - (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect the licensee or any of its assets; or
- (b) any analogous procedure or step is taken in any jurisdiction.

Director A person legally responsible for running the company with knowledge and understanding of the licensee's finances.

Domestic Customer Credit Balance Means, during any period, the aggregate amount by which payments to be made by Fixed Direct Debit Domestic Customers under or in accordance with the relevant Domestic Supply Contracts exceeds the total amount of Charges which are to become payable by Fixed Direct Debit Domestic Customers under those Domestic Supply Contracts during such period minus any amount refunded to the Domestic Customer during that period.

Domestic Supply Contract	As defined in standard condition 1.3.
First Demand Guarantee	<p>An irrevocable, independent, primary and autonomous (in all circumstances) guarantee in the form published on the Authority's website from time to time provided by a person established within the United Kingdom or in an EU member state, or European Economic Area member state, that is bound by the 2005 Hague Convention on Choice of Court Agreements and has incorporated that convention into its laws, with a long term credit rating by at least two of Fitch Ratings, Moody's and Standard and Poor's that the guarantor has a long-term debt rating of "A-" or better (in the case of Fitch Ratings and Standard and Poor's) or "A3" or better by Moody's on issuance and maintained throughout the tenor of the First Demand Guarantee and that meets the following requirements:</p> <ul style="list-style-type: none">a) it does not contain any surety defence waivers or other drafting that is more characteristic of a suretyship guarantee than a primary and autonomous first demand instrument;b) it is issued in favour of the Authority as the beneficiary, or in favour of any other beneficiary that the Authority shall nominate;c) it expressly provides the Authority with the right freely to assign the proceeds of any drawing under the First Demand Guarantee;d) it is available for drawing on demand for throughout its tenor, with that tenor automatically extending annually by 365 days unless the beneficiary receives a notice no earlier than 60, and no later than 45, clear days before the date upon which that tenor would otherwise automatically extend, stating that the tenor of the First Demand Guarantee shall not extend beyond that date (a "Non-Extension Notice");e) it provides for a compliant demand to state that, by reason of (i) certain specified insolvency events occurring with respect to the licensee or any of its assets, or receipt by the beneficiary of a Non-Extension Notice under and relating to that First Demand Guarantee; or (ii) revocation or surrender of the licensee's licence, the beneficiary is entitled to demand, and does demand, payment of an amount equal to, or less than, the Protected Amount prevailing on the date of the demand and provides a form of compliant demand in an annex to the guarantee;

- f) it provides for all demands to be full, final, binding and conclusive proof for all purposes of the guarantee of their contents, including (without limitation) that the entity issuing such a guarantee may not dispute any demand on these matters;
- g) it permits partial and multiple demands that, in aggregate, do not exceed the then-current Protected Amount;
- h) it provides for the Protected Amount to be available for drawing throughout its tenor
- i) it provides for all payments under the guarantee to be made in full, on demand and without any deduction for or on account of any type of set-off or counterclaim to such entity and account as the beneficiary shall specify in a demand; and
- j) the guarantee is in the form published on the Authority's website from time to time.

Fixed Direct Debit	Means an instruction from the customer to their bank or building society that authorises an organisation to collect a fixed amount from the customer's account at regular intervals, provided that advance notice of the amount and the dates of collection have been provided.
Gross Credit Balance	Means the aggregate of the licensee's Domestic Customer Credit Balances held in relation to Fixed Direct Debit Domestic Customers.
Initial Period	Means the 28-day period commencing on the date the direction is issued pursuant to standard condition 4B.23.
ISP 98	Means the International Chamber of Commerce's International Standby Practices (ICC Publication No 590)
Licence Event	Means: <ul style="list-style-type: none"> (a) the Authority has revoked the licensee's licence; or (b) the Licensee has surrendered its licence.
Payment on Demand	Means immediate, unconditional and irrevocable payment of any amount demanded by the Authority which is equal to or less than the Protected Amount. For an SBLC or First Demand Guarantee, Payment on Demand may only be deferred for such period of days

as may be specified on the face of the SBLC or First Demand Guarantee in question.

Protect	To put in place, and continuously maintain in effect, a Credit Balance Support Arrangement in respect of the Protected Amount that protects that sum of money in the event of the licensee being subject to specified insolvency events, licence revocation or licence surrender. "Protecting" and "Protection" shall be construed accordingly and shall extend to requiring that SBLCs or First Demand Guarantees be available for drawing if a Non-Extension Notice (as defined above or, as applicable, below) is served under the instrument in question on the beneficiary of that instrument.
Protected Amount	Means the Domestic Customer Credit Balance multiplied by the Adjustment Percentage.
Relevant Period	Means either the Initial Period or a calendar month.
Standby Letter of Credit or "SBLC"	<p>An irrevocable, independent, primary and autonomous standby letter of credit in the form published on the Authority's website from time to time, that is issued or confirmed by an Acceptable Bank in favour of the Authority, or any other beneficiary that the Authority may nominate, that meets the following requirements:</p> <ul style="list-style-type: none">a) it must be available for drawing on demand throughout its tenor, with the tenor of the SBLC automatically renewing annually for 365 days, unless its issuing bank (or confirming bank) serves a notice on the beneficiary of the SBLC no earlier than 60, and no later than 45, clear days before the date upon which the tenor of the SBLC would otherwise automatically extend, Such notice stating that the tenor of that SBLC shall not extend beyond that date (a "Non-Extension Notice");b) it does not limit the ability of the beneficiary freely to assign the proceeds of any drawing under the SBLC;c) a demand must either state that, by reason of (i) certain specified insolvency events occurring with respect to the licensee or any of its assets or receipt by the beneficiary of a Non-Extension Notice under and relating to the SBLC; or (ii) revocation or surrender of its licence, the beneficiary is entitled to demand, and does demand, payment of an

amount equal to, or less than, the Protected Amount prevailing on the date of the demand;

- d) all demands to be full, final and conclusive proof for all purposes of the SBLC of their contents, including (without limitation) as to statements (i) or (ii) in the previous bullet point and neither the issuing bank nor any confirming bank may look behind any demand on these matters;
- e) a form of a compliant demand shall be annexed to the SBLC;
- f) partial and multiple demands permitted in aggregate total amount up to the maximum amount of the SBLC;
- g) all payments under the SBLC shall be made in full, on demand and without any deduction for or on account of any type of set-off or counterclaim to such entity and account as the beneficiary shall specify in a demand under the SBLC; and
- h) the SBLC is expressed to be governed by UCP 600 (excluding article 32) or ISP 98, governed by English law, with an exclusive jurisdiction clause in favour of the English courts.

UCP 600 Means the International Chamber of Commerce's Uniform Customs and Practice for Documentary Credits (2007 Revision)

Unbilled Consumption Means the value of the energy by the licensee to likely be consumed by all Fixed Direct Debit Domestic Customers and calculated in accordance with the terms of the relevant Domestic Supply Contracts, but not yet included in a Bill or deducted from that Fixed Direct Debit Domestic Customer's Domestic Customer Credit Balance.

Condition 5. Provision of Information to Authority and data retention

- 5.1 After receiving a request from the Authority for Information that it may reasonably require or that it considers may be necessary to enable it to perform any functions given or transferred to it by or under any legislation, including any functions conferred on the Authority by or under the Regulation, the licensee must give that Information to the Authority when and in the form requested.
- 5.2 The licensee is not required to comply with paragraph 5.1 if the licensee could not be compelled to produce or give the Information in evidence in civil proceedings before a court.
- 5.3 After receiving a request from the Authority for reasoned comments on the accuracy and text of any Information relating to the licensee's activities under or pursuant to this licence which the Authority proposes to publish under section 35 of the Act, the licensee must give such comments to the Authority when and in the form requested.
- 5.4 The Authority's power to request Information under this condition is additional to its power to call for information under or pursuant to any other condition of this licence.

Data Retention

- 5.5 The licensee shall keep, for at least five years, the Relevant Data relating to any transactions in gas supply contracts with wholesale customers, transmission system operators, storage facility and LNG import or export facility owners, or any person who sells gas to the licensee, which have been entered into by the licensee on or after the day after the day on which the Electricity and Gas (Internal Markets) Regulations 2011 are made.
- 5.6 [Omitted]
- 5.7 After receiving a request from the Authority for the Relevant Data, the licensee must give the Relevant Data to the Authority when and in the form requested.
- 5.8 Paragraphs 5.5 and 5.7 do not require the licensee to keep Relevant Data in respect of any feed-in tariff arrangements entered into by the licensee in accordance with Condition 33 or 34.
- 5.9 For the purposes of this condition:

 “LNG import or export facility” has the meaning given in and is to be interpreted in accordance with section 48 of the Act;

 “owner” has the meaning given in and is to be interpreted in accordance with section 48 of the Act;

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

“Relevant Data” means details on the characteristics of all transactions in gas supply contracts with wholesale customers, transmission system operators, storage facility and LNG import or export facility owners, or any person who sells gas to the licensee, including but not limited to the duration, delivery and settlement rules, the quantity, the dates and times of execution and the transaction prices and means of identifying the wholesale customer concerned, as well as specified details of all unsettled gas supply contracts;

“storage facility” has the meaning given in and is to be interpreted in accordance with section 48 of the Act.”

Condition 5A. Principle to be open and cooperative

- 5A.1 The licensee must be open and cooperative with the Authority.
- 5A.2 In complying with paragraph 5A.1, the licensee must disclose to the Authority in writing or orally any circumstance relating to the licensee of which the Authority would reasonably expect notice in order to perform its statutory functions, particularly actions or omissions that give rise to a likelihood of detriment to Domestic Customers. Such disclosure should be given as soon as the circumstance arises or the licensee becomes aware of it.
- 5A.3 The licensee is not required to comply with paragraphs 5A.1 and 5A.2 if the licensee could not be compelled to produce or give the information in evidence in civil proceedings before a court.

Condition 5B. Independent Audits

- 5B.1 After receiving a request from the Authority to commission an Independent Audit that the Authority considers may be necessary for the performance of any functions given or transferred to it by or under any legislation, including any functions conferred on the Authority by or under the Regulation, the licensee must commission such an Independent Audit and provide to the Authority, in the form requested by the Authority and by the date set by the Authority, a copy of the full audit report.
- 5B.2 The Independent Audit will include one (or more) of the following areas of the licensee's business: a) financial stability; b) customer service systems and processes; or c) where a licensee cannot provide adequate information under Condition 28C.
- 5B.3 If required to commission an Independent Audit pursuant to paragraph 1, the licensee must commission the auditor to carry out the Independent Audit in line with terms of reference supplied by the Authority that are reasonable to meet the purpose of the audit and complying with any code of ethics or similar regulation that applies in the auditor's ordinary course of business.
- 5B.4 The licensee is not required to comply with paragraph 5B.1 if the licensee could not be compelled to produce or give the information in evidence in civil proceedings before a court.
- 5B.5 The licensee must ensure that:
- (a) without prejudice to its duty to provide a copy of the report to the Authority by the date set by the Authority, each report prepared in accordance with paragraph 5B.1 is considered by appropriate members of its senior management team within four weeks of the report being provided by the auditor to the licensee; and
 - (b) it keeps a documentary record of the decisions made and actions taken by it in response to that report.
- 5B.6 The licensee must take all reasonable steps to ensure that its Affiliates cooperate fully with the Independent Audit, where appropriate.

Definitions for condition

- 5B.7 For the purposes of this condition:

“Independent Audit” means an audit carried out by a person(s) with the relevant skills and expertise, other than the licensee or an Affiliate, instructed by the licensee. Unless exempted by the Authority, the auditor must be a person or firm regulated by an appropriate professional body.

Condition 6. Classification of premises

Domestic Premises

- 6.1 Unless the context otherwise requires, a Domestic Premises is a premises at which a supply of gas is taken wholly or mainly for a domestic purpose except where that premises is a Non-Domestic Premises.

Non-Domestic Premises

- 6.2 Unless the context otherwise requires, a Non-Domestic Premises is a premises, that is not a Domestic Premises, at which a supply of gas is taken and includes:
- (a) a premises where:
 - (i) the person who has entered into a Contract with the licensee for the supply of gas to the premises is a person who has entered or will enter into an agreement with any other person for the provision of a residential or any other accommodation service at the premises; and
 - (ii) the terms of the agreement referred to in sub-paragraph 6.2(a)(i) are commercial in nature and include a charge for the supply of gas to the premises (whether such charge is express or implied); and
 - (b) any other premises that is to be treated as a Non-Domestic Premises under paragraph 6.4 or 6.6.

Changes in use of gas

- 6.3 This paragraph applies if:
- (a) after the licensee enters into a Non-Domestic Supply Contract with a Customer; or
 - (b) after a Deemed Contract for a Non-Domestic Premises begins,
- the Customer begins using the gas supplied to his premises under that contract or deemed contract wholly or mainly for a domestic purpose.
- 6.4 If paragraph 6.3 applies, the Customer's premises will be treated as a Non-Domestic Premises for the purposes of this licence until the Non-Domestic Supply Contract or the Deemed Contract, as appropriate, ends.

Multi-Site Contracts

- 6.5 Unless the context otherwise requires, a Multi-Site Contract is a Contract for the supply of gas to:

- (a) one or more Non-Domestic Premises; and
- (b) one or more Domestic Premises which are occupied for a purpose ancillary to that for which any of the Non-Domestic Premises is occupied,

where all of those premises are owned or occupied by:

- (i) the same person or body of persons whether corporate or unincorporate; or
- (ii) an Undertaking (for this condition only, the “principal undertaking”) and a Holding Company, Subsidiary or Subsidiary of the Holding Company of that principal undertaking or any other Undertaking in which the principal undertaking has a Participating Interest.

6.6 A Domestic Premises supplied by the licensee under a Multi-Site Contract will be treated as a Non-Domestic Premises for the purposes of this licence until that contract ends.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Standard conditions 7 to 10:

Continuity of supply

Condition 7. Terms of Contracts and Deemed Contracts

Termination of Contracts and Deemed Contracts

- 7.1 Each Contract and Deemed Contract for the supply of gas to a premises must provide for itself to end when a Last Resort Supply Direction given to any other Gas Supplier has effect in relation to that premises.
- 7.2 If a Domestic Supply Contract provides for both the supply of gas to a premises and the provision of any other good or service, the reference in paragraph 7.1 to ending that contract is a reference to ending it for the supply of gas to the premises only.

Terms of Deemed Contracts must not be unduly onerous

- 7.3 The licensee must take all reasonable steps to ensure that the terms of each of its Deemed Contracts are not unduly onerous.
- 7.4 One way in which the terms of a Deemed Contract will be unduly onerous for any class of Domestic Customers or for any class of Non-Domestic Customers is if the revenue derived from supplying gas to the premises of the relevant class of customers on those terms:
- (a) significantly exceeds the licensee's costs of supplying gas to such premises; and
 - (b) exceeds such costs of supplying gas by significantly more than the licensee's revenue exceeds its costs of supplying gas to the premises of the generality of its Domestic Customers or, as the case may be, to the premises of the generality of its Non-Domestic Customers (in each case excluding from the calculation premises supplied in accordance with standard condition 8 (Obligations under Last Resort Supply Direction)).

Continuity and termination of Deemed Contracts

- 7.5 In addition to the requirement of paragraph 7.1, a Deemed Contract must:
- (a) include a term to give effect (under the Deemed Contract) to the requirements of paragraph 3 of standard condition 16 (Security and emergency arrangements) (which relates to the rights and obligations of the parties to a Contract where a direction given to the licensee under section 2(1)(b) of the Energy Act 1976 is in force);
 - (b) if the Customer is a Non-Domestic Customer, include a term to give effect (under the Deemed Contract) to the requirements of paragraph 4 of standard condition 16 (Security and emergency arrangements) (which

relates to the rights and obligations of the parties to a Contract during a pipeline system emergency);

- (c) provide that, where a Customer intends his premises to be supplied with gas under a Contract with the licensee or any other Gas Supplier, the Deemed Contract will continue to have effect until the licensee or the other Gas Supplier, as appropriate, begins to supply gas to the premises under a Contract; and
 - (d) if the Customer is a Domestic Customer, include a term to give effect (under the Deemed Contract) to the requirements of paragraph 1 of standard condition 24 (Termination of Domestic Supply Contracts) (which relates to the termination arrangements that apply when there is a change in the ownership or occupation of Domestic Premises).
- 7.6 If the licensee supplies gas to a Customer's premises under a Deemed Contract, the licensee must not charge the Customer a Termination Fee.
- 7.6A A Deemed Contract must not:
- (a) provide for any fixed term period;
 - (b) provide for any Termination Fee; or
 - (c) subject to sub-paragraph 5(d), require a Customer to give any form of notice before they are able to change supplier.
- 7.6B In relation to any Customer which is subject to a Deemed Contract, the licensee must not, and must ensure that its staff and any Representative does not, inform that Customer that they are:
- (a) required to pay a Termination Fee;
 - (b) subject to a fixed term period; or
 - (c) subject to sub-paragraph 5(d), are required to give any form of notice before they are able to change supplier.

Information for Customers about Deemed Contracts

- 7.7 If the licensee supplies gas to a Customer's premises under a Deemed Contract, it must take all reasonable steps to provide that Customer with:
- (a) the Principal Terms of the Deemed Contract; and

- (b) Notice that Contracts, with terms that may be different from the terms of Deemed Contracts, may be available and of how information about such Contracts may be obtained.
- 7.8 If a person requests a copy of a Deemed Contract that the licensee has available, the licensee must provide it to that person within a reasonable period of time after receiving the request.

Calculation of consumption under Deemed Contracts

- 7.9 In determining the number of kilowatt hours of gas that are to be treated as supplied to or taken at premises under a Deemed Contract, the licensee must act reasonably and take into account available gas consumption data for the premises and any other relevant factor.

Effect of Last Resort Supply Direction on Deemed Contracts

- 7.10 If a Customer is being supplied with gas under a Deemed Contract because a Last Resort Supply Direction has been issued in relation to his premises, paragraph 7.3 and sub-paragraph 7.7(b) do not apply until that direction stops having effect.

Terms of Deemed Contracts

- 7.11 The licensee must ensure that the terms and conditions of each Deemed Contract comply with the provisions of standard condition 7.
- 7.12 The licensee must ensure that each Deemed Contract contains terms and conditions which:
 - (a) reflect the effect of the provisions of standard condition 7; and
 - (b) require the licensee to honour Customer Credit Balances, provided and to the extent that the licensee committed to do so before the Authority gave it a Last Resort Supply Direction and the Deemed Contract arose as a result of the Last Resort Supply Direction.
- 7.13 The licensee must not enforce or take advantage of any term of a Deemed Contract if:
 - (a) the inclusion of that term is incompatible with standard condition 7; or
 - (b) the enforcement or the taking advantage of that term would be so incompatible.

Guidance

- 7.14 The licensee must have regard to any guidance on standard condition 7 (including in respect of definitions which appear in standard condition 1) which, following

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

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 identify whether that Non-Domestic Customer is a Micro Business Consumer, or deem that Non-Domestic Customer to be a Micro Business Consumer.

7A.2 Where any Contract or Contract extension as described in paragraph 7A.1 is entered into with a Non-Domestic Customer that has been identified as, or deemed to be, a Micro Business Consumer, that Contract shall be a “Micro Business Consumer Contract” for the purposes of this Condition.

7A.3 The licensee must not included a term in a Micro Business Consumer Contract which enables it to terminate the Contract or apply different terms and conditions to that Contract during a fixed term period on the grounds that the Customer no longer satisfies the definition of Micro Business Consumer.

Notification of Micro Business Consumer Contract terms and other information

7A.4 Before the licensee enters into a Micro Business Consumer Contract, it must bring, or ensure that the relevant Third Party brings, the following information to the attention of the Micro Business Consumer and ensure that the information is communicated in plain and intelligible language:

- (a) a statement to the effect that the licensee is seeking to enter into a legally binding Contract with the Micro Business Consumer; and
- (b) the Principal Terms of the proposed Contract.

7A.5 The licensee must ensure that all the express terms and conditions of a Micro Business Consumer Contract are:

- (a) set out in Writing; and
- (b) drafted in plain and intelligible language.

- 7A.6 Where the licensee enters into, or extends the duration of, a Micro Business Consumer Contract for a fixed term period, it must prepare a statement (hereafter referred to as a “Statement of Renewal Terms”) which:
- (a) is set out in Writing;
 - (b) is drafted in plain and intelligible language;
 - (c) displays the following information in a prominent manner;
 - (i) the date the fixed term period is due to end, or if that date is not ascertainable the duration of the fixed term period;
 - (ii) (if applicable) a statement to the effect that the Micro Business Consumer may send a notification in Writing to the licensee at any time before the end of the fixed term that currently applies in order to prevent the licensee from extending the Micro Business Consumer Contract with effect from the end of any fixed term period;
 - (iii) a postal and Electronic Communication address to which the Customer may send a notification in Writing for that purpose; and
 - (iv) a statement explaining the consequences of the Micro Business Consumer not renewing the Micro Business Consumer Contract or agreeing a new Contract before the end of the fixed term period that currently applies.
- 7A.7 Where the licensee enters into or extends the duration (including the duration of any fixed term period) of a Micro Business Consumer Contract, it must take all reasonable steps to provide the Micro Business Consumer with the following information within 10 days, or do so as soon as reasonably practicable thereafter:
- (a) a copy of all the express terms and conditions of the Micro Business Consumer Contract; and
 - (b) if the Micro Business Consumer Contract contains a fixed term period, the Statement of Renewal Terms.
- 7A.8 On or about 60 days before the end of the Initial Period, unless the licensee has already agreed a new Micro Business Consumer Contract with the Micro Business Consumer, the licensee must provide the Micro Business Consumer with:
- (a) the Statement of Renewal Terms;
 - (b) if paragraph 7A.12A applies and subject to paragraph 7A.8(d):

- (i) a copy of the relevant Principal Terms which might apply to the Micro Business Consumer after the current fixed-term period of the Micro Business Consumer Contract ends, including in the event that the Customer does nothing and the licensee extends the duration of the Contract in accordance with paragraph 7A.12B; and
 - (ii) a copy of the Principal Terms which would apply after the current fixed-term period of the Micro Business Consumer Contract ends, in the event that the Customer sends (or has already sent) a notification in Writing before the end of the fixed term period that currently applies to prevent renewal of the Micro Business Consumer Contract but does not appoint another supplier;
- (c) if paragraph 7A.12A does not apply, a copy of the Principal Terms, which would apply if the Customer does not change supplier or does not expressly agree a new Micro Business Consumer Contract or a further fixed-term period of the existing Micro Business Consumer Contract by the date that the current fixed-term period is due to end.
- (d) if paragraph 7A.12A applies but the licensee has already prevented the Micro Business Consumer from extending the duration of the Micro Business Consumer Contract for a further fixed-term period, the requirements in paragraph 7A.8(b) shall be replaced with a requirement to provide the Micro Business Consumer with a copy of the Principal Terms which would apply after the current fixed-term period of the Micro Business Consumer Contract ends if the Customer continues to be supplied by the licensee.
- (e) a statement displaying the Charges for the Supply of Gas which apply to the Customer as at the date on which such statement is provided; and
- (f) the Customer's Annual Consumption Details.

7A.9 Where pursuant to paragraphs 7A.4 or 7A.8 the licensee is required to provide a Micro Business Consumer with any relevant Principal Terms:

- (a) it must ensure that the Principal Terms are:
 - (i) set out in Writing; and
 - (ii) drafted in plain and intelligible language;
- (b) if the terms of the Micro Business Consumer Contract provide that the Charges for the Supply of Gas may vary or fluctuate from time to time, it must provide:

- (i) an explanation that the Charges for the Supply of Gas are subject to change from time to time; and, as applicable,
- (ii) the precise variations to the Charges for the Supply of Gas or the method by which the Charges for the Supply of Gas will fluctuate automatically; or
- (iii) where there is no agreed schedule of variations or an agreed fluctuation method in respect of the Charges for the Supply of Gas, information about how the Micro Business Consumer may obtain the current Charges for the Supply of Gas from the licensee.

7A.10 Where pursuant to paragraph 7A.8 (b) the licensee provides a Micro Business Consumer with any offers of terms that relate to Charges for the Supply of Gas, it must ensure that at least one offer is made in Writing which may be accepted at any time before the end of the fixed term period that currently applies.

Information on Bills etc

7A.10A Where the licensee has entered into a Micro Business Consumer Contract for a fixed term period, the licensee must provide the information specified in paragraph 7A.10B on each Bill and statement of account and display that information in a prominent position and ensure that it is drafted in plain and intelligible language.

7A.10B The specified information is:

- (a) the date the fixed term period of a Micro Business Consumer Contract is due to end;
- (b) where the licensee has entered into a Micro Business Consumer Contract for a fixed term period and it may, in accordance with that Micro Business Consumer Contract, be extended for a further fixed term period:
 - (i) a statement to the effect that the Micro Business Consumer may send a notification in Writing to the licensee before the end of any fixed term period that currently applies in order to prevent the licensee from extending the duration of the Micro Business Consumer Contract for a further fixed term period and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and
- (c) where the licensee has entered into a Micro Business Consumer Contract for a fixed term period and it does not have the ability to extend that Micro Business Consumer Contract for a further fixed term period:

- (i) a statement to the effect that the Micro Business Consumer may, if they so choose, send a notification in writing to the licensee at any time before the end of the fixed term period that currently applies in order to terminate the Micro Business Consumer Contract with effect from the end of the fixed term period which currently applies.

7A.10C – not used

Termination during Initial Period of Micro Business Consumer Contracts which include a fixed term period

7A.11 In relation to a Micro Business Consumer Contract that contains a fixed term period, the licensee must ensure that a Micro Business Consumer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier from the end of the Initial Period (or earlier, if the Contract allows for this), subject always to paragraphs 14.2-14.3 of Standard Licence Condition 14.

Termination during Roll-Over Period of Micro Business Consumer Contracts

7A.12 In relation to Micro Business Consumer Contracts during the Roll-Over Period, the licensee must ensure that:

- (a) a Micro Business Consumer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier; and
- (b) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Gas Supplier at any time without having to pay a Termination Fee, or be liable for increased Standing Charges, Unit Rates, or any other charges pursuant to the Micro Business Consumer Contract.

Extending the duration of Micro Business Consumer Contracts

7A.12A This paragraph applies where the relevant Micro Business Consumer Contract is for a fixed-term period and contains a Roll-Over Clause.

7A.12B Where paragraph 7A.12A applies, the licensee may only extend the duration of that Contract for a further fixed term period if:

- (a) it has complied with paragraphs 7A.7 and 7A.8;

- (b) the Micro Business Consumer has not sent the licensee a notification in Writing before the end of the Initial Period in order to prevent it from extending the duration of the Micro Business Consumer Contract for a further fixed term period; and
- (c) the duration of the further fixed term period is 12 months or less.

Termination of Evergreen Micro Business Consumer Contracts

7A.13A If the licensee supplies gas to a Micro Business Consumer's premises under an Evergreen Micro Business Consumer Contract, the licensee must ensure that:

- (a) the notice period for termination of any Evergreen Supply Contract with a Micro Business Consumer is no longer than 30 days; and
- (b) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Gas Supplier at any time without having to pay a Termination Fee.

7A.13AB Where paragraph 7A.13A applies, notice of termination must include but is not limited to notice given by the proposed new Relevant Gas Supplier in respect of a Proposed Supplier Transfer.

7A.13AC If the licensee receives notice of termination in accordance with 7A.13A it must take all reasonable steps to notify the Micro Business Consumer in Writing within 5 Working Days of receipt of such notice of termination, or as soon as reasonably practical thereafter, that such notice of termination has been received.

Termination of Out-of-contract Contracts

7A.13B If the licensee supplies gas to a Micro Business Consumer's premises under an Out-of-contract Contract, the licensee must ensure that:

- (a) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Gas Supplier at any time without having to pay a Termination Fee; and
- (b) a Micro Business Consumer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier.

Reporting obligation

7A.13C.1 The licensee must give the Authority any Information that it reasonably requests about the licensee's compliance with paragraphs 7A.11 to 7A.13B as soon as reasonably practicable after receiving a request from the Authority.

7A.13C.2 The licensee must give the Authority any Information that it reasonably request to assess the impact and effectiveness of the obligations contained in paragraphs

7A.11 to 7A.13B as soon as reasonably practicable after receiving a request from the Authority.

Definitions for condition

7A.14 In this condition:

“Micro Business Consumer”	means a Non-Domestic Customer: (a) which is a “relevant consumer” (in respect of premises other than domestic premises) for the purposes of article 2(1) of The Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (S.I. 2008/2268); or (b) which has an annual consumption of gas of not more than 293,000 kWh.
“Relevant Date”	means the date which is 30 days, before the date any fixed term period of a Micro Business Consumer Contract is due to end.
“Evergreen Micro Business Consumer Contract”	means a Micro Business Consumer Contract which is for a period of an indefinite length and which does not contain a fixed-term period that applies to any of the terms and conditions of that Micro Business Consumer Contract and is not an Out-of-contract Contract.
“Initial Period”	means a period of fixed duration from the start of a contract concerning the supply of gas.
“Micro Business Termination Fee”	means any sum of money or other compensation (whether financial or not) which might be demanded from a Micro Business Consumer solely because his Micro Business Consumer Contract has ended and/or any sum of money or other reward (whether financial or not) which would have been provided to a Micro Business Consumer if he continued to be supplied under a Micro Business Consumer Contract for a particular period of time and would not be provided to that Micro Business Consumer solely because that contract has ended before that period of time has elapsed.
“Out-of-contract Contract”	means a Non-Domestic Supply Contract which continues to apply to a Micro Business Consumer in circumstances where that Non-Domestic Supply

Contract has been terminated or has expired through the passage of time and the same licensee continues to supply gas to that Micro Business Consumer.

“Roll-Over Clause”

means a term providing for a contract to continue (automatically, or at the sole option of the licensee) beyond the expiry of the Initial Period in the event that, during the Initial Period, the Micro Business Consumer has not terminated the Micro Business Consumer Contract or otherwise expressly agreed that the Micro Business Consumer Contract will continue for a period of fixed duration or an indefinite length.

“Roll-Over Period”

means the period of time after the Initial Period for which a Micro Business Consumer Contract will continue pursuant to the Roll-Over Clause.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 7B. (Not Used – refer to standard condition 0A)

Condition 7D. Supply to Certain Micro Business Consumers – additional requirements

Obligation to disclose Required Price Information to Relevant Micro Business Customers

- 7D.1 The licensee must disclose the Required Price Information in the Prescribed Format promptly to each Relevant Micro Business Customer on its Website or on one or more Third Party Online Platforms.
- 7D.2 Where a licensee discloses the Required Price Information on its Website, the licensee must ensure that access to the Required Price Information is displayed clearly and prominently.
- 7D.3 Where a licensee discloses the Required Price Information through a Third Party Online Platform, the licensee must ensure that a web-link to the Third Party Online Platform is displayed clearly and prominently on its Website.

Obligation to disclose other price information

- 7D.4 The licensee must disclose, on its Website, the Unit Rates and Standing Charges per fuel of all their Out-of-contract Contracts and all Deemed Contracts which apply to a Micro Business Consumer.
- 7D.5 When making the disclosure in accordance with paragraph 7D.4, the licensee must ensure that access to this information is displayed clearly and prominently on its Website.

Reporting obligation

- 7D.6 The licensee must give the Authority any Information that it reasonably requests about the licensee's compliance with paragraphs 7D.1 to 7D.5 as soon as reasonably practicable after receiving a request from the Authority.
- 7D.7 The licensee must give the Authority any Information that it reasonably requests to assess the impact and effectiveness of the obligations contained in paragraphs 7D.1 to 7D.5 as soon as reasonably practicable after receiving a request from the Authority.

Definitions for condition

7D.8 In this condition:

Additional Information

means the MPAN or MPRN or the aggregate amount of all Charges for the Supply of Gas in Pounds Sterling (GBP) over a monthly, quarterly, 6 month or 12 month period (such period being at the customer's choice), as applicable.

Micro Business TPI

means an organisation or individual acting as a third party intermediary between a Micro Business Consumer and the licensee.

Out-of-contract Contract

means a Non-Domestic Supply Contract which continues to apply to a Micro Business Consumer in circumstances where that Non-Domestic Supply Contract has been terminated or has expired through the passage of time and the same licensee continues to supply gas to that Micro Business Consumer.

Prescribed Format

means displaying *(a)* the total estimated cost for the duration of each contract, calculated from the Primary Information and *(b)* as applicable, the cost of each of the following components *(i)* Standing Charge(s), *(ii)* Unit Rate(s) and *(iii)* all other associated charges.

Primary Information

means *(a)* the postcode, followed by address selection, and where the MPAN or MPRN cannot be derived from this, the relevant Additional Information; and *(b)* the consumption of gas over a monthly, quarterly, 6 month or 12 month period (such period being at the customer's choice) or, where such consumption information is not available, the Additional Information.

Relevant Micro Business Customer

means a Non-Domestic Customer that has entered their Primary Information on a licensee's Website or Third Party Online Platform and has an annual

consumption of gas of not more than 73,200 kWh per Gas Meter.

Required Price Information

means each separate combination of Standing Charges, Unit Rates and all other associated charges per Gas Meter, which is available for a Relevant Micro Business Customer to enter into a contract to purchase the supply of gas from the licensee, and remains available for an identified period, subject only to the licensee conducting a Successful Credit Check and any terms and conditions that may apply to any existing Micro Business Consumer Contract between the Relevant Micro Business Customer and that licensee.

Successful Credit Check

means the licensee conducting a credit checking process on the Relevant Micro Business Customer and the licensee being satisfied with such credit result.

Third Party Online Platform

means a price comparison website, internet-based price comparison service or other internet-based Micro Business TPI, that provides comparisons between, and/or access to, the Required Price Information in the Prescribed Format, and may facilitate, on behalf of the Micro Business Consumer, a change of supplier, supply contract, or both.

Condition 8. Obligations under Last Resort Supply Direction

Last Resort Supply Direction

- 8.1 The Authority may give a Last Resort Supply Direction to the licensee if it considers that:
- (a) a circumstance has arisen that would entitle it to revoke the Gas Supply Licence of a Gas Supplier other than the licensee (for this condition and condition 9 of this licence only, the “other supplier”); and
 - (b) the licensee could comply with the Last Resort Supply Direction without significantly prejudicing its ability:
 - (i) to continue to supply gas to its Customers’ premises; and
 - (ii) to fulfil its contractual obligations for the supply of gas.
- 8.2 The Last Resort Supply Direction will:
- (a) have effect on and from the date on which and the time at which the other supplier’s Gas Supply Licence is revoked; and
 - (b) stop having effect on and from a date, specified in the Last Resort Supply Direction.

Licensee’s obligations

- 8.3 In complying with the Last Resort Supply Direction, the licensee must take all reasonable steps to honour any commitment made to the Authority before the Authority gave it a Last Resort Supply Direction.
- 8.4 The licensee must comply with a Last Resort Supply Direction.
- 8.5 But the licensee is not required to comply with a Last Resort Supply Direction in respect of premises to which it would not be required to supply gas because of any of the exceptions set out in sub-paragraphs 5(a) to (c) of standard condition 22 (Duty to offer and supply under Domestic Supply Contract).
- 8.6 Within a reasonable period of time after receiving a Last Resort Supply Direction, the licensee must send a Notice to each of the premises specified or described in the Last Resort Supply Direction to inform each Customer:

- (a) that the other supplier stopped supplying gas to his premises with effect on and from the date on which the Last Resort Supply Direction had effect;
- (b) that the licensee began to supply gas to his premises with effect on and from the date on which the Last Resort Supply Direction had effect;
- (c) that the licensee is supplying gas to the Customer's premises under a Deemed Contract;
- (d) that the Customer may enter into a Contract with the licensee or any other Gas Supplier under which gas will be supplied to his premises; and
- (e) of the Charges for the Supply of Gas that the licensee may charge the Customer while supplying him under the Last Resort Supply Direction.

Charges under Last Resort Supply Direction

- 8.7 The licensee's Charges for the Supply of Gas to the premises specified or described in the Last Resort Supply Direction must not exceed an amount that may be expected, in total, approximately to equal the licensee's reasonable costs of supply (including, where appropriate, the costs of purchasing gas at short notice) and a reasonable profit.
- 8.8 If the licensee purchases gas to comply with a Last Resort Supply Direction, it must take all reasonable steps to do so as economically as possible in all the circumstances of the case.

Condition 9. Claims for Last Resort Supply Payment

Ability to make claim

- 9.1 If the licensee has received the Authority's consent under paragraph 9.5, it may make a claim for a Last Resort Supply Payment, under standard condition 48 (Last Resort Supply: Payment Claims) or standard special condition A48 (Last Resort Supply: Payment Claims) of the Gas Transporter Licence, from each Relevant Gas Transporter.
- 9.2 The licensee must not make a claim for a Last Resort Supply Payment if, and to the extent that, it has waived its ability to do so by Notice given to the Authority before the Authority gave it a Last Resort Supply Direction.

Process for making claim

- 9.3 If the licensee intends to make a claim for a Last Resort Supply Payment, it must:
- (a) give notice to the Authority of its claim; and
 - (b) give the Authority a calculation of the amount claimed with information to support that calculation,
- no later than a date notified to it by the Authority or, in the event that no such date is notified, five years after the date on which the Last Resort Supply Direction to which the claim relates stops having effect.
- 9.4 The total amount of the Last Resort Supply Payment (for this condition only, "the relevant amount") to be claimed by the licensee must not exceed the amount by which:
- (a) the total costs (including interest on working capital) reasonably incurred by the licensee in supplying gas to premises under the Last Resort Supply Direction and a reasonable profit,
plus
 - (b) any sums paid or debts assumed by the licensee to compensate any Customer in respect of any Customer Credit Balances,
plus
 - (ba) any additional (actual or anticipated) interest and finance costs (including fees, costs and expenses incurred in arranging such financing) associated with an arrangement approved in accordance with Clause 9.7C,
are greater than:

- (c) the total amounts recovered by the licensee through Charges for the Supply of Gas to premises under the Last Resort Supply Direction (after taking all reasonable steps to recover such Charges).
- 9.5 If the Authority considers it appropriate in all the circumstances of the case for the licensee to make the claim notified to it in accordance with paragraph 9.3, the Authority will give its consent to the licensee.
- 9.6 The Authority may determine;
 - (a) that an amount other than the one calculated by the licensee is a more accurate calculation of the relevant amount.
 - (b) with the consent of the licensee, that the period over which the relevant amount should be paid should be longer than a single financial year in order to mitigate the impact on consumers.
- 9.7 If the Authority makes a determination under paragraph 9.6, the amount specified by it must be treated as the relevant amount for the purpose of paragraph 9.8.

Transfer of rights in relation to and arising from valid claims

- 9.7A The licensee may assign or dispose of all or any of its rights under the licence or otherwise in relation to or arising from a valid claim provided that the licensee has obtained the Authority's prior written consent to the proposed assignment or disposal, including the identity of the person to whom the assignment or disposal is made (such consent to be consistent with any guidance or policy statement published for the purposes of this condition or the assignment or disposal of rights in relation to or arising from valid claims).
- 9.7B If the licensee proposes to assign or otherwise dispose of all or any of its rights in relation to or arising from a valid claim, it shall give the Authority reasonable notice of its intention to assign or otherwise dispose of such rights together with such further information as the Authority may reasonably request relating to: the identity of the proposed assignee or acquirer, the circumstances of such intended assignment or disposal, the costs relating to such assignment or disposal; and/or the intentions in regard thereto of the person proposing to acquire such rights.
- 9.76C The licensee may include within any notice provided pursuant to paragraph 9.7B a revised notice (or revocation of a previous notice and provision of a new notice) in accordance with paragraph 9.3 for determination by the Authority, to exclude the licensee's interest on working capital (to the extent appropriate) and to include the costs of the financing arrangement (including fees, costs and expenses incurred in arranging such financing) entered into by the assignee in order to fund such assignment including anticipated interest to be charged in relation thereto the anticipated interest to be charged by the proposed assignee and any other adjustment mechanisms (all

of which require the approval of the Authority) provided that:

- (a) unless the Authority consents, the licensee has not already submitted the valid claim to Relevant Gas Transporters; and
- (b) the licensee procures from the proposed assignee or acquirer an undertaking on terms acceptable to the Authority relating to the calculation of such interest and other adjustments over the repayment term of the relevant amount, the sharing of any re-financing gains and the provision of information and other matters relating to conditions of the Authority's approval of the licensee's claim (pursuant to paragraph 9.3) or of the assignment or disposal of the licensee's rights (pursuant to paragraphs 9.7A to 9.7C) .

Submissions to Relevant Gas Transporters

9.8 A claim by the licensee for a Last Resort Supply Payment from each Relevant Gas Transporter referred to in paragraph 9.1 must specify:

- (a) the respective proportion of the relevant amount to be paid by that Relevant Gas Transporter (being the same as the number of premises located within its Transportation Services Area when expressed as a proportion of the total number of premises directly connected to the pipeline systems of all the Relevant Gas Transporters in question);
- (b) whether payment is to be made by quarterly or monthly instalments.
- (c) the account(s) into which the relevant amount should be paid (which may include the account of an LRSP Permitted Assignee);
- (d) the period over which the relevant amount should be paid;
- (e) the Authority's determination of the relevant amount in each year or for a procedure for the Authority to determine the same in the future; and
- (f) if payment is to be made to an LRSP Permitted Assignee, a statement from the licensee regarding any retained interest in and to, the valid claim and the related relevant amount.

9.9 Unless the Authority consents otherwise pursuant to an arrangement approved under paragraph 9.7A and 9.7C, a claim for a Last Resort Supply Payment will lapse if the licensee does not make it within six months after the Authority has given its consent under paragraph 9.5.

Definitions for condition

9.10 In this condition:

“Closed Credit Balance”	means any Credit owed, on the date on which a relevant Last Resort Supply Direction took effect, by the other supplier to any Customer for whom the responsibility for the supply of gas had either transferred from the other supplier to another Gas Supplier or had otherwise terminated on or before the date on which the relevant Last Resort Supply Direction took effect;
“Customer Credit Balances”	means Closed Credit Balances and Open Credit Balances;
“Credit”	<p>means an amount by which the payments made by a Customer to the other supplier under or in accordance with a Domestic Supply Contract exceeds the sum of:</p> <ul style="list-style-type: none"> a) the total amount of Charges which were due and payable by that Customer to the other supplier under the relevant Domestic Supply Contract on or before the date on which the relevant Last Resort Supply Direction took effect; b) the total amount of Charges relating to gas supplied to that Customer by the other supplier on or before the date on which the relevant Last Resort Supply Direction took effect that would have fallen due and payable under the relevant Domestic Supply Contract but for that Last Resort Supply Direction; and c) the sum of any amounts equivalent to those described in (a) and (b), above, either that: <ul style="list-style-type: none"> (i) were due and payable; or (ii) would have been due and payable but for a direction issued by the Authority under standard licence condition 8 of a Electricity Supply Licence, <p>by that Customer to the other supplier under any contract for the supply of electricity to domestic premises, insofar as that sum exceeds the amounts paid by the Customer to the other supplier under a contract for the supply of electricity.</p>
“Open Credit Balance”	means any Credit owed by the other supplier to a Customer on the date of the relevant Last Resort Supply Direction.
"Valid Claim"	means a claim for which a licensee has been given a consent by the Authority pursuant to standard condition 9 (Claims

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

	for Last Resort Supply Payment) of the standard conditions of the gas supply licence.
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- 9.11 For the purposes of this condition, the term “licensee” in the definition of “Charges for the Supply of Gas” may refer to either the licensee or the other supplier, or both (as the context requires).

Condition 10. Restriction or revocation of licence

- 10.1 If the licensee makes an application to the Authority to restrict the premises to which it may supply gas or to revoke its licence, the licensee must take all reasonable steps to ensure continuity of supply for each Applicable Customer on terms that are the same as or as similar as possible to the terms in place between it and that customer immediately before the restriction or revocation is to have effect.
- 10.2 Not Used.
- 10.3 The licensee is not required to comply with paragraph 10.1 if the Authority gives it a direction that relieves it of its obligation to do so.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Standard conditions 11 to 19:

Industry activities and procedures

Condition 11 - Retail Energy Code

- 11.1 The licensee must be a party to, comply with and maintain the Retail Energy Code (for this condition only, the “REC”), as may be designated by the Authority for the purposes of this condition.
- 11.2 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.
- 11.3 Paragraph 11.2 is without prejudice to:
 - (a) any right of appeal that the licensee may have in relation to a decision made by the Authority under the Industry Codes; 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 Codes.
- 11.4 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 REC.
- 11.5 The licensee must take all reasonable steps to ensure that the REC remains an agreement which:
 - (a) is designed to facilitate the achievement of the relevant objectives set out in paragraph 11.6; and
 - (b) includes the matters set out in paragraph 11.7
- 11.6 The relevant objectives referred to in sub-paragraph 11.5 (a) are:
 - a) to ensure the REC operates and evolves in a manner that facilitates the achievement of its mission statement;
 - b) to ensure customers interests and data is protected in the operation of the REC; and,
 - c) to drive continuous improvements and efficiencies in the operation of the REC and the central systems and communication infrastructures it governs.
- 11.7 The matters referred to in sub-paragraph 11.5(b) are:
 - (a) provision for enabling the REC to be modified from time to time so as to better facilitate the achievement of the relevant objectives set out in paragraph 11.6;
 - (b) provision for enabling parties to the REC, 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) for the REC, and all ancillary documents and products to be published on a free to access website; and
- (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.

11.8 The REC must provide for:

- (a) a panel body, as specified in the REC (the “panel”) whose functions shall include the matters required by this condition and as set out in the REC; and
- (b) a person or body, as specified in the REC, to perform the role of code manager (the “REC manager”). In addition to any powers, duties or functions set out in the REC, the REC manager shall:
 - (i) together with other code managers and/or 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 REC;
 - (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 manager's assistance in relation to the REC including, but not limited to, assistance with:
 - a. drafting a modification proposal;
 - b. understanding the operation of the REC;
 - c. their involvement in, and representation during, the modification procedure processes (including, but not limited to, code panel and/or workgroup meetings);
 - d. accessing information relating to modification proposals and/or modifications.

and

- (c) a “performance assurance board” to conduct and administer activities identified within the REC and being appropriate to provide assurance that all participants in the REC arrangements, particularly those relating to switching activities, are suitably qualified and that the relevant standards are maintained.

11.9 The modification procedures referred to in sub-paragraph 11.7(a) must provide:

- (a) for a modification report to be prepared in such manner and with all such contents as specified in the REC, 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 REC, 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;
- (c) without prejudice to paragraph 11.10B, that proposals for the modification of the REC 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;
- (d) 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 REC to be made by the licensee or the Authority (in relation only to modifications which fall within the scope of paragraph 11.10E);
- (f) for modification proposals made by the Authority and the licensee in accordance with paragraphs 11.9(e) and 11.9(g)(i) respectively which fall within the scope of paragraph 11.10E:
 - (i) to be accepted into the REC modification procedures by the REC Manager and/or REC 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 11.9(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 11.10E) 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.

11.10 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 sub-paragraph (a) will be issued in relation to the REC, the licensee shall treat the significant code review phase as ended;
- (ba) the Authority raises a modification proposal in accordance with paragraph 11.9(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 11.10A;
- (c) neither directions under sub-paragraph (a) nor a statement under sub-paragraph (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 REC parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 11.9(a).

11.10A Where the Authority issues a statement under sub-paragraph 11.10(bb) and/or a direction in accordance with paragraph 11.10D, 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 11.10(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 REC following the submission of the modification report prepared pursuant to sub-paragraph 11.9(c) a.
- 11.10B Where the Authority issues a statement in accordance with sub-paragraph 11.10(bb) and/or a direction in accordance with paragraph 11.10D, the Authority may submit a modification proposal for a modification falling within the scope of sub-paragraph 11.10E(b) to the panel.
- 11.10C The modification procedures must provide, where the Authority submits a significant code review modification proposal to the panel in accordance with paragraph 11.10B, for compliance with the modification procedures set out in sub-paragraphs 11.9(a) and (b).
- The Authority’s published conclusions and significant code review modification proposal will not fetter any voting rights of REC parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 11.9(a).
- 11.10D The modification procedures must provide for modification proposals raised in accordance with sub-paragraph 11.10(a) or 11.9(g), or by the Authority under sub-paragraph 11.10(ba) and which fall within the scope of paragraph 11.10E(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.
- 11.10E 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 Co-operation of Energy Regulators; and/or
 - (b) the modification proposal is in respect of a significant code review.
- 11.11 Eligible grounds for appeal under the provisions referred to in sub-paragraph 11.7(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.

- 11.12 The procedures for the modification of the REC 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 REC, better facilitate the achievement of the relevant objectives.
- 11.13 The procedures for the modification of the REC must be consistent with the principles set out in the Code of Practice, to the extent that they are relevant.

Duty to cooperate

- 11.14 The licensee will cooperate with the Authority and/or any person(s) appointed by the Authority or appointed pursuant to a direction of the Authority, to undertake any reasonable requests in relation to planning, project assurance and/or coordination/systems integration in order to give full effect to the conclusions of a Significant Code Review.
- 11.15 Cooperation for the purposes of condition 11.14 may include but not be limited to:
- a) the sharing of such information as reasonable, and constructive participation in industry engagement in order to undertake appropriate planning of changes to IT systems or industry standard operational processes system changes pursuant to the conclusions of a significant code review;
 - b) the provision of such data as may be identified and reasonably requested in order to undertake testing and/or the population of any new central systems;
 - c) the preparation and cleansing of such data as may reasonably be requested in order to facilitate live operation of the new central system;
 - d) the provision of test scripts and results of any testing as may be requested by any person appointed to assure the success of any testing;
 - e) all reasonable steps to:
 - i) meet key programme milestones for the completion of any action(s) assigned to the licensee;
 - ii) adhere to any remedial plan put in place to address any issues, delays or slippage that may impact the licensee's ability to meet programme milestones, to the extent that failure to do so may jeopardise the successful and timely implementation of the programme;

- iii) identify any dependencies that the licensee may have upon agents or other third-parties and secure the necessary support from such parties; and,
- iv) promptly escalate and/or resolve any disputes that if unresolved may jeopardise the fulfilment of these obligations.

11.16 For the purposes of condition 11.14 only:

Significant Code Review means a review of matters in relation to its principal objective and/or general duties (under section 3A of the Electricity Act or section 4AA of the Gas Act), statutory functions and/or relevant obligations arising under Retained EU law, which the Authority considers are likely to relate to one or more of the documents referred to in this condition, or to which the licensee is required under this licence to be a party, and concerning which the Authority has consulted upon and issued a Notice to the parties stating that the review will constitute a Significant Code Review.

Condition 12. Matters relating to Gas Meters

Connection of Gas Meter to service pipe

- 12.1 Paragraphs 12.2 to 12.4 apply where the licensee is, or is about to become, the Relevant Gas Supplier and:
- (a) further to arrangements made by the licensee, a Gas Meter is connected to a service pipe through which gas is conveyed to a premises by a person who is not an approved Meter Installer; or
 - (b) the licensee receives:
 - (i) notice of, or information relating to, a proposed connection under sub-paragraph 12(1) or 12(3) of Schedule 2B to the Act; or
 - (ii) a copy of a notice or information in relation to a proposed connection which has been received by the Relevant Gas Transporter, or the person who is about to become the Relevant Gas Transporter, under sub-paragraph 12(1) or 12(3) of Schedule 2B to the Act,and the notice or information does not state that the connection will be, or has been, made by an approved Meter Installer.
- 12.2 The licensee must take all reasonable steps to ensure that an approved Meter Installer inspects any connection of the kind mentioned in paragraph 12.1.
- 12.3 An inspection under paragraph 12.2 must be carried out no later than 20 Working Days after:
- (a) the date on which the connection mentioned in sub-paragraph 12.1(a) is made; or
 - (b) the date of the connection specified in any notice or information of the kind mentioned in sub-paragraph 12.1(b).
- 12.4 If, following an inspection under paragraph 12.2, the approved Meter Installer finds the connection to be unsatisfactory, the licensee must take all reasonable steps to ensure that an approved Meter Installer carries out any appropriate remedial work.

Examination of Gas Meters

- 12.5 The licensee must, on request from any of its Customers, remove a Gas Meter through which that Customer takes a supply of gas in order for it to be examined by a meter examiner in accordance with section 17 of the Act.

- 12.6 Paragraph 12.5 does not apply in relation to a Gas Meter through which gas is supplied to Secondary Premises unless the Customer making the request agrees that, if the meter is found to be in proper order within the meaning of sub-paragraph 3(7) of Schedule 2B to the Act, then he will bear the expenses incurred in removing, examining and re-installing the meter and in fixing a substitute meter under paragraph 12.7.
- 12.7 The licensee must, while a meter which registers the supply of gas to Secondary Premises is removed in accordance with paragraph 12.5, fix a substitute meter on the premises.
- 12.8 Not Used
- 12.9 Not Used
- 12.10 Not Used
- 12.11 Not Used
- 12.12 Not Used
- 12.13 Not Used
- 12.14 Not Used
- 12.15 Not Used
- 12.16 Not Used

Application of provisions of Act

- 12.17 The licensee must, if it supplies gas through a Gas Meter to Secondary Premises, take all reasonable steps to secure by Contract that the provisions of paragraph 4 of Schedule 2B to the Act (which provide for the register of the meter to be sufficient evidence of the quantity of gas supplied) apply in respect of that meter.

Use of approved Metering 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 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 Retail Energy Code.

Advanced meters for Non-Domestic Premises

- 12.20 This paragraph has effect on and after 6 April 2009 and applies where the licensee installs or arranges for the installation of a Gas Meter at Non-Domestic Premises

at a metering point at which the measured annual consumption of gas is more than 732,000 kWh (for this condition only “relevant premises”).

- 12.21 If paragraph 12.20 applies, the Gas meter installed at the relevant premises must be an advanced meter.
- 12.22 For the purposes of this condition, an advanced meter is a Gas Meter that, either on its own or with an ancillary device, and in compliance with the requirements of any relevant Industry Document:
- (a) Provides measured gas consumption data for multiple time periods, and is able to provide such data for at least hourly time-periods; and
 - (b) Is able to provide the licensee with remote access to such data.
- 12.23 The licensee must ensure that a Customer supplied with gas at relevant premises through an advanced meter, or that Customer’s nominated agent, has timely access, on request, to the data provided by that meter.
- 12.23A The requirements of paragraph 12.23 cease to apply in respect of any relevant premises from the date that Part B2 of standard condition 45 (Smart Metering – Customer Access to Consumption Data) applies in respect of such premises.
- 12.24 As from 6 April 2014, the licensee must not supply gas to any relevant premises other than through an advanced meter.
- 12.25 The prohibition imposed by paragraph 12.24 does not apply where the licensee is unable to install or arrange for the installation of an advanced meter at the relevant premises in question despite taking all reasonable steps to do so.

Advanced meters – Designated Premises

- 12.26 This paragraph has effect on and after 6 April 2014 and applies where the licensee installs or arranges for the installation of a Large Gas Meter at any Designated Premises.
- 12.27 If paragraph 12.26 applies, the Large Gas Meter installed or arranged to be installed at the Designated Premises must be an advanced meter.

Advanced meters – Domestic Premises

- 12.28 This paragraph has effect from the date specified by the Secretary of State in a direction issued to the licensee under this paragraph and applies where the licensee installs or arranges for the installation of a Large Gas Meter at any Domestic Premises.
- 12.29 If paragraph 12.28 applies, the Large Gas Meter installed or arranged to be installed at the Domestic Premises must be an advanced meter.

Large Gas Meters from 2021

- 12.30 After the ARS Specified Date, the licensee must not supply gas to any Designated Premises or Domestic Premises through a Large Gas Meter which is not also an advanced meter.

Customer Access to Data

- 12.31 The licensee must ensure that a Customer supplied with gas at Designated Premises or Domestic Premises through an advanced meter, or that Customer's nominated agent, has timely access, on request, to the data provided by that meter.
- 12.31A The requirements of paragraph 12.31 cease to apply in respect of any Designated Premises from the date that Part B2 of standard condition 45 (Smart Metering – Customer Access to Consumption Data) applies in respect of such premises.

Exception

- 12.32 The prohibition imposed by paragraph 12.30 does not apply where the licensee is unable to install or arrange for the installation of an advanced meter at the Designated Premises or Domestic Premises in question despite taking all reasonable steps to do so.

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 Retail 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.2 The licensee must take (and ensure that any Representative takes) all reasonable steps:
- (a) to secure the achievement of the Objective; and
 - (b) to avoid doing anything which jeopardises its ability to achieve the Objective.
- 12A.3 The steps which the licensee must take (and ensure that any Representative takes) to secure the achievement of the Objective include, without limitation, the steps which are detailed at paragraphs 12A.5 to 12A.16 of this condition, the obligations set out in paragraphs 3 and 4 of standard condition 17 and sub-paragraph 6(e) of standard condition 30.
- 12A.4 For the avoidance of doubt, where the licensee is not registered at a premises for the purposes of the Retail 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 Retail 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 Retail 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.
- 12A.7 Paragraph 12A.6 does not apply if the Relevant Gas Transporter is required to investigate whether the supply of gas is/was illegally taken under paragraphs 1 and 2 of standard condition 7 of the Gas Transporters Licence.

The Theft Arrangement

- 12A.8 The licensee must be a party to, comply with, and maintain such arrangement to give effect to the Objective, as the Authority may direct (the “Theft Arrangement”).
- 12A.9 The licensee:
- (a) must take such steps as are necessary and within its reasonable control;
and
 - (b) must not take any unreasonable steps to prevent or delay,

to ensure that the Theft Arrangement is implemented by such a date as the Authority may direct.
- 12A.10 The licensee must take all reasonable steps to secure and implement changes to the Theft Arrangement and its systems, procedures and processes which are necessary to give full, timely and practical effect to the Theft Arrangement.
- 12A.11 The licensee must take all reasonable steps to cooperate with other licence holders where necessary, to facilitate the achievement of the Theft Arrangement.

Standards for Theft of Gas investigations

- 12A.12 The licensee must ensure (and ensure that any Representative ensures) that the following standards are met when it is taking any of the steps referred to in paragraphs 12A.1 to 12A.4 of this condition at a particular premises:

- (a) The licensee must take (and ensure that any Representative takes) all reasonable steps to identify whether:
 - (i) the Domestic Customer and/or the occupants of those premises which are Domestic Premises (in this condition “the relevant premises”) is of Pensionable Age, disabled or chronically sick; and/or
 - (ii) a Domestic Customer at the relevant premises will have difficulty in paying all or part of the Charges for the Supply of Gas resulting from Theft of Gas;
- (b) The licensee must take (and ensure that any Representative takes) into account the Domestic Customer’s ability to pay all or part of the Charges for the Supply of Gas resulting from Theft of Gas when calculating instalments, giving due consideration to:
 - (i) relevant information provided by third parties, where it is available to the licensee; and
 - (ii) where instalments will be paid using a Prepayment Meter, the value of all of the charges that are to be recovered through that meter;
- (c) Where the licensee or any Representative has identified persons of a category described in sub-paragraphs 12A.12(a)(i) and/or (ii), the licensee or any Representative must, before seeking to Disconnect the relevant premises, as a minimum offer the Domestic Customer to pay those Charges for the Supply of Gas using a Prepayment Meter, where it is safe and reasonably practicable in all the circumstances of the case for the Domestic Customer to do so;
- (d) Where the licensee or any Representative knows or has reason to believe that there may be persons of a category described in sub-paragraph 12A.12(a)(i), the licensee or any Representatives must take all reasonable steps not to Disconnect the relevant premises in Winter;
- (e) The licensee must have (and ensure that any Representative has) sufficient evidence to establish (on the balance of probabilities) the Statutory Disconnection Power before stopping the supply of gas to the premises on grounds of Theft of Gas;
- (f) The licensee must have (and ensure that any Representative has) sufficient evidence to establish (on the balance of probabilities) that Theft of Gas has occurred as a result of that Customer’s intentional act or by culpable negligence before requiring payment of all or part of the Charges for the Supply of Gas relating to that Theft of Gas; and

- (g) The licensee must provide (and ensure that any Representative provides) in plain and intelligible language, clear, timely and accurate information and advice to the Customer about:
 - (i) the basis of any assessment made by the licensee (or its Representative) that Theft of Gas occurred;
 - (ii) the basis for the calculation of any Charges for the Supply of Gas associated with the Theft of Gas made to the Customer;
 - (iii) what steps the Customer should take if they wish to dispute that Theft of Gas occurred; and
 - (iv) the steps a Customer may take to reinstate supply if the licensee (or its Representative) has exercised the Statutory Disconnection Power.

12A.13 The licensee must keep (and ensure that any Representative keeps) a record of its compliance with its obligation under this licence condition.

12A.14 The licensee must take all reasonable steps to establish management arrangements that facilitate the licensee's compliance with its obligations under this condition, including, as appropriate, steps to ensure that any Representative, agent and subcontractor of the licensee establish equivalent arrangements.

12A.15 Not used.

12A.16 Not used.

Definitions for Condition

12A.17 In this condition:

- | | |
|---------------------|--|
| Theft of Gas | includes, but is not limited to; <ul style="list-style-type: none">(a) circumstances described in paragraphs 10(1)(a) and 11(2) of Schedule 2B to the Gas Act 1986 in so far as they relate to a gas supplier; and(b) circumstances described in paragraphs 10(1)(b) and 10(1)(c) of Schedule 2B to the Gas Act 1986. |
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Condition 13. Arrangements for site access

- 13.1 The licensee must take all reasonable steps to ensure that each Representative who visits a Customer's premises on the licensee's behalf:
- (a) possesses the skills necessary to perform the required function;
 - (b) can be readily identified as a Representative of the licensee by a member of the public;
 - (c) uses any password that the licensee has agreed with the Customer;
 - (d) is a fit and proper person to visit and enter the Customer's premises; and
 - (e) is able to inform the Customer, on request, of a contact point for any help and advice that he may require in relation to the supply of gas.
- 13.2 The licensee must:
- (a) prepare a statement that sets out, in plain and intelligible language, its arrangements for complying with its obligations under paragraph 13.1;
 - (b) publish that statement on and make it readily accessible from its Website (if it has one); and
 - (c) give a copy of the statement on request and free of charge to any person.
- 13.3 The licensee must, in relation to any Secondary Premises at which any of its Customers takes a supply of gas, take all reasonable steps to obtain by Contract:
- (a) powers of entry for itself that are the same as or as similar as possible to the powers of entry contained in Schedule 2B to the Act; and
 - (b) powers of entry for the Relevant Gas Shipper and the Relevant Gas Transporter that are the same as or as similar as possible to the powers of entry contained in Schedule 2B to the Act.

Condition 14. Customer transfer blocking

General prohibition

- 14.1 The licensee, where it is the registered supplier at a premises under the Retail Energy Code, must not make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer at that premises except in accordance with the provisions of this condition.
- 14.1A The licensee, where it is a registered supplier under the Network Code, must not ask or allow a Relevant Gas Shipper to prevent a Proposed Supplier Transfer, except in accordance with the provisions of this condition. For the purpose of this requirement, all references to the Retail Energy Code should be treated as if they were references to the Network Code and any request that it makes under the Retail Energy Code or receipt of Notice shall be treated as if it were a request to the Relevant Gas Shipper for it to undertake an action under the Network Code or the receipt of Notice by way of the Relevant Gas Shipper.

Non-Domestic Customer transfer blocking

- 14.2 The licensee may make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in relation to a Non-Domestic Customer at any Non-Domestic Premises at which the licensee is the Relevant Gas Supplier in any of the following circumstances:
- (a) at the time the licensee receives Notice under the Retail Energy Code that another Gas Supplier has applied under the requirements of the Retail Energy Code to supply the premises, the licensee's Contract with that customer for the supply of gas to the premises includes a term which:
 - (i) allows the licensee to make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer; and
 - (ii) may be relied upon in the circumstances arising at that time;
 - (b) (not used);
 - (c) (not used); or
 - (d) the Customer informs the licensee that they have not entered into a Contract with the proposed new Gas Supplier and asks the licensee to prevent the Proposed Supplier Transfer from taking place.
- 14.3 If the licensee makes a request under the Retail Energy Code to prevent a Proposed Supplier Transfer of a Non-Domestic Customer, it must give a Notice to that customer to inform him:
- (a) that it has made a request to prevent the transfer;

- (b) of the grounds for the request; and
 - (c) how the customer may dispute or resolve such grounds,
- as soon as reasonably practicable after making the request.

Domestic Customer transfer blocking

- 14.4 The licensee may make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises at which the licensee is the Relevant Gas Supplier in any of the following circumstances:
- (a) subject to paragraphs 14.5 and 14.7, if at the time the request is made Outstanding Charges are due to the licensee from that Domestic Customer;
 - (b) (not used);
 - (c) the customer informs the licensee that he has not entered into a Contract with the proposed new Gas Supplier and asks the licensee to prevent the Proposed Supplier Transfer from taking place; or
 - (d) (not used).
- 14.5 The licensee may not make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises at which the licensee is the Relevant Gas Supplier if the relevant Domestic Customer's Domestic Premises is being supplied with gas through a Prepayment Meter and:
- (a) the Domestic Customer has agreed with the proposed new Gas Supplier that any Outstanding Charges may be assigned by the licensee in accordance with the Protocol; or
 - (b) the licensee, having increased the Charges for the Supply of Gas to the relevant Domestic Premises, has not taken all reasonable steps to reset the relevant Prepayment Meter within a reasonable period of time after that increase has effect to take account of the increase and the Outstanding Charges (which may have accumulated over time) relate only to the increase and are equal to all or part of it.
- 14.6 The licensee shall ensure that Outstanding Charges of amounts equal to or less than £500 are capable of being assigned by the licensee to a new Gas Supplier in accordance with the Protocol.
- 14.7 The licensee may not make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises in accordance with sub-paragraph 14.4(a) if the licensee knows or has reason to believe that the relevant Outstanding Charges are made up in their entirety of a

Disputed Amount and/or a Supplier Error Amount and the operational functioning or management of the licensee's business is such that it is reasonably practicable for the licensee not to make a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in these circumstance.

- 14.8 If the licensee makes a request under the Retail Energy Code to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises in accordance with sub-paragraph 14.4(a) and the licensee subsequently becomes aware that the Outstanding Charges which are relevant to that Domestic Customer are made up in their entirety of a Disputed Amount and/or a Supplier Error Amount, the licensee must, save where the relevant Domestic Customer makes a request in Writing that it should not do so, take such steps as are necessary and within its reasonable control to facilitate the Proposed Supplier Transfer.
- 14.9 If the licensee makes a request under the Retail Energy Code 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
 - (i) 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 be obtained) concerning:
 - (i) energy efficiency;
 - (ii) debt management; and
 - (iii) 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.
- 14.10 If sub-paragraph 14.2(d) or 14.4(c) applies and the licensee has agreed to prevent a Proposed Supplier Transfer at the Domestic Customer or Non-Domestic Customer's request, the licensee must keep evidence of that request and of the reasons for it for at least 12 months after the request is made.
- 14.11 (Not used).

Definitions for condition

14.12 For the purposes of this condition:

“Disputed Amount”	means the amount of any Charges for the Supply of Gas which is the subject of a Genuine Dispute between the licensee and a Domestic Customer.
“Genuine Dispute”	means a genuine dispute between the licensee and a Domestic Customer as to whether that Domestic Customer is liable to pay certain Charges for the Supply of Gas which have been demanded of that Domestic Customer by the licensee.
“Supplier Error Amount”	means the amount of any Charges for the Supply of Gas which are not Disputed Amounts and which have accumulated as a result of an error on the part of the licensee, its equipment or its systems.

Condition 14A. Customer transfer

Obligation to complete a Supplier Transfer within five Working Days

14A.0 Condition 14A applies only to Registrable Measurement Points.

14A.1 The licensee must take all reasonable steps to complete a Supplier Transfer as soon as reasonably practicable and, in any event, within five Working Days of the Relevant Date unless:

- (a) the Customer requests that the Supplier Transfer be completed at a later date; or
- (b) the Customer notifies the licensee that he does not wish the Supplier Transfer to take place; or
- (c) one or more of the conditions in paragraph 14A.3 applies.

14A.2 The licensee must include a term in each Contract that has been entered into with a Customer, providing that the licensee will complete any Supplier Transfer in accordance with that Contract as soon as reasonably practicable and, in any event, within five Working Days of the Relevant Date unless:

- (a) the Customer requests that the Supplier Transfer be completed at a later date; or
- (b) the Customer notifies the licensee that he does not wish the Supplier Transfer to take place; or
- (c) one or more of the conditions in paragraph 14A.3 applies.

14A.3 The conditions in this paragraph are that, on or after the Relevant Date:

- (a) a Relevant Gas Supplier has prevented the Proposed Supplier Transfer in accordance with paragraph 14.2 or 14.4 of standard condition 14 (Customer transfer blocking); or
- (b) a Supply Exemption Holder is currently supplying gas to the premises and has objected to the Proposed Supplier Transfer under paragraph 2 of Schedule 2AB to the Act; or
- (c) (not used);
- (d) the Customer is currently taking a supply of gas through an Exempt Distribution System and the licensee is unable to start supplying gas to the premises because:

- (i) a connection which the licensee or the Customer requires to be made in pursuance of paragraph 7(2) of Schedule 2AA to the Act has not yet been made; or
- (ii) the distribution exemption holder has specified, in a notice under paragraph 1(6)(a)(i) of Schedule 2AA to the Act, a metering arrangement which it considers would be required for access to be given to a third party supplier (within the meaning of that Schedule) and that metering arrangement is not yet in place; or
- (e) the licensee is prevented from completing the Supplier Transfer due to any other circumstance which is outside the control of the licensee and which it has taken all reasonably practicable steps to resolve; or
- (f) the Customer is a Domestic Customer and, having been prompted by the licensee or its representative, they have not expressly requested to start the supply before the expiry of the Cooling Off Period.

14A.4 Where a condition in paragraph 14A.3 (a) to (e) applies the Supplier Transfer must be completed as soon as reasonably practicable and, in any event, within five Working Days of the date on which the condition ceases to apply (or, if more than one condition applies, when all relevant conditions cease to apply).

14A.4A Where the condition in paragraph 14A.3 (f) applies, the Supplier Transfer must be completed as soon as reasonably practicable and, in any event, within five Working Days of the date on which the condition ceases to apply which will be the earlier of the expiry of:

- (a) the Cooling Off Period, or
- (b) the period of 14 days from entering into the Contract.

14A.5 Where the condition in 14A.3(b) applies, the licensee must not complete the Supplier Transfer before the objection by the Supply Exemption Holder under paragraph 2 of Schedule 2AB to the Act is resolved in accordance with paragraph 1(8) of that Schedule.

14A.6 The licensee must not charge a Customer for any costs associated with carrying out a Supplier Transfer. The obligation in this paragraph is without prejudice to contractual conditions relating to the termination of a Non-Domestic Supply Contract and to any obligation in the Contract to pay a termination fee.

Obligation to improve switching systems

14A.7 In order to achieve fast and reliable Supplier Transfers, (including by the end of the Working Day after a Domestic Customer request and the end of the second

Working Day for a Non-Domestic Customer request), the licensee must take all reasonable steps to maintain, and where appropriate, improve the relevant systems, processes and data that facilitate the Supplier Transfer process

Obligation to cooperate in respect of a Supplier Transfer

14A.8 The licensee must comply with any reasonable request from another Gas Supplier or Supply Exemption Holder to provide information or to take any other steps which are reasonably necessary in order to enable that Gas Supplier or Supply Exemption Holder to complete a Supplier Transfer within five Working Days of the Relevant Date.

14A.9 (Not used).

Obligation to prevent Erroneous Transfers

14A.10 If the licensee applies for a Supplier Transfer under the Retail Energy Code at a premises specified by a Customer, the licensee must take all reasonable steps to ensure that it has a Valid Contract with that Customer for that Supplier Transfer at the point that the application is made.

14A.11 Where the licensee becomes aware, prior to starting to supply gas at a premises, that it does not have a Valid Contract for the supply of gas to that premises it shall take all reasonable steps to prevent its application for a Supplier Transfer from having effect.

14A.12 (Not used).

Obligations where a Domestic Customer has cancelled a Contract with the licensee

14A.13 Where a Domestic Customer has cancelled their Contract within the Cooling Off Period, and the licensee receives notice of the cancellation prior to starting to supply gas at a premises, the licensee must take all reasonable steps to prevent a Supplier Transfer from having effect.

14A.14 Where a Domestic Customer has cancelled their Contract within the Cooling Off Period and the licensee receives notice of that cancellation after starting to supply gas at a premises, or where the licensee has failed to prevent the Supplier Transfer in accordance with paragraph 14A.13, the licensee must:

- (a) cancel the Contract;
- (b) not charge or otherwise seek to enforce a Termination Fee; and

- (c) subject to sub-paragraph a) and b), continue to supply the Domestic Customer on the basis of the Principal Terms that existed immediately prior to cancellation until the earlier of:
 - i. the Domestic Customer has agreed to a new Contract with the licensee and supply has started;
 - ii. the Domestic Customer has agreed to a new Contract with another Gas Supplier and supply has started; or
 - iii. 15 Working Days from the day that the licensee sends the information specified in paragraph 14A.16, at which point the licensee may choose to charge the Domestic Customer under a Deemed Contract.

14A.15 As soon as reasonably practicable after the licensee receives notice of cancellation from the Domestic Customer, it must inform the Domestic Customer of the information in paragraph 14A.16 in a form which, taking into account the characteristics, preferences and circumstances of that Domestic Customer, would allow them to make an informed choice. This paragraph does not apply where the licensee is no longer the New Supplier.

14A.16 The information referred to in paragraph 14A.15 above includes:

- (a) the obligations on the licensee specified in paragraph 14A.14; and
- (b) the options the Domestic Customer has, as set out in paragraph 14A.17.

14A.17 After cancelling a Contract with the licensee, who remains the New Supplier, the Domestic Customer has the following options:

- (a) enter into a new Contract offered by the licensee;
- (b) enter into an Equivalent Terms Contract with the Old Supplier;
- (c) enter into a new Contract with a Gas Supplier, that is not the licensee, including the Old Supplier; or
- (d) take no action and after 15 Working Days, beginning on the day the licensee sends the information in paragraph 14A.16, be supplied by the licensee on a Deemed Contract that is not restricted by the requirements set out in paragraph 14A.14.

Obligations on a licensee as the Old Supplier

14A.18 Where the circumstances in paragraph 14A.19 apply, the licensee must offer the Domestic Customer an Equivalent Terms Contract for a minimum period of 16 Working Days starting from the day that licensee became the Old Supplier.

14A.19 The circumstances referred to in paragraph 14A.18 are that the licensee:

- (a) is the Old Supplier; and
- (b) has received notification from the Domestic Customer that they have cancelled a Contract during the Cooling Off Period and have chosen to return to the licensee in accordance with 14A.17(b).

Definitions for condition

14A.20 For the purposes of this condition:

“Cooling-Off Period” means: after entering into a Contract, a period of time within which a Domestic Customer may decide not to proceed with the Contract pursuant to any relevant contractual term or statutory provision.

“Equivalent Terms Contract” means: a Contract available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees), that:

- (a) has terms and conditions that are similar in nature to the Contract or Deemed Contract that would have been in place had the Domestic Customer not undergone a Supplier Transfer or taken any other action to amend the terms of that Contract or Deemed Contract with that licensee, including in respect of:
 - i. their previous payment method;
 - ii. their previous Relevant Meter Type;
 - iii. their previous Account Management Arrangement; and
 - iv. their characteristics and preferences;
 - v. where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider; and

- vi. where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff; and
- (b) is the same or cheaper than the tariff the Domestic Customer would have been on had they not undergone a Supplier Transfer.

“Registrable Measurement Point” has the meaning given to that term in the Retail Energy Code.

“Relevant Date” means:

- (a) the day on which a Customer:
 - i. has entered into a Contract with a new Gas Supplier; and
 - ii. has provided the Supplier or its Representative with sufficient information to conduct the switch; and
 - iii. the Customer would reasonably expect the switch to take place without further action on their part.

Or,

- (b) where a Customer enters into a Contract with a new Gas Supplier after 5pm on a Working Day, or on a day that is not a Working Day, the next Working Day following the day specified in paragraph (a) above.

“Supplier Transfer” in relation to any premises at which a Gas Supplier is supplying gas, means the transfer of responsibility for that supply from that Gas Supplier to another Gas Supplier.

A **“Valid Contract”** is a contract:

- (a) that has been entered into by the Customer;
- (b) that relates to the premises for which the application for a Supplier Transfer has been made; and
- (c) for which notice of cancellation of that contract has not been received by the licensee in accordance with any relevant contractual term or statutory provision.

“Exempt Distribution System”

“Distribution Exemption Holder” and

“Supply Exemption Holder” have the meanings given in Part 1 of the Act.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 15 - Not used

Condition 16. Security and emergency arrangements

Complying with Gas Transporter's requests

- 16.1 The licensee must comply with all requests made by a Gas Transporter that are not clearly unreasonable for the purpose of:
- (a) preventing or reducing danger to life or property; or
 - (b) securing the safety of the pipeline system or the safe conveyance of gas through the pipeline system or reducing any risk to it,
- in the circumstances described in paragraph 16.2.
- 16.2 The circumstances referred to in paragraph 16.1 are that:
- (a) there is an escape or a suspected escape of gas; or
 - (b) in the case of a pipeline system emergency, the opinion of the Gas Transporter is that any of the following circumstances applies:
 - (i) the safety of its pipeline system is significantly at risk;
 - (ii) the safe conveyance of gas through its pipeline system is significantly at risk; or
 - (iii) gas conveyed through its pipeline system is at such a pressure or of such a quality as to constitute, when supplied to premises, a danger to life or property.

Terms to be included in Contracts

- 16.3 The licensee must include, in each of its Contracts for the supply of gas to premises, a term to the effect that if it is given a direction under section 2(1)(b) of the Energy Act 1976 that prohibits or restricts the supply of gas to specified persons:
- (a) the licensee may discontinue or restrict the supply of gas to the Customer;
 - (b) if the licensee tells the Customer that he must not use gas, he must stop doing so; and
 - (c) if the licensee tells the Customer that he must restrict his use of gas, he must do so,
- for as long as the direction is in force and as is necessary or expedient for the purpose of or in connection with the direction.

Terms to be included in Non-Domestic Supply Contracts

- 16.4 The licensee must include in each of its Non-Domestic Supply Contracts a term to the effect that:
- (a) if the Gas Transporter or Relevant Gas Shipper asks the licensee to discontinue the supply of gas to the premises, the licensee is entitled to do so; and
 - (b) the Customer supplied with gas under the Non-Domestic Supply Contract must take all steps within its power to avoid using gas at the premises immediately after being told by the licensee or the Gas Transporter that he should do so,
- for the duration of any of the circumstances described in sub-paragraph 16.2(b).

Condition 17. Mandatory exchange of information

Information to Gas Transporter about pipeline system

- 17.1 If the licensee receives a reasonable request from a Gas Transporter for information that would enable it to fulfil its licence obligations to draw up plans for the safe operation, development or maintenance of its pipeline system, it must give that information to that transporter as soon as reasonably practicable after receiving the request.
- 17.2 The licensee is only required to comply with paragraph 17.1 if the Gas Transporter has established arrangements designed to ensure that information provided to it is not communicated (directly or indirectly) to any other Gas Supplier or any Gas Shipper.

Information to Relevant Gas Transporter about gas illegally taken

- 17.3 If the licensee receives a reasonable request from a Relevant Gas Transporter for information for the purpose of preventing or detecting the taking of a supply of gas and either:
- (a) paragraph 1 or 2 of standard condition 7 (Provision of Information Relating to Gas Illegally Taken) of the Gas Transporter Licence applies or would apply; or
 - (b) paragraph 5 of standard condition 7 (Provision of Information Relating to Gas Illegally Taken) of the Gas Transporter Licence applies or would apply because of paragraph 4 of that condition,
- the licensee must give that information to that transporter as soon as reasonably practicable after receiving the request.
- 17.4 If the licensee becomes aware of the actual or suspected taking of a supply of gas (in the circumstances referred to in paragraph 17.3) where:
- (a) the gas had been conveyed to premises at which the licensee is the Relevant Gas Supplier; or
 - (b) the gas was in the course of being so conveyed through a service pipe by which such premises are connected to a relevant main,
- the licensee must inform the Relevant Gas Transporter (in the form and manner reasonably requested by that transporter) that it has become aware of that information and, if it is reasonably practicable to do so, give a reasonable estimate of the volume or, if that information is unavailable, of the Amount of gas taken.

Information to Relevant Gas Shipper about meter connections and disconnections

- 17.5 If the licensee receives, in connection with a proposed connection or disconnection of a Gas Meter:
- (a) a notice of the kind referred to in sub-paragraph 12(1) of Schedule 2B to the Act; or
 - (b) information in pursuance of sub-paragraph 12(3) of Schedule 2B to the Act,
- it must, as soon as reasonably practicable, give the Relevant Gas Shipper a copy of that notice or information, as appropriate, and any other information relating to the meter which is requested by that shipper and which the licensee either has or may readily obtain.
- 17.6 If the licensee:
- (a) intends to connect or has connected any Gas Meter to a service pipe through which gas is conveyed to any premises by a Relevant Gas Transporter; or
 - (b) intends to disconnect or has disconnected any Gas Meter from any such pipe,
- it must give the Relevant Gas Shipper the equivalent notice and information, at the equivalent times, that would, because of paragraph 12 of Schedule 2B to the Act, have been required to be given to the licensee or the Relevant Gas Transporter if the connection or disconnection had been performed by a person other than the licensee.
- 17.7 Paragraph 17.6 applies in relation to any Secondary Premises as if gas were conveyed to those premises by a Gas Transporter.
- 17.8 Paragraphs 17.5 and 17.6 do not apply if the licensee is both the Relevant Gas Supplier and the Relevant Gas Shipper for the premises.
- 17.9 (Not used).
- 17.10 (Not used).
- 17.11 (Not used).

Information to Relevant Gas Shipper or Relevant Gas Transporter about premises

- 17.12 The licensee must, as soon as reasonably practicable, give the Relevant Gas Shipper, for transmission to the Relevant Gas Transporter (or give the Relevant Gas Transporter, where the licensee is the Relevant Gas Shipper), the date each

inspection of a Gas Meter carried out by or on behalf of the licensee in respect of premises at which it is the Relevant Gas Supplier for the purpose of maintaining the safety and proper working order of the Gas Meter.

Provision of information

- 17.13 The licensee is not required to give any information requested by a Relevant Gas Transporter under paragraph 17.1 or 17.3 if doing so would seriously and prejudicially affect its commercial interests, except if the Authority directs it to do so because that information is necessary for any purpose referred to in those paragraphs.
- 17.14 This condition does not require the licensee to produce any documents or give any information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

Condition 18. Undertakings to Relevant Gas Transporters

- 18.1 This condition applies if a Relevant Gas Transporter has given the licensee a Notice that sets out terms designed to ensure that:
- (a) if arrangements between the transporter and a Gas Shipper to convey gas to any premises supplied by the licensee come to an end;
 - (b) if such arrangements are not immediately replaced by arrangements (that achieve the same purpose) between the transporter and the same or any other Gas Shipper; and
 - (c) if the transporter has given Notice to the licensee of the end of the arrangements,
- the licensee must:
- (i) provide the appropriate security to the transporter; and
 - (ii) pay it all relevant charges for gas taken out of its pipeline system,
- as if the arrangements had continued and the licensee had been the Gas Shipper, beginning when sub-paragraphs (a) to (c) apply and ending when a new Gas Shipper is appointed for the premises.
- 18.2 Where this condition applies, the licensee must give the Relevant Gas Transporter a binding undertaking in Writing in relation to the premises to which the licensee supplies gas that includes the terms set out in the Notice referred to in paragraph 18.1.
- 18.3 The licensee must give the binding undertaking to the Relevant Gas Transporter by no later than 20 Working Days after the licensee first begins to supply gas to any premises to which gas is conveyed by that transporter.
- 18.4 The licensee must take all reasonable steps to ensure that, no later than 25 Working Days after the date on which sub-paragraphs 18.1(a) to (c) apply in relation to any Relevant Gas Transporter, a Gas Shipper has made arrangements with that transporter for gas to be conveyed to the premises supplied by the licensee and such arrangements have effect.
- 18.5 The licensee will not be required to comply with any obligation in the preceding paragraphs of this condition if, because of section 5(1) of the Act (which prohibits unlicensed activities in relation to gas unless an exemption applies), it would be unlawful for it to do so.
- 18.6 In this condition, references to arrangements for gas to be conveyed to premises supplied by the licensee include, if those premises are Secondary Premises,

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

arrangements under which gas is taken out of the pipeline system of the Relevant Gas Transporter at the Relevant Primary Premises.

Condition 19. Payments to Customers

19.1. As soon as reasonably practicable after the licensee receives a Relevant Payment:

- (a) from the Relevant Gas Shipper; or
- (b) if the licensee is the Relevant Gas Shipper, from the Relevant Gas Transporter,

it must pay a sum, which is equal to the Relevant Payment, to the appropriate Customer except in the circumstances referred to in paragraph 19.2.

19.2 If the Relevant Payment referred to in paragraph 19.1 is being paid to the licensee because of the Relevant Gas Transporter's failure:

- (a) to convey gas to Domestic Premises; or
- (b) to convey gas to Secondary Premises that are Domestic Premises in accordance with arrangements with the Relevant Gas Shipper for gas to be taken out of its pipeline system at the Relevant Primary Premises for conveyance to those premises,

the licensee must set off that sum against any Charges for the Supply of Gas which are or are likely to become due to be paid by the appropriate Customer or take all reasonable steps to pay to the Customer any amount that has not been so set off.

Condition 19A. Financial information reporting

- 19A.1. The Relevant Licensee must prepare and publish on its Website a Consolidated Segmental Statement in respect of information relating to the revenues, costs and profits of its activities in the supply of electricity and/or the supply of gas to any premises taking account of the Guidelines.
- 19A.2. Where applicable, the Relevant Licensee must prepare and publish the Consolidated Segmental Statement referred to in paragraph 1 in conjunction with any Affiliates.
- 19A.3. The Relevant Licensee must, in conjunction with any Affiliates, prepare and publish a Consolidated Segmental Statement
- (a) as soon as reasonably practicable and no later than ten months after the end of the Relevant Licensee's financial year; or
 - (b) no later than a date specified by the Authority, which can be no earlier than nine months after the end of the Relevant Licensee's financial year.
- 19A.4. Subject to complying with this paragraph the Relevant Licensee may, for the purpose of preparing the statement pursuant to paragraph 3, prepare and compile the information according to the licensee's annual accounting procedures. The Relevant Licensee must include in every such statement an explanation of:
- (a) how it defines the terms revenues, costs and profits;
 - (b) how the revenues and profits can be reconciled with its UK statutory accounts;
 - (c) how, if UK statutory accounts are not prepared or published, the revenues and profits can be reconciled with audited figures (in accordance with Generally Accepted Accounting Principles (GAAP)) published in Group accounts; and
 - (e) where individual business functions are captured in the Consolidated Segmental Statement, as specified in the Guidelines.
- 19A.5. The Relevant Licensee must ensure that the information prepared and made public pursuant to paragraph 19A.3 includes the share or revenues, costs, profits and volumes of Joint Ventures and Associates.
- 19A.6. Subject to complying with Paragraph 19A.5 the Relevant Licensee must ensure that all the information prepared and made public pursuant to paragraph 19A.3 is in all material respects consistent with the information prepared pursuant to paragraph 19A.4 and the information is presented with a clear and full explanation.

19A.7. Not Used

19A.8. Not Used

19A.9. (a) The Authority shall prepare Guidelines in relation to the requirements of this condition and may modify, in whole or in part, the Guidelines following consultation with the Relevant Licensees in accordance with section 23 of the Act.

19A.10. Where the Authority considers that the Relevant Licensee has not properly prepared the Consolidated Segmental Statement in accordance with this licence condition and the Guidelines and template, it may require the Relevant Licensee to commission and submit a report from an Appropriate Auditor or to submit a report from an Appropriate Auditor which it has already commissioned.

19A.11. The Relevant Licensee may apply to the Authority to request a direction that this condition 19A does not apply and must provide any information required by the Authority in support of such application for consideration of whether to grant or refuse such an application.

19A.12. For the purposes of this condition:

“Affiliate” means any holding company or subsidiary of a holding company of the Relevant Licensee, in each case within the meaning of sections 1159 and 1160 of the Companies Act 2006.

“Appropriate Auditors” means

- (a) in the case of a licensee which is a company within the meaning of section 1 of the Companies Act 2006, a person appointed as auditor under Chapter 2 of Part 16 of that Act;
- (b) in the case of any other licensee which is required by the law of a country or territory within the European Economic Area to appoint an auditor under provisions analogous to Chapter 2 of Part 16 of the Companies Act 2006, a person so appointed;
- (c) in any other case, a person who is eligible for appointment as a company auditor under sections 1212 and 1216 of the Companies Act 2006, or in relation to auditors appointed for financial years beginning before 6 April 2008, a person who is eligible for appointment as a company auditor under sections 25 and 26 of the Companies Act 1989

“Associate”	means an entity, including an unincorporated entity such as a partnership, over which the Relevant Licensee has significant influence and that is neither a subsidiary nor an interest in a joint venture.
“Consolidated Segmental Statement”	means a statement as described in the Guidelines.
“Guidelines”	means the guidance and procedures in place for preparing the Consolidated Segmental Statements.
“Joint Venture”	mean a contractual arrangement whereby the Relevant Licensees and one or more parties undertake an economic activity that is subject to joint control.
“Relevant Licensee”	<p>means the holder of a supply licence granted or treated as granted under section 7A(1) of the Act if</p> <p>(a) it supplies, or it and any of its Affiliates jointly supply:</p> <ul style="list-style-type: none">i. electricity to 50,000 or more domestic customers based on number of meter points; orii. gas to 50,000 or more domestic customers based on number of meter points; oriii. electricity to 10 or more non-domestic customers based on number of meter points; oriv. gas to 10 or more non-domestic customers based on number of meter points, respectively
“Website”	means a website controlled and used by the Relevant Licensee or an Affiliate for the purposes of providing information and communication.

Condition 19AA. Additional reporting requirement

19AA.1 The licensee must notify the Authority of any change in any of the matters listed in SLC 19AA.5.

19AA.2 Unless the Authority otherwise directs, the licensee shall:

- (a) not enter into a binding agreement for a Trade Sale or Trade Purchase;
- (b) not conclude arrangements which, if carried into effect, will result in the creation of a Relevant Merger Situation;
- (c) take all reasonable steps not to allow a change in Person with Significant Control in respect of the licensee; or
- (d) take all reasonable steps not to allow a change in person with Significant Managerial Responsibility or Influence in respect of the licensee,

until such time as the licensee has provided any information required by the Authority (whether identified in any guidance issued under this SLC 19AA or in response to a notification from the licensee) to complete its SLC 19AA Assessment and the Authority has notified the licensee that it has completed a SLC 19AA Assessment.

19AA.3 The licensee must have regard to the findings of any SLC 19AA Assessment conducted pursuant to this SLC 19AA and notified to it.

19AA.4 The licensee is not required to comply with SLC 19AA.2 to such extent and subject to such conditions as the Authority may from time-to-time direct.

19AA.5 The matters referred to in SLC 19AA.1 are the following:

- (a) whether the licensee is entering into a binding agreement for a Trade Sale or a Trade Purchase, and for the avoidance of doubt, the notification should take place in accordance with the number of days required for notification as specified in or determined under guidance issued by the Authority on this SLC 19AA before the licensee enters into such an agreement;
- (b) the address of the licensee's registered office;
- (c) the e-mail address of the licensee's regulatory contact;
- (d) whether the licensee is an Active Supplier in respect of Domestic Customers and / or Non-Domestic Customers;
- (e) whether there is a reasonable prospect that a Relevant Merger Situation has arisen will arise in respect of the licensee and for the avoidance of doubt, the notification should take place in accordance with the number of days required for notification as specified in or determined under guidance

issued by the Authority on this SLC 19AA before the licensee concludes the relevant arrangements;

- (f) whether there is a reasonable prospect that there will be a change in any Person with Significant Control in respect of the licensee (whether by virtue of one or more persons ceasing to have Significant Control and/or by virtue of one or more person who does not have Significant Control acquiring it) and for the avoidance of doubt, the notification should take place in accordance with the number of days required for notification as specified in or determined under guidance issued by the Authority on this SLC 19AA before the licensee makes such change;
- (g) whether there is a reasonable prospect that there will be a change in any Person with Significant Managerial Responsibility or Influence in respect of the licensee (whether by virtue of one or more persons ceasing to have Significant Managerial Responsibility or Influence and/or by virtue of one or more person who does not have Significant Managerial Responsibility or Influence acquiring it) and for the avoidance of doubt, the notification should take place in accordance with the number of days required for notification as specified in or determined under guidance issued by the Authority on this SLC 19AA before the licensee makes such change;
- (h) whether the licensee supplies any Customers through a White Label Tariff;
- (i) any significant changes that may affect how a licensee operates.

19AA.6 The licensee must have regard to any guidance on SLC 19AA (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may from time-to-time revise.

Definitions for condition

19AA.7 For the purposes of this condition:

Person with Significant Control has the same meaning as under section 790C of the Companies Act 2006.

Relevant Merger Situation has the same meaning as under section 23 of the Enterprise Act 2002.

SLC 19AA Assessment means an assessment of significant commercial/personnel developments by the Authority against the requirements set out in guidance issued by the Authority on this SLC 19AA and (subject to the licensee's provision of information required by the Authority) to be carried out within the period specified in such guidance.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

Condition 19B. Prohibition of cross-subsidies

The licensee shall ensure that its business carrying out supply activities shall not give any cross-subsidy to, or receive any cross-subsidy from any business of the licensee which carries out one or more of the following gas activities, operation of an interconnector, transmission, distribution, storage or LNG.

Condition 19C. Green Deal arrangements

Direct Debit payments

19C.1 Where, in relation to premises being supplied by the licensee:

- (a) a Customer is a Green Deal Bill Payer that pays Charges for the Supply of Gas by way of regular direct debit payments of a fixed amount (which amount may be varied from time to time in accordance with the relevant Contract);
- (b) the licensee receives a request from that Customer to reduce its direct debit payments under the Contract (or Deemed Contract, as the case may be) by an amount equivalent to any Green Deal Gas Savings;
- (c) such request is made within thirty (30) days of the Premises becoming Green Deal Premises; and
- (d) the Customer notifies the licensee within those thirty (30) days of the alphanumeric unique identifier for its Green Deal Plan,

the licensee shall in a timely manner satisfy itself whether there are Green Deal Gas Savings.

19C.2 Where, pursuant to paragraph 19C.1, the licensee is satisfied that there are Green Deal Gas Savings, the licensee shall comply with the Customer's request by dividing the Green Deal Gas Savings (or, where available to the licensee, the Green Deal Gas Savings as adjusted for that Customer) by the number of direct debit payments to be made by the Customer in a 12 month period and deducting the resulting amount from each direct debit payment.

19C.3 Paragraph 19C.2 is without prejudice to the licensee's obligations in respect of a Domestic Customer by virtue of standard condition 27.

19C.4 For the purposes of this condition:

“Green Deal Bill Payer”	means a “bill payer” within the meaning of the Green Deal Regulations.
“Green Deal Charges”	means a payment required to be made under a Green Deal Plan by a Green Deal Bill Payer, as referred to in section 1(6) of the Energy Act 2011.
“Green Deal Gas Savings”	means the annual financial savings (or increased costs) on consumption from gas, estimated by the

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

	Green Deal Provider and notified to the licensee, for the relevant Green Deal Plan.
“Green Deal Plan”	has the meaning given to “green deal plan” in section 1(3) of the Energy Act 2011.
“Green Deal Premises”	means premises at which Green Deal Charges are owed to a Green Deal Provider.
“Green Deal Provider”	a person who is authorised to act as a green deal provider under the Green Deal Regulations.
“Green Deal Regulations”	means the Green Deal Framework (Disclosure, Acknowledgement, Redress etc.) Regulations 2012.

Condition 19D. DSR Payments

Commercially Firm Customers

19D.1 The licensee must include in each of its Contracts for the supply of gas to premises with a Commercially Firm Customer that it enters into or has entered into, terms which give effect to the matters set out in paragraph 19D.2.

19D.2 The Contracts referred to in paragraph 19D.1 must ensure that:

- (a) in the event that gas supplies to a Commercially Firm Customer are curtailed by a Gas Transporter as a result of Firm Load Shedding due to a Gas Deficit Emergency, the licensee will pay to the Commercially Firm Customer, in consideration for the provision of an involuntary demand side response service by that customer, a DSR Payment; and
- (b) the licensee will make the DSR Payment as soon as reasonably practicable after receiving from the Relevant Gas Shipper a payment of the same amount.

19D.3 In the event that gas supplies to a Commercially Firm Customer are curtailed by a Gas Transporter as a result of Firm Load Shedding due to a Gas Deficit Emergency, the licensee must take all reasonable steps to notify the Commercially Firm Customer that it will be paid a DSR Payment pursuant to the terms of its Contract.

19D.4 In the event that gas supplies to a Commercially Firm Customer are curtailed from a NDR System Exit Point by a Gas Transporter as a result of Firm Load Shedding due to a Gas Deficit Emergency, on receipt of evidence from that customer that the offtake of gas from that NDR System Exit Point was reduced or discontinued in compliance with an instruction from that Gas Transporter for Firm Load Shedding due to a Gas Deficit Emergency, the licensee shall provide that same evidence to the Relevant Gas Shipper.

19D.5 For the purposes of paragraph 19D.4 only, the expression Firm Load Shedding shall not include Network Isolation.

Commercially Interruptible Customers

19D.6 In accordance with Transportation Document Section Q of the Uniform Network Code, the licensee must give evidence to the Relevant Gas Shipper of each Contract for the supply of gas to premises that it enters into or has entered into with a Commercially Interruptible Customer.

19D.7 The licensee must include in each of its Contracts for the supply of gas to premises that it enters into or has entered into with a Commercially Interruptible Customer terms which:

- (a) set out the payment that the Commercially Interruptible Customer will receive from the licensee in the event that the licensee instructs the interruption of a volume of gas which is treated as interruptible pursuant to the terms of the Contract; and
- (b) set out the payment that the Commercially Interruptible Customer will receive from the licensee in the event that a Gas Transporter instructs the interruption of a volume of gas, which is treated as interruptible pursuant to the terms of the Contract, as a result of Firm Load Shedding due to a Gas Deficit Emergency; and
- (c) give effect to the matters set out in paragraph 19D.8 below.

19D.8 The Contracts referred to in paragraph 19D.7 must ensure that:

- (a) in the event that, as a result of Firm Load Shedding due to a Gas Deficit Emergency, a Gas Transporter instructs the curtailment of a volume of gas which is not treated as interruptible pursuant to the terms of the Contract, the licensee will pay to the Commercially Interruptible Customer, in consideration for the provision of an involuntary demand side service response by that customer, a DSR Payment; and
- (b) the licensee will make the DSR Payment referred to in paragraph (a) above as soon as reasonably practicable after receiving from the Relevant Gas Shipper a payment of the same amount.

19D.9 Before it enters into a Contract with a Commercially Interruptible Customer, the licensee must take all reasonable steps to bring the terms referred to in paragraphs 19.7 and 19.8 above, to the attention of that customer.

19D.10 In this condition:

Commercially Firm Customer means a customer connected to a NDR System Exit Point or a DR System Exit Point but does not include a Commercially Interruptible Customer;

Commercially Interruptible Customer means a customer connected, or requiring to be connected, to a Commercially Interruptible System Exit Point;

Commercially Interruptible System Exit Point has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code

Daily-Read (DR) System Exit Point has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code;

DSR Payment means a payment made by the licensee to the Customer:

- (a) for the provision of an involuntary demand side response service provided by that Customer to the licensee; and
- (b) made pursuant to Transportation Principal Document Section Q of the Uniform Network Code;

Firm Load Shedding has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code;

Gas Deficit Emergency has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code;

involuntary demand side response service means the curtailment of gas as a result of Firm Load Shedding due to a Gas Deficit Emergency;

Non Daily-Read (NDR) System Exit Point has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code;

Network Isolation has the meaning given in Transportation Principal Document Section Q of the Uniform Network Code;

Uniform Network Code means the document of that title required to be prepared pursuant to Standard Special Condition A11 (Network Code and Uniform Network Code) of licences granted under section 7 of the Act (as from time to time modified pursuant to that condition).

Condition 19E. Customer supply continuity plans

- 19E1. The licensee must ensure it has prepared and has in place, at all times, a customer supply continuity plan, which sets out the licensee's strategy for safeguarding the continuity of supply for its customers in the event of its exit from the market (a **Customer Supply Continuity Plan**).
- 19E.2 The licensee must ensure that the information provided in its Customer Supply Continuity Plan is accurate, and is prepared with due skill and care.
- 19E.3 The licensee must ensure that the information contained in its Customer Supply Continuity Plan is maintained and kept up-to-date at all times.

Condition 19F. Trade Sales

19F.1 The licensee must not undertake a Trade Sale or Trade Purchase that:

- a) subverts or distorts, or is likely to subvert or distort the Supplier of Last Resort process; and / or
- b) makes it more likely, in the Authority's opinion, that costs will be Mutualised.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Standard conditions 20 and 21: Information for all Customers

Condition 20. Safety of gas supplies, Meter Point Reference Number, advice information and dispute settlement – for Non-Domestic Customers

Emergency and enquiry services

20.1 The licensee must keep each of its Non-Domestic Customers informed:

- (a) that an escape or a suspected escape of gas should be reported immediately; and
- (b) of a telephone number which should be used for that purpose.

20.2 The licensee may comply with paragraph 20.1 by:

- (a) providing each Non-Domestic Customer whose premises is supplied with gas under a Contract or a Deemed Contract with the information referred to in that paragraph when the licensee first begins to supply gas to the Non-Domestic Customer's premises or, in the case of a Deemed Contract, becomes aware that it is doing so;
- (b) providing the information referred to in that paragraph to each Non-Domestic Customer on each Bill or statement of account sent to a Non-Domestic Customer in relation to Charges for the Supply of Gas or annually if the licensee has not sent such a Bill or statement of account to them; and
- (c) publishing the information referred to in that paragraph in such manner as will in the opinion of the licensee secure adequate publicity for it.
- (d) the telephone number referred to in sub-paragraph 20.1(b); and
- (e) the current postal address and telephone number of the Relevant Gas Transporter's Enquiry Service,

to a Non-Domestic Customer when they requests it.

20.4 The licensee must take all reasonable steps to inform each of its Non-Domestic Customers of any change to the telephone number referred to in sub-paragraph 20.1(b) before the date on which that change becomes effective.

Meter Point Reference Number

20.5 The licensee must inform each of its Non-Domestic Customers of their Meter Point Reference Number:

- (a) on each Bill or statement of account sent to a Non-Domestic Customer in relation to Charges for the Supply of Gas; or
- (b) annually if the licensee has not sent such a Bill or statement of account to them.

Advice Information

20.5A The licensee must keep each of its Micro Business Consumers informed:

- (a) that Citizens Advice consumer service can assist in providing information and advice to Micro Business Consumers; and
 - (b) how to contact Citizens Advice and Citizens Advice Scotland
- by providing that information at least annually.

20.5B The licensee must keep each of its Small Business Consumers informed:

- (a) that Citizens Advice consumer service can assist in providing information and advice to Small Business Consumers; and
- (b) how to contact Citizens Advice and Citizens Advice Scotland

by providing that information at least annually. “Small Business Consumer” has the meaning given in The Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (as and when amended to that effect). This Licence Condition 20.5B will take effect on a date specified by the Authority giving the licensee at least three months’ Notice, and in any event will not take effect before 1 December 2024.

Working with Third Party Intermediaries

Dispute settlement

20.6 The licensee must provide to each of its Non-Domestic Customers information concerning their rights as regards the means of dispute settlement available to them in the event of a dispute with the licensee or, in the case of a Micro Business Consumer or Small Business Consumer, any Third Party by providing that information on any relevant Promotional Materials sent to the Non-Domestic Customer and on or with each Bill or statement of account sent to each Non-Domestic Customer in relation to Charges or annually if the licensee has not sent such a Bill or statement of account to them. Such information must include, but is not limited to, how the procedures under any Qualifying Dispute Settlement Scheme can be initiated.

20.6A The licensee must ensure that in respect of a Micro Business Consumer Contract or a Small Business Consumer Contract, the Third Party is a member of a Qualifying Dispute Settlement Scheme.

20.6B The licensee must provide any information it holds or controls which, in the view of the provider of the relevant Qualifying Dispute Settlement Scheme, is relevant to a dispute between a Micro Business Consumer or Small Business Consumer and a Third Party, to the provider of the relevant Qualifying Dispute Settlement Scheme, on request.

20.6C The provisions in this Condition 20.6 insofar as they relate to dispute settlement between a Microbusiness Consumer and a Third Party shall take effect on and from 1 December 2022 a date specified by the Authority. The provisions in this Condition 20.6 insofar as they relate to dispute settlement between a Small Business Consumer and a Third Party, will take effect on a date specified by the Authority giving the licensee at least three months' Notice, and in any event will not take effect before 1 December 2024.

20.6D For the purposes of this Condition:

'Qualifying Dispute Settlement Scheme'

means any scheme of dispute settlement, resolution and/or redress operated by the Relevant Energy Ombudsman or such other organisation as demonstrably provides independent, fair, effective and transparent out-of court dispute settlement relating to Relevant Third Party Activities and constitutes a Qualifying Dispute Settlement Scheme in accordance with any guidance issued by the Authority,

'Relevant Third Party Activities'

means any activity undertaken by a Third Party in respect of a Non-Domestic Supply Contract including (but without prejudice to the generality of the foregoing):

(a) any written or oral communications relating to the supply of gas to a Non-Domestic Customer including:

- (i) any pre-sales communications;
- (ii) any communications regarding Billing or Contractual Information; and
- (iii) any matters falling within the scope of standard condition 7A (insofar as they relate to a Micro Business Consumer) and any matters that fall within the scope of standard conditions 14, 14A and 21B (in so far as they relate to a Non-Domestic Customer; and

(b) any processing of information relating to the supply of gas to a Non-Domestic Customer, together with any other Relevant Activities as the Authority may direct from time to time, following consultation.

‘Small Business Consumer’ has the meaning given in The Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (as and when amended to that effect).

Information on Third Party Costs

20.7 The licensee must provide to the Non-Domestic Customer on request, information relating to any form of Third Party Costs paid or made, or due to be paid or made by the licensee, to a Third Party in respect of the full duration of that Non-Domestic Supply Contract;

20.7A The licensee must ensure that the information that the licensee is required to disclose by virtue of condition

20.7B:

(a) for Micro Business Consumers is disclosed as monies, whether actual amounts or (if that is not possible) estimated amounts and as a cost per unit of energy or a cost per day (month) where it forms part of a daily (monthly) standing charge;

(b) for Non-Domestic Customers who do not qualify as a Micro Business Consumer, is disclosed as a cost per unit of energy or a cost per day (month) where it forms part of a daily (monthly) standing charge;

(c) enables a Non-Domestic Customer to understand the amount of those sums that it is due to pay which are, or are attributable to Third Party Costs due to the Third Party, as well as any Charges (so far as they are different) or other sums; and

(d) is drafted in plain and intelligible language.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

Condition 21 - Not used

Condition 21A. Provision of the annual statement of supply to Participants of the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme

21A.1 Where a Participant requests in writing for it to do so, a licensee must provide in Writing the information specified in paragraph 21A.2 within 6 weeks of the end of the Year of the Phase to which the information relates.

21A.2 The information referred to in paragraph 21A.1 is:

- (a) the amount of gas supplied (in kWh) by the licensee to the Participant in the Year in which the request is made;
- (b) how much (in kWh), if any, of the gas supply has been estimated by the licensee, and the period to which such an estimate relates;
- (c) the premises to which the supply was made;
- (d) the Meter Point Reference Number (MPRN) of the Gas Meter that measured any such supply.

21A.3 The Authority may issue, and may from time to time revise, guidance regarding the interpretation of this licence condition.

21A.4 In this condition:

“Participant” has the same meaning as that set out in Article 3 of the CRC Energy Efficiency Scheme Order 2010 (S.I. 2010/768).

“Phase” has the same meaning as that set out in Articles 2 and 3 of the CRC Energy Efficiency Scheme Order 2010 (S.I. 2010/768).

“Year” has the same meaning as that set out in Article 3 of the CRC Energy Efficiency Scheme Order 2010 (S.I. 2010/768).

Condition 21B. Billing based on meter readings

- 21B.1 If a Customer provides a meter reading to the licensee that the licensee considers reasonably accurate, or if the Gas Meter is read by the licensee, the licensee must take all reasonable steps to reflect the meter reading in the next Bill or statement of account sent to the Customer.
- 21B.2 If the licensee considers that a meter reading provided by a Customer is not reasonably accurate, the licensee must take all reasonable steps to contact the Customer to obtain a new meter reading from him.
- 21B.3 Paragraphs 21B.4 and 21B.5 apply from 31 December 2014.
- 21B.4 The licensee must take all reasonable steps to obtain a meter reading (including any meter reading transmitted electronically from a meter to the licensee or provided by the Customer and accepted by the licensee)
- (a) at least once per year from each of its Customers; and
 - (b) as from 1 April 2018 (or any other later date pursuant to a direction issued by the CMA no later than 1 September 2017) at least once per month from each of its Customers with a Supply Meter able to remotely transmit meter readings.
- 21B.4A For each of its Customers with a Supply Meter able to remotely transmit meter readings, the licensee must provide daily or with such frequency as provided for under the Uniform Network Code to the Relevant Gas Transporter all meter readings obtained pursuant to paragraph 21B.4(b) that satisfy the conditions set out in the Transportation Principal Document Section M of the Uniform Network Code.
- 21B.4B Where the licensee is unable to obtain a remote meter reading from a Supply Meter, despite taking all reasonable steps to do so, the licensee must provide to the Relevant Gas Transporter all meter readings obtained pursuant to paragraph 21B.4(a) that satisfy the conditions set out in the Transportation Principal Document Section M of the Uniform Network Code when obtaining any such meter reading and at least once every year.
- 21B.4C For the purposes of paragraphs 21B.4A and 21B.4B, the licensee must provide meter readings to the Relevant Gas Transporter in accordance with the Transportation Principal Document Section M of the Uniform Network Code.
- 21B.4D For the purposes of this condition, a Supply Meter is able to remotely transmit meter readings where it:
- (a) provides meter readings for multiple time periods and is able to provide such meter readings for periods of less than one month; and

(b) is able to provide the licensee with remote access to such meter readings.

21B.5 The licensee must make available a Bill or statement of account to each of its Customers at least twice yearly and at least quarterly to any Customer who requests it or who has Online Account Management.

This paragraph does not apply in relation to any Customer with:

- (a) a Prepayment Meter;
- (b) a Smart Metering System.

21B.5A The licensee must, where the Domestic Customer has a meter where access to remote readings for the licensee is enabled, offer to provide or make available accurate monthly billing information based on consumption, and subsequently provide or make available such billing information where requested by the Domestic Customer.

21B.6 Where a Customer requests Online Account Management the licensee must comply with that request.

21B.7 Where a Customer requests an explanation of how their Bill or statement of account was derived the licensee must comply with that request in plain and intelligible language.

21B.8 The licensee must not make a specific charge for the provision of a Bill or statement of account or for access in an appropriate way to the consumption data used to calculate that Bill or statement of account.

This paragraph does not apply in respect of providing additional copies of a Bill or statement of account to a Customer.

21B.9 Where a Customer requests the licensee to make available information on their energy billing and historical consumption either to the Customer or to any other person designated by the Customer the licensee must comply with that request to the extent that the information requested is available and as soon as reasonably practicable.

21B.10 For the purpose of this Condition,

CMA means the Competition and Markets Authority established under section 25 of the Enterprise and Regulatory Reform Act 2013.

Supply Meter has the meaning given to it in the Transportation Principal Document Section M of the Uniform Network Code.

Condition 21BA. Backbilling

Part A: application to Domestic Customers

Prohibition

21BA.1 Subject to paragraph 21BA.2, where the licensee or any Representative issues a Bill to a Domestic Customer or otherwise seeks to recover (including via a Prepayment Meter) Charges for the Supply of Gas from that customer (hereafter a “charge recovery action”), they must only do so in respect of:

- (i) units of gas which could reasonably be considered to have been consumed within the 12 months preceding the date the charge recovery action was taken; and
- (b) where applicable, amounts in respect of a Standing Charge or any other type of supply charge accrued within the 12 months preceding the date the charge recovery action was taken.

Exceptions to prohibition

21BA.2 Paragraph 21BA.1 does not apply in the following circumstances:

- (a) where any charge recovery action was taken prior to the date this condition took effect;
- (b) the licensee or any Representative, has taken a charge recovery action following the date this condition took effect in a manner which complied with paragraph 21BA.1 and, due to non-payment are continuing to take steps to obtain payment for the same units of gas and, where applicable, the same amounts in respect of a Standing Charge or other type of supply charge;
- (c) the licensee has been unable to take a charge recovery action for the correct amount of gas consumed due to obstructive or manifestly unreasonable behaviour of the Domestic Customer;
- (d) any other circumstances, which following consultation, the Authority may specify by publishing a statement in writing.

Terms of contracts

21BA.3 The licensee must ensure that the terms and conditions of each Relevant Contract comply with the provisions of this condition.

21BA.4 The licensee must ensure that each Relevant Contract contains terms and conditions which reflect the effect of the provisions of this condition.

21BA.5 The licensee must not enforce or take advantage of any term of a Relevant Contract if:

- (a) the inclusion of that term is incompatible with this condition; or
- (b) the enforcement or taking advantage of that term would be so incompatible.

Definitions for Part A

21BA.6 In this condition Relevant Contract means any Domestic Supply Contract and Deemed Contract.

Part B: application to Micro Business Consumers

21BA.7 In respect of a Micro Business Consumer, the licensee must comply with Part A of this condition on the basis that:

- (a) any reference to Domestic Customer is to be read as a reference to Micro Business Consumer; and
- (b) any reference to a Relevant Contract is to be read as a reference to Micro Business Consumer Contract.

21BA.8 In this condition **Micro Business Consumer** and **Micro Business Consumer Contract** have the meanings given in standard condition 7A.

Compliance with Part A and Part B

21BA.9 The licensee must comply with:

- (a) paragraphs 21BA.1 to 21BA.6 with immediate effect; and
- (b) paragraphs 21BA.7 and 21BA.8 with effect on and from 01 November 2018.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

SECTION B: STANDARD CONDITIONS FOR DOMESTIC SUPPLIERS

Standard conditions 22 to 24: Regulation of Domestic Supply Contracts

Condition 22. Duty to offer and supply under Domestic Supply Contract

Licensee's obligations

- 22.1 If the licensee supplies gas to Domestic Premises, it must do so under a Domestic Supply Contract or a Deemed Contract.
- 22.2 Within a reasonable period of time after receiving a request from a Domestic Customer for a supply of gas to Domestic Premises, the licensee must offer to enter into a Domestic Supply Contract with that customer.
- 22.3 If the Domestic Customer accepts the terms of the Domestic Supply Contract offered to him under paragraph 22.2, the licensee must supply gas in accordance with that contract.
- 22.4 A Domestic Supply Contract must:
- (a) be in Writing; and
 - (b) include all the terms and conditions for the supply of gas, including:
 - (i) a term separately identifying the Charges for the Supply of Gas and the charge for any other good or service to be provided; and
 - (ii) a term reflecting the provisions of standard condition 24 (Termination of Domestic Supply Contracts) in relation to the ending of the contract in the circumstances set out there.

Domestic terms

- 22.5. A Domestic Supply Contract or a Deemed Contract with a Domestic Customer entered into or negotiated on or after the day after the day on which the Electricity and Gas (Internal Markets) Regulations 2011 are made must include:
- (a) the identity and address of the licensee;
 - (b) the services provided, including any maintenance services provided, and any service quality levels that are to be met;
 - (c) if a connection is required, when that connection will take place;
 - (d) the means by which up to date information on all applicable tariffs and any maintenance charges including in relation to a Tied Bundle may be obtained;
 - (e) any conditions for renewal of the Domestic Supply Contract including in relation to a Tied Bundle;
 - (f) any compensation and refund arrangements which apply if contracted quality service levels are not met, including inaccurate and delayed billing; and

- (g) information concerning the Domestic Customer's rights as regards the means of dispute settlement available to them in the event of a dispute with the licensee including how dispute resolution procedures can be initiated.

Exceptions to licensee's obligations

22.6 The licensee is not required to comply with the obligations set out in paragraphs 22.2 or 22.3 in any of the following circumstances:

- (a) the Domestic Premises are not connected, whether directly or indirectly, to a relevant main;
- (b) supplying gas to the Domestic Premises would, or might, involve danger to the public, provided that the licensee has taken all reasonable steps to prevent such danger from occurring;
- (c) without prejudice to paragraph 13 of Standard Condition 25B it is not reasonable in all the circumstances of the case for the licensee to supply gas to the Domestic Premises, provided that, if it is already supplying gas to the premises, it has given at least seven Working Days' Notice of its intention to stop doing so; or
- (d) the licensee requires the Domestic Customer to pay a Security Deposit and he does not do so, except if that deposit is in breach of any of the requirements in paragraphs 3 and 4 of standard condition 27 (Payments, Security Deposits and Disconnections).

Calculation of kilowatt hours

22.7 A Domestic Supply Contract that provides for any element of the Charges for the Supply of Gas to be related to the Amount of gas supplied to Domestic Premises or Domestic Premises that are Secondary Premises must also provide for the number of kilowatt hours supplied to the premises to be calculated in the same manner as such number would have been calculated under section 12(1) of the Act if the gas had been conveyed to the premises by a Gas Transporter.

Provision of Domestic Supply Contracts

22.8 If a person requests a copy of any form of Domestic Supply Contract that the licensee may offer under paragraph 22.2, the licensee must send a copy of that form of contract to that person within a reasonable period of time after receiving the request.

Provision of Customer Information

22.9 Where a Domestic Customer requests the licensee to pass on his Historic Consumption Data and/or Meter Point Reference Number either to the Domestic Customer or to another Gas Supplier or to any other person, the licensee shall comply with that request free of charge as soon as reasonably practicable.

22.10 For the purposes of this condition:

“Historic Consumption Data” means:

- (a) except where a Domestic Customer has held his Domestic Supply Contract for less than 12 months, the quantity of gas supplied to the Domestic Customer’s Domestic Premises during the previous 12 months; or
- (b) where the Domestic Customer has held his Domestic Contract for less than 12 months, the quantity of gas supplied to the Domestic Customer’s Domestic Premises during the duration of the Domestic Contract.

Standard condition 22A. Unit Rate, Standing Charge and Tariff Name requirements

22A.1 The licensee must only:

- (a) offer to supply a Domestic Customer on the basis of a Domestic Supply Contract which complies with standard condition 22A; and
- (b) supply a Domestic Customer on the basis of a Domestic Supply Contract or a Deemed Contract which complies with standard condition 22A.

22A.2 In respect of supplying gas to a Domestic Customer under a Deemed Contract or Domestic Supply Contract, the licensee must ensure that all Charges for Supply Activities are incorporated within:

- (a) where the Domestic Supply Contract or Deemed Contract is for a Non-Time of Use Tariff:
 - (i) zero or more Standing Charge(s); and/or
 - (ii) zero or more Unit Rate(s); and
- (b) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff:
 - (i) zero or more Standing Charge(s); and/or
 - (ii) Time of Use Rates.

22A.3 When the licensee or any Representative displays or communicates the Charges for the Supply of Gas in any form the licensee must ensure that each of the following are separately identified from each other and any other charges:

- (a) the Standing Charge(s);
- (b) the Unit Rate(s) or, where applicable, Time of Use Rates.

Restriction on Tariff Name

22A.3A With the exception of White Label Tariffs, in any Region the licensee must not use more than one Tariff Name for each of its Tariffs at any time;

22A.3B In respect of White Label Tariffs, in any Region the licensee must not use more than one Tariff Name for each White Label Tariff of the same White Label Tariff Provider at any time.

22A.3C For the purposes of this condition the expression “use” is to be read as including (but is not necessarily limited to) circumstances where a Domestic Customer is:

- (a) able to enter into a contract for something;
- (b) offered something; or
- (c) provided with something.

Exception to compliance with condition

22A.4 The licensee is not required to comply with standard condition 22A to such extent and subject to such conditions as the Authority may from time to time direct.

Guidance

22A.5 The licensee must have regard to any guidance on standard condition 22A (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Terms of Domestic Supply Contracts and Deemed Contracts

22A.6 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of standard condition 22A.

22A.7 The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

- (a) paragraph 22A.2 of standard condition 22A; and
- (b) any provisions of standard condition 22A specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22A.8 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract or Deemed Contract if:

- (a) the inclusion of that term is incompatible with standard condition 22A; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

Definitions for condition

22A.9 In this condition:

“Charges for Supply Activities” means (excluding Separate Charges, a Security Deposit, a Dual Fuel Discount and an Online Account Management Discount) any charges or costs relating to activities that could reasonably be considered as being directly related to the supply of gas to premises, including (but not limited) to:

- (a) Customer billing;
- (b) meter reading;
- (c) data processing;
- (d) the provision of a Gas Meter; and
- (e) the transportation and shipping of gas.

“Separate Charges” means (in so far as they are compatible with any relevant provisions of legislation, law or other licence conditions):

- (a) charges levied on particular occasions in respect of matters related to the licensee’s statutory powers to Disconnect premises;
- (b) charges levied on particular occasions in relation to the licensee’s statutory powers in respect of rights of entry to premises;
- (c) charges levied on particular occasions in respect of:
 - (i) removing, inspecting (rather than meter reading), re-installing, testing, installing, or repairing a meter; or
 - (ii) changing the position of a meter installed at premises;
- (d) charges levied on particular occasions in respect of making of a connection between premises and a main of a Gas Transporter;
- (e) a Termination Fee levied on a particular occasion;
- (f) fees or charges levied on particular occasions in respect of, or related to, the late payment of Bills;
- (g) charges levied on particular occasions in respect of providing replacement prepayment meter cards or payment cards;
- (h) charges levied on particular occasions in respect of providing additional copies of any documentation to a Domestic Customer;
- (i) charges that may be levied on a Domestic Customer from their telephone provider in respect of telephone calls;
- (j) any charges which are expressly required by any licence condition or legislation; and
- (k) charges levied on particular occasions in respect of any matters specified in directions which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise.

Condition 22B - Requirements to make all tariffs available to new and existing customers

22B.1 Subject to paragraph 22B.2, the licensee must ensure that all its Tariffs are available to, and are capable of being entered into by, both new and existing Domestic Customers.

22B.2 Paragraph 22B.1 does not apply to:

- (a) A Closed Fixed Term Tariff;
- (b) A Collective Switching Tariff;
- (c) A Dead Tariff which complies with standard condition 22D; and
- (d) Tariffs only offered to a particular group of Domestic Customers defined on the basis of criteria specified by the licensee, provided that the criteria do not in any way relate to whether or not the Domestic Customer is a new or existing Domestic Customer.

22B.3 Exception to compliance with condition 22B

The licensee is not required to comply with standard condition 22B to such extent and subject to such conditions as the Authority may from time to time direct.

22B.4 In this condition:

“Collective Switching Tariff” means a Tariff for a Fixed Term Supply Contract which is entered into by a Domestic Customer only as a result of a Collective Switching Scheme.

“Collective Switching Scheme” means a scheme which the licensee is satisfied on the basis of the available evidence has:

- (a) the primary purpose of seeking offers from more than one Gas Supplier for Tariffs, with a view to ensuring that at least one of those offers is likely to result in a bulk number of Domestic Customers transferring to that Tariff; and
- (b) a process which has all of the following characteristics:
 - (i) is organised and operated from time to time by a person that is not the licensee or an Affiliate;
 - (ii) is competitive and transparent, including by:
 - 1. having participation rules for Gas Suppliers that are clear, well publicised and otherwise available to any interested party at a reasonable period of time before the process begins;
 - 2. being open to all Gas Suppliers which are able to supply Domestic Customers to participate in;
 - 3. having participation criteria for Domestic Customers or particular groups of Domestic Customers which are well publicised at a reasonable period of time before the process begins and clear and easy to understand; and
 - 4. having an outcome which is made clear and which is well publicised;

- (iii) a clearly defined start date; and
- (iv) a clearly defined end date:
 - 1. by which Domestic Customers which have satisfied the participation criteria and which wish to enter into a new Domestic Supply Contract, must ultimately have entered into a Domestic Supply Contract for a Tariff offered by a participating licensee; and
 - 2. which is not longer than 6 months from the start date.

22B.5 SLC 22B will cease to have effect at 23:59 on 31 March 2024, or such later date, to be 23:59 on 31 March 2025 and thereafter on the anniversary of that date, as specified by the Authority publishing a statement in Writing.

22B.6 The power to specify a later date in paragraph 22B.5 may be exercised by the Authority on more than one occasion (up until and including on any later date specified by the Authority).

Condition 22C. Fixed Term Supply Contracts

22C.1 Without prejudice to any Evergreen Supply Contract or Deemed Contract, the licensee and any Representative must only supply or offer to supply a Domestic Customer on the basis of a Fixed Term Supply Contract which complies with standard condition 22C.

Prohibition on further fixed term periods

22C.2 Without prejudice to paragraphs 22C.5, 22C.7 and 22C.8 of standard condition 22C and paragraph 24.9 of standard condition 24 (Continuation of Fixed Term Supply Contract Terms for interim period), the licensee must not extend in any way the duration of any fixed term period that applies to a Fixed Term Supply Contract.

Renewal of a Fixed Term Supply Contracts

22C.3 Prior to the end of a Fixed Term Supply Contract the licensee must act in accordance with standard condition 31I.

22C.4 (Not used)

22C.5 In relation to any Fixed Term Supply Contract, other than a Relevant Fixed Term Default Tariff, the licensee may only extend the duration of that Contract for a further fixed term period (with or without any changes to other terms and conditions, including the Charges for the Supply of Gas) if:

- (a) the licensee has provided the Domestic Customer with a Domestic Statement of Renewal Terms which incorporates an additional Notice which:
 - (i) with the exception of the Domestic Statement of Renewal Terms, must be provided separately from any other document including (but not limited to) a Bill, statement of account or marketing material;
 - (ii) informs the Domestic Customer that the licensee is seeking the Domestic Customer's express agreement in Writing to a further fixed term period with or without proposed changes to other terms and conditions (including the Charges for the Supply of Gas);
 - (iii) informs the Domestic Customer of the duration of the proposed further fixed term period and the nature, purpose and effect of any proposed changes to other terms and conditions (including the Charges for the Supply of Gas); and
 - (iv) informs the Domestic Customer they are under no obligation to agree to the proposed further fixed term period or any proposed changes to other terms and conditions (including the Charges for the Supply of Gas);

- (b) the Domestic Customer has expressly agreed in Writing to the proposed further fixed term period and, where applicable, any proposed changes to other terms and conditions (including the Charges for the Supply of Gas) in response to the Notice given by the licensee in accordance with sub-paragraph 22C.5(a);
- (c) the duration of the further fixed term period is no longer than the duration of the fixed term period that currently applies to the existing Fixed Term Supply Contract; and
- (d) by virtue of the extended duration of the further fixed term period and any changes to other terms and conditions (including the Charges for the Supply of Gas), the Fixed Term Supply Contract becomes identical to a Tariff which is a Live Fixed Term Tariff.

Prohibition on termination fees for non compliance

22C.6 Where the licensee fails to comply with paragraphs 22C.2 to 22C.5 and extends the duration of an existing Fixed Term Supply Contract for a further fixed term period, the licensee may not charge or otherwise seek to enforce a Termination Fee in respect of that Domestic Supply Contract.

Continued supply after a fixed term period ends

22C.7 Where a Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of an existing Fixed Term Supply Contract is due to end, the licensee must ensure that the terms of the Fixed Term Supply Contract provide that the Domestic Customer will become subject to either the Relevant Cheapest Evergreen Tariff or, if the licensee considers it appropriate to do so, a Relevant Fixed Term Default Tariff.

22C.8 Without prejudice to paragraph 22C.2 of this condition and paragraph 24.9 of standard condition 24, if at the end of any fixed term period the licensee continues to supply a Domestic Customer, it must do so on the basis of:

- (a) the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff which is provided for by the terms of the Fixed Term Supply Contract in accordance with paragraph 22C.7;
- (b) a new Evergreen Supply Contract which has been entered into with the express agreement of the Domestic Customer;
- (c) a new Fixed Term Supply Contract which has been entered into with the express agreement of the Domestic Customer and which complies with standard condition 22C; or
- (d) a further fixed term period in relation to an existing Fixed Term Supply Contract in circumstances where that Fixed Term Supply Contract and that further fixed term period complies with standard condition 22C.

Prohibition on increasing the Charges for the Supply of Gas and other adverse unilateral variations

22C.9 Without prejudice to paragraph 22C.5 or paragraph 22C.7, in relation to any Fixed Term Supply Contract, the licensee must not:

- (a) increase the Charges for the Supply of Gas (including, but not limited to, by making any reduction in the amount of a Discount that is directly applied to a Unit Rate or Standing Charge); or
- (b) unilaterally vary any other terms and conditions in any way which is to the disadvantage of a Domestic Customer.

Exception to compliance with condition

22C.10 The licensee is not required to comply with standard condition 22C to such extent and subject to such conditions as the Authority may from time to time direct.

22C.11 In respect of an increase in Charges for the Supply of Gas, the licensee is not required to comply with paragraph 22C.9 if:

- (a) all of the following requirements are satisfied:
 - (i) the Domestic Supply Contract provides that variations to the Charges for the Supply of Gas will occur automatically only in a manner which is fully linked to fluctuations in a published and transparent stock exchange quotation or index or a financial market rate that the licensee does not control; and
 - (ii) the licensee has complied with paragraph 23.1 of standard condition 23; and
 - (iii) the method by which the Charges for the Supply of Gas fluctuate automatically is set out in the Domestic Supply Contract in a prominent position in plain and intelligible language; or
- (b) all of the following requirements are satisfied:
 - (i) the Domestic Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion; and
 - (ii) the licensee has complied with paragraph 23.1 of standard condition 23; and
 - (iii) the precise variations to the Charges for the Supply of Gas are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language.

22C.11A The licensee is not required to comply with paragraph 22C.9 in respect of an increase or variation of the Charges for the Supply of Gas or any other charge or fee ('Relevant Charge') where all of the following circumstances apply:

- (a) the Relevant Charge is subject to value added tax;
- (b) there has been a change in the rate of value added tax that is chargeable in respect of the Relevant Charge; and
- (c) the licensee varies the amount of the Relevant Charge only in order to fully reflect the rate of value added tax that is chargeable in respect of that Relevant Charge.

22C.11B Paragraph 22C.9 does not apply where all of the following requirements are satisfied:

- (a) the licensee is only increasing the Charges for the Supply of Gas and/or unilaterally varying any other terms and conditions in any way which is to the disadvantage of a Domestic Customer in order to move a Domestic Customer from one payment method to another ('the power to change payment methods');
- (b) the power to change payment methods is only exercised on the grounds that the Domestic Customer has Outstanding Charges and/or has failed to comply with terms and conditions relating to a payment method;
- (c) the power to change payment methods and the precise circumstances when that power will be exercised are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language; and
- (d) the licensee has complied with paragraph 23.1 of standard condition 23.

Guidance

22C.12 The licensee must have regard to any guidance on Relevant Matters for SLC 22C which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Terms of Fixed Term Supply Contracts

22C.13 The licensee must ensure that the terms and conditions of each Fixed Term Supply Contract comply with the provisions of standard condition 22C.

22C.13A The licensee must ensure that each Fixed Term Supply Contract contains terms and conditions which reflect the effect of:

- (a) paragraph 22C.2;
- (b) paragraph 31I.1(c) of standard condition 31I;

- (c) paragraph 22C.5 (excluding sub-paragraphs 22C.5(a)(i) and 22C.5(d);
- (d) paragraph 22C.6;
- (e) paragraph 22C.7;
- (f) paragraph 22C.9;
- (g) any other requirement of standard condition 22C or any requirement relevant to the end of a Fixed Term Supply Contract set out in standard condition 31I which could reasonably be considered as:
 - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances (including how much notice a Domestic Customer will receive before their Fixed Term Supply Contract comes to an end);
 - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
 - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and
- (h) any provisions of standard condition 22C specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22C.14 The licensee must not enforce or take advantage of any term of a Fixed Term Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 22C; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

Treatment of Fixed Term Supply Contracts with changes to terms precisely set out in advance

22C.15 Without prejudice to paragraphs 22C.2 and 22C.5, where, in accordance with sub-paragraph 22C.11(b), a Fixed Term Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion, the references to "fixed term period" in paragraphs 22C.5, 22C.7 and 22C.8 of standard condition 22C and paragraph 31I.6 of standard condition 31I are to be read as a reference to the last fixed term period that applies to the Fixed Term Supply Contract.

Definitions for condition

22C.16 In this condition:

“Relevant Matters for SLC 22C” means:

- (a) the format and/or display of any information which must be included in the Notice referred to in sub-paragraph 22C.5(a); and
- (b) the interpretation of standard condition 22C (including in respect of definitions which appear in standard condition 1).

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 22CA & 22CB – Not used

Condition 22D. Dead Tariffs

Prohibition on Dead Tariffs

22D.1 Subject to paragraphs 22D.2 to 22D.22, and without prejudice to a Fixed Term Supply Contract, the licensee must only use (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees must collectively or individually only use) Live Evergreen Tariffs.

Exception for the withdrawal of Live Evergreen Tariffs

22D.1A Where the licensee wishes to withdraw a Live Evergreen Tariff, the licensee may treat that Live Evergreen Tariff as a Dead Tariff (a “Transitional Dead Tariff”) for a period of 49 days (the “Transitional Period”) in order to ensure that all the Domestic Customers which are subject to that Transitional Dead Tariff become subject to a Live Evergreen Tariff or Live Fixed Term Tariff.

22D.1B Without prejudice to paragraph 23.6 of standard condition 23 (treating a price increase or variation as ineffective), where the licensee has a Transitional Dead Tariff pursuant to paragraph 22D.1A, the licensee must ensure (in a way that is compatible with standard licence conditions and legislation) that all the Domestic Customers which are subject to that Transitional Dead Tariff become subject to a Live Evergreen or Live Fixed Term Tariff by the end of the Transitional Period.

22D.1C Paragraphs 22D.2 to 22D.22 do not apply in respect of a Transitional Dead Tariff.

Exception to prohibition on Dead Tariffs

22D.2 Subject to paragraphs 22D.5 to 22D.19, where paragraph 22D.3 applies, the licensee may continue to supply a Domestic Customer using a Dead Tariff which existed before the date paragraph 22D.1 took effect (on 23 October 2013).

Dead Tariff is already compliant and is cheaper than or as cheap as Relevant Cheapest Evergreen Tariff

22D.3 This paragraph applies where the Dead Tariff:

- (a) already fully complies with the requirements of standard condition 22A; and
- (b) is cheaper than or as cheap as the licensee’s Relevant Cheapest Evergreen Tariff for the particular Domestic Customer.

22D.4 – 22D.6 (Not used)

Annual reassessment of Dead Tariffs

22D.7 Where pursuant to paragraph 22D.2, the licensee has decided to continue to supply a Domestic Customer using a Dead Tariff, it must:

- (a) reassess in every twelve month period whether the Dead Tariff is cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer; and
- (b) only continue to supply the Domestic Customer using the Dead Tariff if that Tariff is cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer.

22D.8 Where pursuant to paragraph 22D.7, the licensee is unable to continue to supply the Domestic Customer using the Dead Tariff or otherwise does not wish to continue to supply the Domestic Customer using the Dead Tariff, the licensee must ensure, in a way that is compatible with standard licence conditions and legislation, that the Domestic Customer becomes subject to the licensee's Relevant Cheapest Evergreen Tariff as soon as is reasonably practicable following the reassessment under paragraph 22D.7

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 licensee'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:
- (i) 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 Supplier 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.

Exception for notification requirements

22D.10 Paragraph 22D.9 does not apply where, in order to ensure that the Domestic Customer is no longer subject to a Dead Tariff, the licensee has:

- (a) entered into a new Domestic Supply Contract with a Domestic Customer; or
- (b) has agreed a mutual variation with a Domestic Customer (in accordance with standard condition 23A).

Requirements for Deemed Contracts

22D.11 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), the licensee must ensure that the terms and conditions of the Deemed Contract are the same as the Evergreen Supply Contract for the Relevant Cheapest Evergreen Tariff (excluding any

terms and conditions of the Deemed Contract (other than the Charges for the Supply of Gas) which are different because of an express prohibition or express requirement contained in a standard licence condition).

Continuation of Dead Tariffs for interim period

22D.12 Where paragraph 22D.13 applies, the licensee must ensure that a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions that applied to the Dead Tariff until they have changed their supplier.

22D.13 This paragraph applies where one of the following conditions is satisfied:

- (a) no later than 20 Working Days after (but not including) the date on which the Dead Tariff is due to terminate or be changed in order for the Domestic Customer to become subject to the licensee's Relevant Cheapest Evergreen Tariff, the licensee receives Notice under the the Retail Energy Code that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time; and
- (b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 22D.13(a) is given; or
- (c) where:
 - (i) the conditions in sub-paragraphs 22D.13(a) and (b) are met; and
 - (ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer.

22D.14 Where paragraph 22D.15 applies, the licensee must ensure that a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions that applied to the Dead Tariff until a new Domestic Supply Contract with the licensee comes into effect.

22D.15 This paragraph applies where a new Domestic Supply Contract comes into effect no later than 20 Working Days after (but not including) the date on which the Domestic Evergreen Supply Contract (or, as the case may be Deemed Contract) that was subject to the Dead Tariff was to terminate or be changed in order for the Domestic Customer to become subject to the licensee's Relevant Cheapest Evergreen Tariff.

Terms of Domestic Supply Contracts

22D.16 The licensee must ensure that the terms and conditions of each Evergreen Supply Contract for a Dead Tariff comply with the provisions of standard condition 22D.

22D.16A The licensee must ensure that each Evergreen Supply Contract for a Dead Tariff contains terms and conditions which reflect the effect of:

- (a) (Not used)
- (b) sub-paragraphs 22D.9(e)(i) and 22D.9(e)(iii);
- (c) sub-paragraphs 22D.9(f)(i), 22D.9(f)(iii) and 22D.9(f)(iv);
- (d) paragraph 22D.12;
- (e) paragraph 22D.13;
- (f) paragraph 22D.14;
- (g) paragraph 22D.15;
- (h) any other requirement of standard condition 22D which could reasonably be considered as:
 - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances;
 - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
 - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and
- (i) any provisions of standard condition 22D specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22D.17 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 22D; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

Power to direct restrictions on information included on or with a Notice issued pursuant to paragraph 22D.9

22D.18 Subject to paragraph 22D.19, the licensee must comply with any directions relating to SLC 22D Information Restrictions which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

22D.19 Unless the licensee otherwise consents, a direction under paragraph 22D.18 will only take effect after the Authority has given the licensee at least two months Notice.

Guidance

22D.20 The licensee must have regard to any guidance on standard condition 22D (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

22D.21 The licensee is not required to comply with standard condition 22D to such extent and subject to such conditions as the Authority may from time to time direct.

Definitions for condition

22D.22 For the purposes of this condition:

"SLC 22D Exempt Information" means:

- (a) SLC 22D Supplier and Customer Information;
- (b) (not used); and
- (c) the information required by standard condition 31E.

"SLC 22D Information Restrictions" means any or all of the following requirements:

- (a) that the Notice issued pursuant to paragraph 22D.9 only contains information which is specified by the Authority; and/or
- (b) that the Notice issued pursuant to paragraph 22D.9 is not to be provided in conjunction with any other information, including (but not limited to) a Bill, statement of account or marketing material.

"SLC 22D Supplier and Customer Information" means:

- (a) the name of the licensee and its contact details;
- (b) the name and address of the Domestic Customer;
- (c) other information used for the purposes of identifying the Domestic Customer; and
- (d) the date of the Notice.

Condition 23. Notification of Domestic Supply Contract terms

Notification of Principal Terms

- 23.1 Before it enters into a Domestic Supply Contract with a Domestic Customer (or, where applicable, before any mutual variation of a Domestic Supply Contract is agreed with a Domestic Customer pursuant to standard condition 23A), the licensee must take (and ensure that any Representative takes) all reasonable steps to communicate the Principal Terms of the Domestic Supply Contract (which in the case of a mutual variation must cover the Principal Terms that will apply as a result of that variation and any Principal Terms of the current Domestic Supply Contract that are not affected by the mutual variation) to that Domestic Customer and ensure that the Principal Terms are communicated (or, where they are provided in Writing, drafted) in plain and intelligible language.

Notification before Domestic Supply Contract ends

- 23.2 Before a Domestic Supply Contract is due to end (including in circumstances where the Domestic Supply Contract is being terminated by the licensee), the licensee must provide a Notice to the Domestic Customer:
- (a) 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 Domestic Supply Contract ending, leaving reasonable time for that Domestic Customer to avoid that change before it takes effect;
 - (b) that contains information which is sufficient to enable that Domestic Customer to understand:
 - (i) the Principal Terms of the Deemed Contract that will apply after the Domestic Supply Contract ends if the Domestic Customer does not enter into a new Domestic Supply Contract; and
 - (ii) when the change takes effect.

23.2A Paragraph 23.2 does not apply:

- (a) in any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff in accordance with standard condition 22C; and
- (b) in any circumstances where standard condition 22D applies.

Notification of increase in Charges for the Supply of Gas and other unilateral variations

- 23.3 If, in accordance with the terms of a Domestic Supply Contract with a Domestic Customer, the licensee:

- (a) increases the Charges for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge); or
- (b) unilaterally varies any other term of the contract in any other way that is to the disadvantage of the Domestic Customer ("Disadvantageous Unilateral Variation");

the licensee must act in accordance with standard condition 31I.

23.3A Paragraph 23.3(a) and paragraph 31I.1(b) of standard condition 31I do not apply where the licensee increases the Charges for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge) by:

- (a) a mutual variation made pursuant to standard condition 23A;
- (b) a unilateral variation made pursuant to standard condition 22D; or
- (c) any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff, or a Relevant Fixed Term Default Tariff or the duration of a Fixed Term Supply Contract is extended for a further fixed term period in accordance with standard condition 22C.

23.3B Paragraph 23.3(b) and paragraph 31I.1(a) of standard condition 31I do not apply:

- (a) in any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff, or a Relevant Fixed Term Default Tariff or the duration of a Fixed Term Supply Contract is extended for a further fixed term period in accordance with standard condition 22C; or
- (b) where the licensee is making a Disadvantageous Unilateral Variation by a unilateral variation made pursuant to standard condition 22D.

23.4 – 23.5 (Not used)

Circumstances where increases to Charges for the Supply of Gas or Disadvantageous Unilateral Variations are ineffective or unenforceable

23.6 The licensee must treat the increase in the Charges for the Supply of Gas and/or the Disadvantageous Unilateral Variation as ineffective and neither enforce nor take advantage of it where –

- (a) no later than 20 Working Days after (but not including) the date on which the increase in the Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation has effect, the licensee received Notice under the Retail Energy Code that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time and

- (b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 23.6(a) is given; or
- (c) where:
 - (i) the conditions in sub-paragraphs 23.6(a) and (b) are met; and
 - (ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer; or
- (d) where the Domestic Customer enters into a new Domestic Supply Contract with the licensee which comes into effect no later than 20 Working Days after (but not including) the date on which the increase in the Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation has effect.

Exceptions to compliance with condition

- 23.7 The licensee is not required to comply with paragraph 23.3 to such extent as the Authority may direct.
- 23.8 In respect of an increase in Charges for the Supply of Gas, the licensee is not required to comply with paragraph 23.3 or paragraph 31I.1(b) of standard condition 31I if:
- (a) all of the following requirements are satisfied:
 - (i) the Domestic Supply Contract is a Fixed Term Supply Contract; and
 - (ii) the Domestic Supply Contract provides that variations to the Charges for the Supply of Gas will occur automatically only in a manner which is fully linked to fluctuations in a published and transparent stock exchange quotation or index or a financial market rate that the licensee does not control; and
 - (iii) the licensee has complied with paragraph 23.1; and
 - (iv) the method by which the Charges for the Supply of Gas fluctuate automatically is set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language; or
 - (b) all of the following requirements are satisfied:
 - (i) the Domestic Supply Contract is a Fixed Term Supply Contract; and
 - (ii) the Domestic Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or

precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion; and

- (iii) the licensee has complied with paragraph 23.1; and
- (iv) the precise variations to the Charges for the Supply of Gas are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language.

23.8A The licensee is not required to comply with paragraph 23.3 or paragraph 31I.1(a) and 31I.1(b) of standard condition 31I if all of the following requirements are satisfied:

- (a) the licensee is only increasing the Charges for the Supply of Gas and/or making Disadvantageous Unilateral Variations in order to move a Domestic Customer from one payment method to another ('the power to change payment methods');
- (b) the power to change payment methods is only exercised on the grounds that the Domestic Customer has Outstanding Charges and/or has failed to comply with terms and conditions relating to a payment method;
- (c) the power to change payment methods and the precise circumstances when that power will be exercised are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language;
- (d) the Domestic Supply Contract sets out, in a prominent position and in plain and intelligible language, the precise variations to the Charges for the Supply of Gas and other terms and conditions which would occur as a result of the licensee exercising the power to change payment methods; and
- (e) the licensee has complied with paragraph 23.1; and
- (f) Before the licensee exercises the power to change payment methods it must provide the Domestic Customer with a Notice containing the following information at least 7 Working Days in advance of the date the change to the Domestic Customer's payment method is scheduled to take effect:
 - (i) details of the specific:
 - (1) increase in the Charges for the Supply of Gas (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) which applies to each particular Domestic Customer; and/or
 - (2) Disadvantageous Unilateral Variation which applies to each particular Domestic Customer;

- (ii) the date the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral Variation has effect; and
- (iii) the main reasons for the increase in the Charges for the Supply of Gas and/or the Disadvantageous Unilateral Variation.

23.8B Where the licensee has satisfied the requirements of sub-paragraphs 23.8A (a), (b) and (c) (but not the other requirements of paragraph 23.8A), the licensee must provide the Domestic Customer with a Notice in accordance with standard condition 31I, and this must be provided at least 7 Working Days in advance of the date on which the increase in the Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation has effect.

Terms of Domestic Supply Contracts

23.9 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard conditions 23 and 31I.

23.9A The licensee must ensure that the terms and conditions of each Domestic Supply Contract contains terms and conditions which reflect the effect of:

- (a) paragraphs 31I.1(a) and 31I.1(b) of standard condition 31I
- (b) (Not used);
- (c) (Not used);
- (d) paragraph 31I.4(a) of standard condition 31I;
- (e) paragraph 23.6;
- (f) any other requirement of standard condition 23 or any requirement relevant to an increase in Charges for the Supply of Gas or Disadvantageous Unilateral Variation set out in standard condition 31I which could reasonably be considered as:
 - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances (including how much notice a Domestic Customer will receive before any increase in Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation comes into effect);
 - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
 - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and

- (g) any provisions of standard condition 23 specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

23.10 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard conditions 23 or 31I; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

23.11 (Not used)

Guidance

23.12 The licensee must have regard to any guidance on the interpretation of standard condition 23 (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Condition 23A. Mutual variations

23A.1 This condition applies to any mutual variation or proposed mutual variation to the terms of a Domestic Supply Contract.

23A.2 Without prejudice to paragraph 22C.5 of standard condition 22C, the licensee may only agree a mutual variation to the terms (including the Charges for the Supply of Gas) of a Domestic Supply Contract with a Domestic Customer if:

- (a) the mutual variation does not relate to extending the duration of a Domestic Supply Contract or a fixed term period in any way;
- (b) in respect of a mutual variation which would increase the Charges for the Supply of Gas or which would in any way be to the disadvantage of the Domestic Customer, the licensee has given the Domestic Customer Notice of the proposed mutual variation and that Notice:
 - (i) is given in advance of the date the mutual variation is intended to take effect;
 - (ii) informs the Domestic Customer that the licensee is seeking to agree a mutual variation;
 - (iii) informs the Domestic Customer of the nature, purpose and effect of the proposed mutual variation; and
 - (iv) informs the Domestic Customer in a prominent position that they are under no obligation to agree to the mutual variation;
- (c) the licensee has complied with paragraph 23.1 of standard condition 23; and
- (d) in respect of a mutual variation which would increase the Charges for the Supply of Gas or which would in any way be to the disadvantage of the Domestic Customer, in response to the Notice given by the licensee in accordance with subparagraph 23A.2(b), the Domestic Customer has contacted the licensee in Writing or by any other means and has expressly agreed to the mutual variation as part of that contact.

23A.3 Where a Domestic Customer has agreed to a mutual variation, the licensee must provide that Domestic Customer with a Notice containing the following information in a prominent position within 5 Working Days as from (and including) the date the mutual variation was agreed (or must provide that information as soon as reasonably practicable thereafter):

- (a) a statement to the effect that the Domestic Customer has agreed to a mutual variation; and
- (b) an explanation of the effect of that mutual variation.

Terms of Domestic Supply Contracts

23A.4 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard condition 23A.

23A.4A The licensee must ensure that each Domestic Supply Contract contains terms and conditions which reflect the effect of the provisions of standard condition 23A.

23A.5 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 23A; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

Guidance

23A.6 The licensee must have regard to any guidance on standard condition 23A (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

23A.7 The licensee is not required to comply with standard condition 23A to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 24. Termination of Domestic Supply Contracts

End of ownership or occupation

- 24.1 The licensee must include a term in each Domestic Supply Contract to provide that it will end, in relation to the Domestic Premises to which it applies, by no later than:
- (a) if the Domestic Customer has notified the licensee at least two Working Days before the date on which he stops owning or occupying the premises, that date; or
 - (b) if the Domestic Customer has stopped owning or occupying the premises without giving the licensee such notification, the first to happen of the following:
 - (i) the end of the second Working Day after the customer has notified the licensee that he has stopped owning or occupying the premises; or
 - (ii) the date on which any other person begins to own or occupy the premises and takes a supply of gas at those premises.
- 24.2 The licensee must include a term in each Domestic Supply Contract to provide that, if that contract is brought to an end in accordance with a term included in it because of paragraph 24.1, the Domestic Customer is liable for the supply of gas to the Domestic Premises until the date on which that contract ends.

Termination Fees

- 24.3 The licensee may include a term in a Domestic Supply Contract requiring a Domestic Customer to pay a Termination Fee to end that contract except in any of the following circumstances:
- (a) the contract is of an indefinite length;
 - (b) without prejudice to sub-paragraph (a), the contract allows for both a fixed term period and a period of indefinite length and it is brought to an end during the period of indefinite length;
 - (c) the licensee is required to give Notice of an increase in the Charges for the Supply of Gas or any Disadvantageous Unilateral Variation in accordance with paragraph 23.3 of standard condition 23 (Notification of Domestic Supply Contract terms); or
 - (d) the contract is a Relevant Fixed Term Default Tariff
- 24.3A Any Termination Fee payable pursuant to paragraph 24.3 must be
- (a) proportionate; and
 - (b) must not exceed the direct economic loss to the licensee resulting from the Domestic Customer's termination of the Contract, including the costs of any

Non-Energy Product comprised in any Tied Bundle that has already been provided to the Domestic Customer as part of the Contract.

- 24.4 The restrictions imposed by paragraph 24.3 will not apply to such extent as the Authority may direct.

Application of this condition

- 24.5 If a Domestic Supply Contract provides for both the supply of gas to a premises and the provision of any other good or service, a reference in this condition to ending that contract is a reference to ending it for the supply of gas to the premises only.

Length of notice period for termination

- 24.6 The licensee must ensure that any notice period for termination of any Evergreen Supply Contract is no longer than 28 days.

Termination of Evergreen Supply Contracts

- 24.7 In relation to any Evergreen Supply Contract, the licensee must ensure that the Domestic Customer is entitled to give notice to terminate the Evergreen Supply Contract at any time.

Termination of Fixed Term Supply Contracts

- 24.8 In relation to each Fixed Term Supply Contract, the licensee must ensure that:
- (a) a Domestic Customer is entitled to take steps to facilitate changing to any other Gas Supplier (but not complete the process of changing supplier) at any time without having to pay a Termination Fee;
 - (b) unless the Domestic Customer has already entered into a new Fixed Term Supply Contract with the licensee or paragraph 22C.5 of standard condition 22C applies, a Domestic Customer is entitled to switch to any other Gas Supplier at any time during or after the Switching Window without having to pay a Termination Fee;
 - (c) a Domestic Customer is not required to give any form of notice to terminate a Fixed Term Supply Contract or to switch supplier.

Continuation of Fixed Term Supply Contract terms for interim period

- 24.9 In relation to each Fixed Term Supply Contract, unless the Domestic Customer has entered into a new Fixed Term Supply Contract with the licensee or paragraph 22C.5 of standard condition 22C applies, the licensee must ensure that where paragraph 24.10 applies a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions (but not any Termination Fee) that applied to that Fixed Term Supply Contract until they have changed their supplier.

24.10 This paragraph applies where one of the following conditions are satisfied:

- (a) no later than 20 Working Days after (but not including) the date on which the fixed term period of a Fixed Term Supply Contract ends, the licensee receives Notice under the Retail Energy Code that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time; and
- (b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 24.10(a) is given; or
- (c) where:
 - (i) the conditions in sub-paragraphs 24.10(a) and (b) are met; and
 - (ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer.

24.11 In relation to each Fixed Term Supply Contract, where paragraph 22C.5 of standard condition 22C does not apply and a Domestic Customer has entered into a new Fixed Term Supply Contract with the licensee, the licensee must ensure that where paragraph 24.12 applies a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions (but not any Termination Fee) that applied to that Fixed Term Supply Contract until the new Fixed Term Supply Contract comes into effect.

24.12 This paragraph applies where a new Fixed Term Supply Contract comes into effect no later than 20 Working Days after (but not including) the date on which the fixed term period of a Fixed Term Supply Contract ends.

Treatment of Fixed Term Supply Contracts with changes to terms precisely set out in advance

24.13 Without prejudice to paragraphs 22C.2 and 22C.5 of standard condition 22C, where, in accordance with paragraph 22C.11 of standard condition 22C, a Fixed Term Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion, the references to "fixed term period" in paragraphs 24.10 and 24.12 are to be read as a reference to the last fixed term period that applies to the Fixed Term Supply Contract.

Terms of Domestic Supply Contracts

24.14 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard condition 24.

24.14A The licensee must ensure that each Domestic Supply Contract contains terms and conditions which reflect the effect of:

- (a) paragraph 24.3;
- (b) paragraph 24.6;
- (c) paragraph 24.7;
- (d) paragraph 24.8;
- (e) paragraph 24.9;
- (f) paragraph 24.10;
- (g) paragraph 24.11; and
- (h) paragraph 24.12.

24.15 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 24; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

Guidance

24.16 The licensee must have regard to any guidance on standard condition 24 (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Definitions for condition

24.17 For the purposes of this condition “**Switching Window**” means the period which begins when the Domestic Statement of Renewal Terms is provided to the Domestic Customer, or 49 days before the date the fixed term period of a Fixed Term Supply Contract is due to end (whichever is earlier), and which ends on the date the fixed term period of a Fixed Term Supply Contract is due to end.

Condition 24A Market Stabilisation Charge

Obligation to pay Market Stabilisation Charge

24A.1 If the licensee is an Acquiring Supplier in respect of a Domestic Customer, and the Losing Supplier Loss Trigger is met in respect of that Domestic Customer, it must pay the Market Stabilisation Charge (if any);

- (a) calculated in accordance with the guidance issued by the Authority on this SLC 24A; and
- (b) administered in accordance with the requirements of the Retail Energy Code, to such person as may be specified in the Retail Energy Code and for the benefit of the relevant Losing Supplier.

Guidance

24A.2 The licensee must have regard to any guidance on this SLC 24A (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time-to-time revise.

Duration of the obligation to pay the Market Stabilisation Charge

24A.3 SLC 224A shall cease to have effect at 23.59 on 31 March 2024 unless the Authority specifies (i) the condition will cease to have effect at an earlier date or (ii) a later date, to be 23:59 on 31 March 2025 and thereafter on the anniversary of that date, by publishing a statement in Writing.

24A.4 The power to specify a later date in paragraph 24A.3 may be exercised by the Authority on more than one occasion (up until and including on any later date specified by the Authority).

Definitions for condition

24A.5 For the purposes of this condition:

Acquiring Supplier means in respect of a Domestic Customer, a licensee to whom a Domestic Customer switches from a Losing Supplier.

Losing Supplier means, in respect of a Domestic Customer the licensee from whom a Domestic Customer switches to an Acquiring Supplier.

Losing Supplier Loss Trigger shall, in respect of a Domestic Customer, have the meaning set out in guidance issued by the Authority on this SLC 24A.

Market Stabilisation Charge means, in respect of a Domestic Customer, the fee of that name calculated in accordance with guidance issued by the Authority on this SLC24A.

Standard conditions 25 to 30: Domestic Customer protection

Condition 25. Informed choices – Tariff comparability and marketing

- 25.1 The licensee must ensure that the structure, terms and conditions of its Tariffs are clear and easily comprehensible.
- 25.2 The licensee must ensure that its Tariffs are easily distinguishable from each other.
- 25.3 The licensee must ensure that it puts in place information, services and/or tools to enable each Domestic Customer to easily compare and select appropriate Tariffs within its offering, taking into account that Domestic Customer's characteristics and/or preferences.
- 25.4 The licensee must not, and must ensure that its Representatives do not mislead or otherwise use inappropriate tactics, including high pressure sales techniques, when selling or marketing to Domestic Customers.
- 25.5 The licensee must only Recommend and must ensure that its Representatives only Recommend, to a Domestic Customer Tariffs which are appropriate to that Domestic Customer's characteristics and/or preferences.
- 25.6 Where a Domestic Customer to whom the licensee or any Representative has provided information in the course of Face-to-Face Marketing Activities or Telesales Activities enters into a Domestic Supply Contract with the licensee, the licensee must maintain a record of the information which it provided to that Domestic Customer concerning that Domestic Supply Contract in accordance with this licence condition for a period of 2 years.

Definitions for condition

25.7 For the purposes of this condition:

"Face-to-Face Marketing Activities" means any activities of the licensee or any Representative, that:

- (a) take place with the simultaneous physical presence of the licensee or any Representative and a Domestic Customer; and
- (b) are directed at or incidental to identifying and communicating with Domestic Customers for the purpose of promoting the licensee's Domestic Supply Contracts to them and includes entering into such contracts with such customers.

"Recommend" means communicating (whether in Writing or orally) to a Domestic Customer information about one or more Tariffs in a way which gives, or is likely to give, the Domestic Customer the impression that the particular Tariff(s) is/are suitable for their characteristics and/or preferences.

"Telesales Activities" means any activities of the licensee or any Representative that are:

- (a) conducted by telephone; and

- (b) directed at or incidental to identifying and communicating with Domestic Customers for the purpose of promoting the licensee's Domestic Supply Contracts to them and includes entering into such contracts with such customers.

Condition 25A – Not used

Condition 25B. Interoperability of Advanced Domestic Meters

Information to be provided in respect of Advanced Domestic Meters

- 25B.1 This paragraph applies where the licensee is the Relevant Gas Supplier to a Domestic Customer with an Advanced Domestic Meter and that Domestic Customer intends to change their Gas Supplier and continue to use that Advanced Domestic Meter at the Domestic Premises.
- 25B.2 Where paragraph 25B.1 applies the licensee must take (and ensure that any Representative takes) all reasonable steps to ensure that, as from the date another supplier becomes the Relevant Gas Supplier for those premises, no misleading or inaccurate information relating to Charges for the Supply of Gas will be provided to the Domestic Customer via an Electronic Consumption Data Display and the Advanced Domestic Meter which relates to, or arises from, the Domestic Supply Contract previously entered into between the licensee and the Domestic Customer.
- 25B.3 Before the licensee enters into a Domestic Supply Contract with a Domestic Customer, the licensee must take (and ensure that any Representative takes) all reasonable steps to:
- (a) ascertain whether an Advanced Domestic Meter is installed at the Domestic Premises;
 - (b) where an Advanced Domestic Meter is installed at the Domestic Premises, obtain information about the functionality of that Advance Domestic Meter;
 - (c) communicate to that Domestic Customer in plain and intelligible language an explanation of the nature and effect of any potential variations to the services related to the functionality of the Advanced Domestic Meter installed at the Domestic Premises that might be to the disadvantage of the Domestic Customer.
- 25B.4 Where paragraph 3 applies, the licensee must take and retain (and ensure that any Representative takes and maintains) appropriate record of its compliance with the requirements of paragraph 3 of this condition.
- 25B.5 Before the licensee or any Representative installs an Advanced Domestic Meter, the licensee must take (and ensure that any Representative takes) all reasonable steps to communicate to that Domestic Customer in plain and intelligible language a statement to the effect that if they change their Gas Supplier they may not be able to receive the same services in respect of the functionality of the Advanced Domestic Meter installed at their Domestic Premises.

General obligation to help maintain Advanced Domestic Meter services

- 25B.6 This paragraph applies where:
- (a) the licensee is the Installation Licensee; and

- (b) a Proposed New Gas Supplier has requested the information referred to in paragraph 7 from the Installation Licensee.
- 25B.7 Where paragraph 6 applies, the Installation Licensee must, as soon as reasonably practicable, provide the Proposed New Gas Supplier with such information as is reasonably required to:
 - (a) enable the Proposed New Gas Supplier to determine the functionality of the existing Advanced Domestic Meter at the particular Domestic Premises (hereafter referred to as ‘the relevant premises’); and
 - (b) enable the Proposed New Gas Supplier to maintain all or part of the services related to the functionality of the existing Advanced Domestic Meter at the relevant premises.
- 25B.8 The licensee is not required to give information under paragraph 7, if doing so would seriously and prejudicially affect its commercial interest or might be expected to be incompatible with any legislation, rule of law or licence condition.
- 25B.9 The licensee is not required to give information under paragraph 7 which it could not be compelled to produce or give in evidence in civil proceeding before a court.
- 25B.10 Where the Installation Licensee receives a request from a Proposed New Gas Supplier, after 31st December 2012, the Installation Licensee must:
 - (a) offer to provide the Proposed New Gas Supplier with all such services as are reasonably required for the Proposed New Gas Supplier to maintain all of the services related to the functionality of the existing Advanced Domestic Meter at particular Domestic Premises (hereafter referred to as ‘the relevant services’); and
 - (b) if the offer referred to in sub-paragraph (a) is accepted, provide the Proposed New Gas Supplier with the relevant services in accordance with that offer.
- 25B.11 The Installation Licensee is not required to comply with paragraph 10 where it –
 - (a) supplies gas to fewer than 250,000 Domestic Customers; or
 - (b) has installed or arranged to have installed fewer than –
 - (i) 25,000 Advanced Domestic Meters; and
 - (ii) 5,000 Prepayment Advanced Domestic Meters.
- 25B.12 The licensee is not required to comply with Standard Condition 25B.10 to such extent as the Authority may from time to time direct.

Replacement of a Prepayment Advanced Domestic Meter

- 25B. 13 Where a Domestic Customer with a Prepayment Advanced Domestic Meter intends to change their Gas Supplier at the same Domestic Premises to the licensee, and will continue to pay Charges for the Supply of Gas in advance though a Prepayment Meter, but the licensee is unable to support the existing Prepayment Advance

Domestic Meter, the licensee must install or arrange to install a replacement Prepayment Meter at no charge to the Domestic Customer.

25B.14 Not Used.

25B.15 Not Used.

Definitions for condition

25B.16 For the purposes of this condition:

Advanced Domestic Meter	means an Gas Meter that, either on its own or with an ancillary device: (a) provides measured gas consumption data for multiple time periods and is able to provide such data for at least daily periods; (b) is able to provide the licensee with remote access to such data; and (c) is not an Electronic Consumption Data Display.
Electronic Consumption Data Display	means an electronic device that provides information, by electronic display, for the purposes of ascertaining the quantity of gas supplied to Domestic Premises and/or information relating to Charges for the Supply of Gas, in relation to Domestic Premises where an Advanced Domestic Meter is installed.
Installation Licensee	means the Gas Supplier who has installed or arranged to have installed an Advanced Domestic Meter at the Domestic Premises of a particular Domestic Customer.
Prepayment Advanced Domestic Meter	means a Gas Meter that, either on its own or with an ancillary device: (a) provides measured gas consumption data for multiple time periods and is able to provide such data for at least daily periods; (b) is able to provide the licensee with remote access to such data; (c) operating in a mode which requires a Domestic Customer to pay Charges for the Supply of Gas in advance; and (d) a reference to the installation or removal of a Prepayment Meter includes the switching of any Gas Meter to or from such a mode.
Proposed New Gas Supplier	means a Gas Supplier that is not the Installation Licensee and is seeking to enter into a Domestic Supply Contract with a particular Domestic Customer.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 25C. Not Used – refer to standard condition 0

Condition 26. Priority Services Register

Duty to establish a Priority Services Register

26.1 The licensee must:

- (a) establish and maintain a Priority Services Register of its Domestic Customers, who, due to their Personal Characteristics or otherwise being in a vulnerable situation, may require Priority Services;
- (b) take all reasonable steps to promote the existence of the Priority Services Register and the Priority Services which may be available from the licensee; and
- (c) take all reasonable steps (which are appropriate in the circumstances, having regard to the interests of the Domestic Customer) to:
 - (i) identify such Domestic Customers in the course of interactions between the licensee and Domestic Customers, and
 - (ii) offer to add any or all of the Minimum Details to the Priority Services Register during interactions.

26.2 In so far as permitted by any laws relating to data protection and/or privacy, the licensee must add the Minimum Details to the Priority Services Register.

Duty to share information

26.3 In so far as permitted by any laws relating to data protection and/or privacy, the licensee must share the Minimum Details using the Relevant Industry Mechanisms.

Duty to offer services

26.4 The licensee must offer (and, if accepted, provide), free of charge, to any of its Domestic Customers which have been added to the Priority Services Register, such of the Priority Services as the Domestic Customer may reasonably require on account of his or her Personal Characteristics or vulnerable situation.

26.5 The Priority Services are appropriate mechanisms and arrangements to enable the following:

- (a) the Domestic Customer receiving additional support to assist him or her to identify any person acting on behalf of the licensee,
- (b) a person nominated by, or otherwise legally entitled to act on behalf of, the Domestic Customer being able to receive communications relating to their account,
- (c) the reading (and provision of that reading to the Domestic Customer) of the Domestic Customer's Gas Meter at appropriate intervals, if the Domestic Customer is unable to do so and there is no other person the Domestic Customer could reasonably nominate to do so on their behalf,

(d) functionality of the Domestic Customer's Prepayment Meter which is Safe and Reasonably Practicable in all the Circumstances of the Case,

(e) communications with the Domestic Customer in an accessible format that is, so far as is reasonably practicable, appropriate to the Domestic Customer's needs on the basis of their Personal Characteristics and/or vulnerable situation, and

(f) such further or additional services (of a similar non-financial nature as subparagraphs 26.5(a) to (e)) as the licensee identifies are appropriate to the needs of its Domestic Customers and reasonably practicable for the licensee to provide.

Compliance with data protection and/or privacy laws

26.6 For the purposes of its obligations under standard condition 26 (including in respect of obtaining, recording, using and sharing information), the licensee must comply with any laws relating to data protection and/or privacy.

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 Retail Energy Code 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 SLC 28.4.

Condition 27. Payments, Security Deposits, Disconnections, Direct Debits, and Final Bills

Payment methods under Domestic Supply Contract

- 27.1 Where the licensee offers to supply gas to a Domestic Customer under a Domestic Supply Contract under paragraph 2 of standard condition 22 (Duty to offer and supply under Domestic Supply Contract), it must offer the customer a wide choice of payment methods for paying Charges for the Supply of Gas and those methods must include (in each case, for the duration of the contract):
- (a) payment by cash:
 - (i) to a person and at a place that is reasonable in all the circumstances of the case, including circumstances where a Domestic Customer pays in advance using a Prepayment Meter; and
 - (ii) fortnightly or more regularly; and
 - (b) payment in advance through a Prepayment Meter.
- 27.2 The licensee is not required to comply with paragraph 27.1:
- (a) if a Domestic Customer asks to use a particular payment method for paying Charges for the Supply of Gas and the licensee offers that method to him; or
 - (b) if it supplies gas to fewer than 50,000 Domestic Customers or such other number as may from time to time be directed by the Authority.
- 27.2A Any difference in terms and conditions as between payment methods for paying Charges for the Supply of Gas shall reflect the costs to the supplier of the different payment methods.
- 27.2B In this condition, “**terms**” means all terms on which a supply of gas is offered or provided, including terms as to price, which significantly affect the evaluation of that supply.

Security Deposits

- 27.3 A licensee must not require a Domestic Customer to pay a Security Deposit in relation to the supply of gas to his premises:
- (a) if that customer agrees that the premises may be supplied through a Prepayment Meter and it is safe and reasonably practicable in all the circumstances of the case for the premises to be so supplied; or
 - (b) if it is unreasonable in all the circumstances of the case to require that customer to pay a Security Deposit.
- 27.4 A Security Deposit must not exceed a reasonable amount.

Customers in payment difficulty

- 27.5 Subject to 27.5A, the licensee must offer each of the services set out in paragraph 27.6 when it becomes aware or has reason to believe that a Domestic Customer is having or will have difficulty paying all or part of the Charges for the Supply of Gas.
- 27.5A Without prejudice to any other right or obligation under this licence, the licensee must not charge the Domestic Customer for providing the facilities or information set out in paragraph 27.6.
- 27.5B In complying with 27.5 the licensee must make proactive contact, as described in paragraph 27.8A (b), with Domestic Customers at the earliest opportunity to identify whether a customer is in payment difficulty, by contacting the Domestic Customer no later than after:
- (a) two consecutively missed monthly scheduled payments; or
 - (b) one missed quarterly scheduled payment; or
 - (c) a customer has informed the licensee that they are unable to make the next scheduled payment.
- 27.6 The services referred to in paragraph 27.5 are:
- (a) the facility for a Domestic Customer to pay Charges for the Supply of Gas:
 - (i) by using, where available, a means by which payments may be deducted at source from a social security benefit received by that customer;
 - (ii) by regular instalments calculated in accordance with paragraph 27.8 and paid through a means other than a Prepayment Meter; and
 - (iii) by using a Prepayment Meter, where it is safe and reasonably practicable in all the circumstances of the case for the Domestic Customer to do so and where any instalments to be paid are calculated in accordance with paragraph 27.8; and
 - (b) the provision of information about how the Domestic Customer could reduce the Charges for the Supply of Gas that he must pay by using the gas supplied to his premises more efficiently.
- 27.7 If a Domestic Customer, having agreed to make payments for Charges for the Supply of Gas using the service referred to in sub-paragraph 27.6(a)(i), is no longer in receipt of social security benefits from which payments can be deducted at source, the licensee must offer the services referred to in sub-paragraph 27.6(a)(ii) and 27.6(a)(iii).
- 27.8 The licensee must take all reasonable steps to ascertain the Domestic Customer's ability to pay and must take this into account when calculating instalments, giving due consideration to:

- (a) relevant information provided by third parties, where it is available to the licensee; and
- (b) where instalments will be paid using a Prepayment Meter, the value of all of the charges that are to be recovered through that meter.

27.8A For the purposes of ascertaining a Domestic Customer's ability to pay as set out in paragraph 27.8, the licensee must give due consideration to:

- (a) Having appropriate credit management policies and guidelines, which includes:
 - (i) Allowing for customers to be dealt with on a case-by-case basis; and
 - (ii) Linking staff incentives to successful customer outcomes not the value of repayment rates.
- (b) Making proactive contact with customers, which includes:
 - (i) Making early contact to identify whether a customer is in payment difficulty as set out in 27.5B;
 - (ii) Regularly reviewing methods of proactive contact to ensure they meet the needs of customers in particular in circumstances where the licensee has not made successful contact with the customer;
 - (iii) Using every contact as an opportunity to gain more information about the customer's ability to pay when the licensee becomes aware or has reason to believe the customer is having or will have payment difficulty; and
 - (iv) Making customers aware of debt advice services when they raise concerns about their ongoing ability to pay, in accordance with Supply Licence Condition 31G.
- (c) Understanding individual customers' ability to pay, which includes:
 - (i) Providing clear guidance and training for staff on how to elicit information on ability to pay and monitoring the effectiveness of this;
 - (ii) Providing appropriate channels for customers to quickly and easily raise concerns and facilitating conversations around customers' ability to pay when requested;
 - (iii) Making full use of all available information; and

- (iv) Proactively exploring payment amounts and payment methods which are appropriate to the individual circumstances of each customer; this includes debt repayment schemes such as those by which payments may be deducted at source from a social security benefit received by that customer.
- (d) Setting repayment rates based on ability to pay, which includes:
 - (i) Ensuring all available information is obtained and taken into account, including the customer's circumstances identified on a warrant or site visit or when installing a prepayment meter on a warrant;
 - (ii) Only setting default amounts when there is insufficient information to ascertain the customer's ability to pay and where default amounts are set, it should be made clear that the repayment rate may change based on information about the customer's ability to pay. In any event the levels of any default repayment rate should be reasonable;
 - (iii) Not insisting on substantial upfront payments before reconnection; and
 - (iv) Pausing scheduled repayments for an appropriate period of time as part of the customer's repayment plan and reviewing the customer's repayment plan in accordance with their ability to pay at regular intervals before re-instating scheduled repayments.
- (e) Ensuring the customer understands the arrangement, which includes:
 - (i) Clear communication with the customer which allows them to understand how much they are regularly repaying; how the repayment will be deducted; when the debt will be repaid; and what to do if they experience difficulties during the arrangement; and
 - (ii) For prepayment meter customers repaying debt by a weekly amount explaining that debt will be recovered regardless of usage.
- (f) Monitoring of arrangements after they have been set up, which includes:
 - (i) Individual arrangements must be monitored:
 - for credit meter customers to check for the occurrence of failed repayment arrangements;
 - and for prepayment meter customers to check whether the meter is being used initially and on an ongoing basis;

- (ii) Monitoring of the approach taken by staff when agreeing repayment rates, using call listening and other techniques, to encourage a consistent and appropriate approach;
 - (iii) Monitoring of failed repayment arrangements to understand whether inappropriate rates are being set
 - (iv) Monitoring of overall repayment rates and recovery periods to understand trends.
 - (g) Re-engaging with the customer after an initial occurrence of a failed repayment arrangement, which includes: engaging with the customer in a timely manner to discuss the repayment plan, including whether a different repayment plan or repayment method would be more suitable.
- 27.8B The licensee must have regard to any guidance on SLC 27.8B (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise (following further consultation).
- 27.8C The licensee must ensure that the terms and conditions of each Domestic Supply Contract or a Deemed Contract reflect the following provisions of the standard conditions:
- (a) paragraphs 5 to 8 (inclusive) of standard condition 27 and SLC 28.15 and SLC 28.16, stipulating that charges may not be demanded or recovered unless and until it can be established that the corresponding contractual terms have been complied with; and
 - (b) paragraphs 17 and 18 of standard condition 27.
- 27.8D The licensee must ensure that the terms and conditions of each Domestic Supply Contract provides for the right for the customer to offset any amount owing to the customer pursuant to the contract against any amounts owed by the customer under any other Domestic Supply Contract or under any contract for the supply of electricity to premises (whether or not the licensee continues to hold an Electricity Supply Licence or Gas Supply Licence).
- 27.8E The licensee must ensure that the terms and conditions of each Domestic Supply Contract or a Deemed Contract stipulates, for the avoidance of doubt, that the relevant conditions referred to in paragraphs 27.8C and 27.8D will continue to bind the licensee after termination of this licence.

Disconnection for unpaid charges

- 27.9 The licensee must not Disconnect a Domestic Premises at which the Domestic Customer has not paid Charges for the Supply of Gas unless it has first taken all

reasonable steps to recover those charges by means of the service referred to in subparagraph 27.6(a)(iii).

27.9A For the purposes of conditions 27.9, 27.10, 27.11 and 27.11A, Disconnection includes Credit Limiting where:

- (i) it amounts to stopping the supply to the Domestic Premises; and
- (ii) the Domestic Customer does not pay Charges for the Supply of Gas by using a Prepayment Meter.

27.10 The licensee must not Disconnect, in Winter, a Domestic Premises at which the Domestic Customer has not paid Charges for the Supply of Gas if it knows or has reason to believe that the customer is of Pensionable Age and lives alone or lives only with persons who are of Pensionable Age or under the age of 18.

27.11 The licensee must take all reasonable steps to avoid Disconnecting, in Winter, a Domestic Premises at which the Domestic Customer has not paid Charges for the Supply of Gas if the occupants of the premises include a person who is of Pensionable Age, disabled or chronically sick and to whom paragraph 27.10 does not apply.

27.11(A) The licensee shall, before it exercises any right it may have to Disconnect a Domestic Premises, take all reasonable steps to ascertain whether:

- (i) the relevant Domestic Customer falls within the scope of SLC 27.10; or
- (ii) the restriction on its right to disconnect in accordance with SLC27.11 applies.

27.11B The licensee must have regard to guidance on the interpretation of conditions 27.9A to 27.11A which, following consultation, the Authority may issue and may from time to time revise.

Provision of information

27.12 The licensee must:

- (a) prepare a statement that sets out, in plain and intelligible language, its obligations under paragraphs 27.5 to 27.11A;
- (b) publish that statement on and make it readily accessible from its Website (if it has one);
- (c) take all reasonable steps to inform each of its Domestic Customers, at least once each year, of that statement and how to obtain it; and
- (d) give a copy of that statement on request and free of charge to any person.

27.13 Paragraphs 14, 15, and 16 apply where a Domestic Customer pays the Charges for the Supply of Gas which are payable under its Domestic Supply Contract by way of regular direct debit payments of a fixed amount (which amount may be varied from time to time in accordance with the relevant Domestic Supply Contract).

- 27.14 The licensee must provide to each such Domestic Customer an explanation in clear, plain and intelligible language of the basis which a fixed amount (and any variation of that fixed amount) has been determined.
- 27.15 The licensee must ensure that the fixed amount of the regular direct debit payment is based on the best and most current information available (or which reasonably ought to be available) to the licensee, including information as to the quantity of gas which the licensee reasonably estimates has been or will be supplied under the relevant Domestic Supply Contract.
- 27.16 Where any Credit has accumulated under a Domestic Supply Contract and the relevant Domestic Customer requests that the licensee do so, the licensee must, save where it is fair and reasonable in all the circumstances for the licensee not to do so, refund, in a timely manner, any Credit which has accumulated under that Domestic Supply Contract to the relevant Domestic Customer. Where the licensee considers that it is fair and reasonable in all the circumstances for it not to refund any Credit which has accumulated under a Domestic Supply Contract in accordance with this provision, it must inform the relevant Domestic Customer of its view and of the reasons for holding that view.

In this condition,

“Credit”	means the amount by which the payments made by a Domestic Customer to the licensee under or in accordance with the relevant Domestic Supply Contract exceeds the total amount of Charges for the Supply of Gas Which is due and payable by that Domestic Customer to the licensee under that Domestic Supply Contract.
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Provision of final Bill

- 27.17 Where the responsibility for the supply of gas to a Domestic Customer transfers from the licensee to another Gas Supplier or otherwise terminates, the licensee must take all reasonable steps to send a final Bill or statement of account of the Domestic Customer's account within 6 weeks of the supplier transfer or termination of the Domestic Supply Contract.
- 27.18 Where subsequent information becomes available to correct an error in the final Bill or statement of account issued pursuant to paragraph 27.17, the licensee shall send a corrected Bill or statement of account as soon as reasonably practicable after the subsequent information becomes available.
- 27.19 Paragraphs 27.5 to 27.11B shall not apply where the licensee is considering exercising its Statutory Disconnection Power.

Condition 27A. Self-disconnection

Identifying Self-disconnection

27A.1 Where a Domestic Customer uses a Prepayment Meter the licensee must:

- (a) take all reasonable steps to identify on an ongoing and continuous basis, whether that Domestic Customer is Self-Disconnecting; and
- (b) if the licensee identifies that the Domestic Customer is Self-Disconnecting, offer that Domestic Customer appropriate support in accordance with this condition, SLC 27A, SLC 27.8 and all other obligations relating to Prepayment Meter customers, and in deciding what is appropriate support for that Domestic Customer, take into account whether they are in a Vulnerable Situation, as appropriate.

Provision of Emergency Credit and Friendly-hours Credit

27A.2 Where a Domestic Customer uses a Prepayment Meter the licensee must offer Emergency Credit and Friendly-hours Credit to that Domestic Customer, unless it is technically unfeasible and/or outside of the control of the licensee to offer those credit facilities to that Domestic Customer.

27A.3 Where it is technically unfeasible and/or outside of the control of the licensee to offer Emergency Credit and Friendly-hours Credit to the Domestic Customer, the licensee must take all reasonable steps to provide that Customer alternative short-term support in a timely manner.

27A.4 Where paragraph 27A.2 applies, if the licensee becomes aware or has reason to believe that a Domestic Customer is having or will have difficulty paying all or part of the Charges, the licensee must adhere to SLC 27.8 when calculating instalments for the Domestic Customer to repay the total amount of Emergency and/or Friendly-hours Credit provided.

Provision of Additional Support Credit

27A.5 Subject to paragraph 27A.7, on each and every occasion on which a licensee identifies that a Domestic Customer who uses a Prepayment Meter and who is in a Vulnerable Situation has Self-Disconnected or is Self-Disconnecting and/or the licensee becomes aware or has reason to believe that a Domestic Customer who uses a Prepayment Meter and who is in a Vulnerable Situation has Self-Rationed or is Self-Rationing, the licensee must offer Additional Support Credit to that Domestic Customer in a timely manner in addition to the support offered in paragraph 27A.2.

27A.6 Where paragraph 27A.5 applies, on each occasion on which the licensee offers Additional Support Credit, the licensee must assess the sum of Additional Support Credit it offers to the Domestic Customer and calculate the instalments for the Domestic Customer to repay the Additional Support Credit it offers to the Domestic Customer in accordance with SLC 27.

27A.7 Should the licensee, acting reasonably and having fully considered and complied with its obligation in paragraph 27A.5 and 27.A6 (apart from actually offering the Domestic Customer Additional Support Credit), determine that the provision of Additional Support Credit to the Domestic Customer is not in the best interest of the Domestic Customer the licensee shall not be obliged to provide Additional Support Credit under SLC27A.5 to that Domestic Customer on that occasion, however, the licensee must provide alternative appropriate support to that Domestic Customer in accordance with SLC 0 and SLC 31G.2.

Provision of Involuntary Prepayment Meter Credit

27A.7A On each occasion the licensee installs an Involuntary Prepayment Meter in accordance with SLC 28.7, the licensee must ensure that each Domestic Customer receives Involuntary Prepayment Meter Credit, unless it is technically infeasible and/or outside of the control of the licensee to offer those credit facilities to that Domestic Customer.

27A.7B Where paragraph 27A.7A applies, the licensee must adhere to SLC 27.8 when calculating instalments for the Domestic Customer to repay the total amount of Involuntary Prepayment Meter Credit.

27A.7C In the event it is technically infeasible to apply the Involuntary Prepayment Meter Credit in paragraph 27A.7A, the licensee must take all reasonable steps to ensure that the Domestic Customer does not experience an interruption to their electricity supply.

Provision of Information

27A.8 The licensee must ensure that each Domestic Customer who uses a Prepayment Meter is given adequate information in a Form and frequency that is sufficient to allow that Domestic Customer to quickly and easily understand the licensee's Emergency Credit, Friendly-hours Credit, Additional Support Credit and Involuntary Prepayment Meter Credit facilities (as appropriate) including what this is, when this can be used and how this is repaid by the Domestic Customer.

Definitions for condition

27A.9 In this condition:

“Additional Support Credit” means a fixed amount of credit provided to a Domestic Customer in a Vulnerable Situation when that Domestic Customer’s Prepayment Meter credit runs low or runs out to ensure continuity of gas supply or return on supply.

“Emergency Credit” means a fixed amount of credit provided to a Domestic Customer when that Domestic Customer’s Prepayment Meter credit runs low or runs out to ensure continuity of gas supply or return on supply.

“Friendly-hours Credit” means an amount of credit provided overnight, at weekends and public holidays to a Domestic Customer when that Domestic Customer’s Prepayment Meter credit runs low or runs out to ensure continuity of gas supply or return on supply.

“Involuntary Prepayment Meter Credit” means an amount of credit, or equivalent non-disconnection period, to be specified in guidance to be provided automatically upon installation of an Involuntary Prepayment Meter in accordance with SLC 28.7.

“Self-disconnection” means when a Domestic Customer uses a Prepayment Meter and experiences an interruption to their gas supply because the credit on the meter has been exhausted. Terms derived from this, such as ‘Self-Disconnected’ and ‘Self-Disconnecting’ shall be construed accordingly.

“Self-rationing” means when a Domestic Customer deliberately limits its gas use to save money for other goods or services. Terms derived from this, such as ‘Self-Ration’ and ‘Self-Rationed’ shall be construed accordingly.

Condition 28. Prepayment Meters

Information about Prepayment Meters

- 28.1 If the licensee offers to enable a Domestic Customer to pay or a Domestic Customer asks to pay Charges for the Supply of Gas through a Prepayment Meter, the licensee must provide, prior to or upon the installation of that meter, appropriate information to that customer about:
- (a) the advantages and disadvantages of a Prepayment Meter;
 - (aa) information relating to the operation of the Prepayment Meter, including information about the process for, and methods by which, the Domestic Customer can pay in advance through the Prepayment Meter;
 - (b) where they may obtain information or assistance if:
 - (i) the Prepayment Meter is not operating effectively; or
 - (ii) any device used to allow the Charges for the Supply of Gas to be paid through the Prepayment Meter is not operating effectively;
 - (bb) the licensee's Emergency Credit, Friendly-hours Credit, Additional Support Credit and Involuntary Prepayment Meter Credit facilities as defined in SLC 27A including what this is and when this can be used by the Domestic Customer; and
 - (d) the procedures that the licensee will follow when removing or resetting the Prepayment Meter, including the timescale and any conditions for removing or resetting it.

Safety and reasonable practicability of Prepayment Meters

- 28.2 Where a Domestic Customer uses a Prepayment Meter or a licensee installs an Involuntary Prepayment Meter and the licensee becomes aware or has reason to believe that it is not safe and reasonably practicable in all the circumstances of the case for the Domestic Customer to have a prepayment meter, the licensee must offer:
- (a) to alter the position of, or replace with one which has been specially adapted, the Prepayment Meter installed in the Domestic Premises, either in accordance with its obligations under Schedule 2B (Gas Code) or otherwise, if it would make it safe and reasonably practicable in all the circumstances of the case, for the Domestic Customer to continue to use the Prepayment Meter;
 - (b) to make such other arrangements as are necessary to ensure that it would be safe and reasonably practicable in all the circumstances of the case, for the Domestic Customer to continue to use the Prepayment Meter; or

- (c) a facility for the Domestic Customer to pay Charges for the Supply of Gas through a means other than a Prepayment Meter, including, where SLC 27.5 applies, the services referred to in SLC 27.6(a)(i) and (ii).

28.3 In complying with SLC 28.2, the licensee must contact the Domestic Customer, in a form that takes into account their communication preferences, as a minimum, on an annual basis, to assess whether the Prepayment Meter remains safe and reasonably practicable in all the circumstances of the case in accordance with SLC 28.4.

Prepayment Meter guidance

28.4 The licensee must comply with the Prepayment Meter guidance which includes the interpretation of “safe and reasonably practicable in all the circumstances of the case” which, following consultation, the Authority may issue, and may from time-to-time revise (following further consultation).

Resetting of Prepayment Meters

28.5 Where a Domestic Customer pays Charges for the Supply of Gas through a Prepayment Meter, the licensee must take all reasonable steps to ensure that the meter is reset within a reasonable period of time:

- (a) after 1 August 2007, if any change has been made to Charges for the Supply of Gas before that date and the meter has not been reset;
- (b) after any change is made on or after that date to Charges for the Supply of Gas; or
- (c) if payments are being made by instalments using the meter:
 - (i) after any change is made to the amount due in instalments; or
 - (ii) after instalments are no longer required.

Provision of information

28.6 The licensee must:

- (a) prepare a statement that sets out, in plain and intelligible language, its obligations under SLC 28;
- (b) publish that statement on and make it readily accessible from its Website (if it has one);
- (c) take all reasonable steps to inform each of its Domestic Customers who pay Charges for the Supply of Gas through a Prepayment Meter, at least once each year, of the statement and how to obtain it; and
- (d) give a copy of the statement on request and free of charge to any person.

Condition 28.7 Involuntary Prepayment Meters, Warrants relating to Prepayment Meters and other supplier actions to recover debt

Involuntary Prepayment Meters

- 28.7 A licensee must not install an Involuntary Prepayment Meter, unless, in accordance with the guidance issued under SLC 28.4, each of the following requirements are satisfied:
- (a) the Debt Trigger has been met;
 - (b) the licensee has made multiple attempts to engage with a customer;
 - (c) the licensee has complied with its obligations to customers in payment difficulty (including but not limited to under SLCs 27, 27A and 28);
 - (d) appropriate Site Welfare Visits have been carried out; and
 - (e) the licensee has determined that an Involuntary Prepayment Meter would be safe and reasonably practicable in all the circumstances of the case (including but not limited to the Precautionary Principle, and having carried out checks of all information relating to the Priority Services Register).
- 28.8 The licensee must comply with any other obligations relating to Prepayment Meters (including but not limited to those in SLCs 27, 27A and 28). In the event of any irreconcilable inconsistency between SLC 28.7 and any other SLC or any other provision made under them, SLC 28.7 shall prevail.
- 28.9 In relation to the installation of an Involuntary Prepayment Meter, the licensee:
- (a) when considering the customer's ability to pay and conducting financial assessments, must accept any information relevant to the subject matter of paragraph 28.9;
 - (b) must accept information from and actions on behalf of a customer by any person or organisation to act on their behalf;
 - (c) must not link any staff incentives to the number of installations;
 - (d) must ensure that Site Welfare Visits include the use of audio recording equipment or body cameras;
 - (e) must ensure that post installation aftercare support is provided; and
 - (f) must retain any assessment documentation and audio or body camera recordings for an appropriate period.

Prohibitions on exercising a warrant and recovering costs

- 28.10 The licensee must not exercise a Relevant Warrant (or otherwise exercise a statutory power which would give rise to the grounds for obtaining a Relevant Warrant) in

respect of a Domestic Customer's premises where such action would be severely traumatic to that Domestic Customer or any member of their household due to an existing vulnerability which relates to their mental capacity and/or psychological state and would be made significantly worse by the experience.

28.11 The licensee must not charge a Domestic Customer in respect of any costs associated with a Relevant Warrant where:

1. that Domestic Customer has a vulnerability which has significantly impaired their ability to engage with the licensee or a Representative in relation to the recovery of a Relevant Payment; or
2. that Domestic Customer has a severe financial vulnerability which would be made worse by charging them any costs associated with a Relevant Warrant.

Cap on warrant costs

28.12 Subject to paragraph 28.13 where the licensee or any Affiliated Licensee obtains and/or exercises one or more Relevant Warrants in respect of particular Domestic Premises of a particular Domestic Customer, the total amount of charges they recover (or seek to recover) at any time from the same Domestic Customer in relation to any costs associated with those Relevant Warrants and incurred within the Specified Period, must not exceed the Specified Amount (and, for the avoidance of doubt, no additional costs that were incurred within the Specified Period may be recovered during any other period of time).

28.13 Where the licensee or any Affiliated Licensee obtains and/or exercises one or more Relevant Warrants in respect of more than one Domestic Premises of the same Domestic Customer, paragraph 28.12 applies separately to each of those Domestic Premises.

Proportionality principle for debt recovery activities

28.14 The licensee must only exercise a Relevant Warrant where such action would be proportionate in the context of the amount of the Outstanding Charges.

28.15 In relation to the recovery of Outstanding Charges, Other Outstanding Charges or any other debt ('the charges') from a Domestic Customer, the licensee must ensure that:

1. any action it or a Representative takes (including, but not limited to, the exercise of statutory powers); and
2. the costs which they seek to recover from that Domestic Customer as a result, are proportionate in the context of the amount of the charges.

28.16 Paragraph 28.15 does not apply in relation to a Transfer Objection.

Debt completion assessment

28.17 The licensee must ensure that once a customer using an Involuntary Prepayment Meter has repaid all debt owed, the customer is contacted and offered:

1. an assessment of whether a Prepayment Meter remains the most appropriate payment method (including but not limited to in accordance with SLC 28.2 and the guidance issued under SLC 28.4);
2. appropriate information on alternative payment methods and tariffs; and
3. the option to move to an alternative payment method.

28.18 If the customer decides, pursuant to paragraph 28.17 to move to an alternative payment method, the licensee must:

- (a) agree to and implement this change as soon as reasonably practicable, subject to required credit checks; and
- (b) ensure that any security deposit required as part of this process does not exceed a reasonable amount.

Duration of the restrictions

28.19 Paragraphs 28.10 to 28.13 will cease to have effect on 30 June 2025 unless the Authority specifies a later date by publishing a statement in Writing.

28.20 The power to specify a later date in paragraph 28.19 may be exercised by the Authority on more than one occasion (before, on, or after the expiry of any later date specified by the Authority).

Definitions for condition

28.21 For the purposes of this condition:

“Involuntary Prepayment Meter” means:

1. a Prepayment Meter installed by execution of a Relevant Warrant in respect of a Domestic Customer; or
2. a Smart Metering System switched to a mode which requires a Domestic Customer to pay Charges for the Supply of Gas in advance when there are Outstanding Charges SLC 23, and the Domestic Customer has not given explicit Consent for the switch to Prepayment mode;

and references to the installation or removal of an Involuntary Prepayment Meter include the switching of any Gas Meter to or from such a mode.

28.22 For the purposes of this condition:

“Consent” means in the context of active consideration of the installation of an Involuntary Prepayment Meter, consent which is unmistakably given by the customer (in writing or verbally), rather than implied or retained in terms and conditions, with a record of the date and method of consent and not given under pressure from the licensee.

“Debt Trigger” means, where Charges have been outstanding for three months or more after the date the bill has been issued, and Outstanding Charges are more than the amounts per fuel specified in the guidance issued under SLC 28.4, and the customer is not on, or transitioning, to a repayment plan.

“Precautionary Principle” means the assumption to be made by licensees that any Domestic Customer faced with Involuntary Prepayment Meter for debt is likely to be in financial difficulty and therefore more likely to self-disconnect.

“Site Welfare Visit” means a visit to Domestic Customers’ premises by appropriately trained staff or representatives to attempt to make contact with the customer to identify and/or further assess personal circumstances and characteristics to identify any vulnerabilities that may be present in the household to determine if PPM is safe and reasonably practicable.

“Relevant Warrant” means:

- (a) a warrant pursuant to paragraph 23(2)(c) of Schedule 2B to the Gas Act 1986 for the purposes of paragraph 7(3)(a) of Schedule 2B to the Gas Act 1986;
- (b) a warrant pursuant to paragraph 7(4) of Schedule 6 to the Electricity Act 1989; and
- (c) any other type of warrant specified or described by the Authority by publishing a statement in writing (or by issuing a direction to the licensee), following consultation.

“Specified Amount” means £150 or such higher amount as may be designated by the Authority from time to time by publishing a statement in Writing following consultation, or as set out in any guidance issued by the Authority and which the Authority may revise from time to time, following consultation.

“Specified Period” means twelve months or such other (shorter or longer) period which may be specified by the Authority by publishing a statement in writing (or by issuing a direction to the licensee), following consultation.

“Transfer Objection” means to prevent a Proposed Supplier Transfer on grounds permitted by SLC14.

“Relevant Payment” has the meaning given in paragraph 7(1A) of Schedule 2B to the Gas Act 1986 and paragraph 2(1A) of Schedule 6 to the Electricity Act 1989.

Application to white label tariffs

28.23 In this licence condition any reference to “premises” covers the premises of Domestic Customers supplied under or by virtue of the licence held by the licensee, including where those premises are subject to Tariffs which use the brand name of a person that does not hold a Gas Supply Licence and/or an Electricity Supply Licence.

Condition 28A. Prepayment Charge Restriction

Requirement to adhere to a Prepayment Charge Restriction

- (a) The licensee must ensure that, between 1 April 2017 and 31 December 2020, the aggregate amount of all Charges for Supply Activities to each Relevant Customer does not exceed the Relevant Maximum Charge within each Charge Restriction Period. However, the licensee will be released from its obligation to comply with SLC28A in the Charge Restriction Period beginning on 1 October 2020 and ending on 31 December 2020 if the CMA issues a direction pursuant to Articles 3.4 and 6 of the Energy Market Investigation (Prepayment Charge Restriction) Order 2016 (as varied) releasing it from that obligation.
- (b) Unless a direction has been issued by the Authority pursuant to paragraph (p), in order to comply with paragraph (a), the licensee must ensure that for each of its Prepayment Tariffs the aggregate Charges for Supply Activities applicable to any Relevant Customer at any consumption level (x kWh) in respect of a Charge Restriction Period do not exceed the Relevant Maximum Charge.
- (c) This condition 28A does not apply in relation to Fixed Term Supply Contracts entered into by a Relevant Customer on or before 24 June 2016.

Determination of the Relevant Maximum Charge

- (d) For each Charge Restriction Period of length t months (denoted j), and for each of the 14 Charge Restriction Regions (denoted i), the Relevant Maximum Charge for a given level of consumption x shall be determined by reference to the Benchmark Maximum Charges applicable during a Charge Restriction Period at two Benchmark Annual Consumption Levels denoted below as nil and m , as follows:

$$ChargeMax(x) = \left[ChargeMax_{i,j}(nil) \times \frac{t}{12} \right] + \left[\frac{ChargeMax_{i,j}(m) - ChargeMax_{i,j}(nil)}{m} \times x \right]$$

$ChargeMax(m)$ and $ChargeMax(nil)$ are defined as described in paragraph (e).

Calculation of the Benchmark Maximum Charges for Charge Restriction Periods

- (e) For each Charge Restriction Period, the Authority will calculate the Benchmark Maximum Charge for each:

- (i) Benchmark Annual Consumption Level; and
- (ii) Charge Restriction Region,

in accordance with the following formula:

$$\text{ChargeMax}_{i,j,k} - (\text{WC}_{j,k} + \text{NC}_{i,j,k} + \text{PC}_{j,k} + \text{OC}_{j,k} + \text{PPM}_j + \text{E}_{i,j,k} + \text{H}_{i,j,k})$$

where (the following units all being in pounds sterling):

- | | |
|----------------------------|---|
| $\text{ChargeMax}_{i,j,k}$ | means the Benchmark Maximum Charge in Charge Restriction Region i, Charge Restriction Period j, at Benchmark Annual Consumption Level k; |
| $\text{WC}_{j,k}$ | has the meaning given to it in paragraph 28AD.6 and calculated in accordance with paragraph 28AD.7; |
| $\text{NC}_{i,j,k}$ | has the meaning given to it in paragraph 28AD.6 and calculated in accordance with paragraph 28AD.8; |
| $\text{PC}_{j,k}$ | has the meaning given to it in paragraph 28AD.6 and calculated in accordance with paragraph 28AD.9; |
| $\text{OC}_{j,k}$ | means the Operating Cost Allowance in Charge Restriction Period j, at Benchmark Annual Consumption Level k, calculated in accordance with paragraph 28A.12; |
| PPM_j | means the Prepayment Meter Uplift Allowance in Charge Restriction Period j calculated in accordance with paragraph 28A.13; |
| $\text{E}_{i,j,k}$ | means the Earnings Before Interest and Tax Allowance in Charge Restriction Region i, in Charge Restriction Period j, at Benchmark Annual Consumption Level k, calculated in accordance with paragraph 28A.11; |
| $\text{H}_{i,j,k}$ | means the Headroom Allowance in Charge Restriction i, in Charge Restriction Period j, at Benchmark Annual Consumption Level k, calculated in accordance with paragraph 28A.14.’ |
- (f) For the purposes of paragraph (e), the Earnings Before Interest and Tax Allowance in Charge Restriction Region i, in Charge Restriction Period j, at Benchmark Annual Consumption Level k, shall be calculated as follows:

$$\text{E}_{i,j,k} = \text{EBIT} \times (\text{WC}_{j,k} + \text{NC}_{i,j,k} + \text{PC}_{j,k} + \text{OC}_{j,k} + \text{PPM}_j)$$

where:

EBIT means 1.9368 %.

- (g) For the purposes of paragraph (e), the Operating Cost Allowance in Charge Restriction Period j, at Benchmark Annual Consumption Level k, shall be calculated in accordance with paragraph 28AD.10 after exclusion of any Smart Metering Non-Pass-Through Net Cost Change, as defined in SLC 28AD and published in the format set out in Annex 5 of SLC 28AD.
- (h) For the purposes of paragraph 28A.7, the Prepayment Meter Uplift Allowance in Charge Restriction Period j, shall be calculated as follows:

$$PPM_j = \left(PPM_0 \times \frac{CPIH_j}{CPIH_0} \right)$$

where:

PPM_0 means the Baseline Value of the prepayment uplift and shall be £39.6617

$CPIH_j$ means the value of the Consumer Prices Index including owner occupiers' housing costs, series ID: L522 (the "CPIH Index"), published by the Office for National Statistics or the successor to such series as may be identified by the Monetary Policy Committee of the Bank of England for the purposes of targeting inflation or as otherwise directed by the Authority. The value used shall be chosen as follows:

- For a Charge Restriction Period starting on 1 April to 30 September the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Dec\ j-1}$$

- For a Charge Restriction Period starting on 1 October of each calendar year and ending 31 March of the subsequent calendar year, the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Jun\ j-1}$$

$CPIH_0$ has the value 102.2

- (i) For the purposes of paragraph (e), the Headroom Allowance in Charge Restriction Region i , in Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Benchmark Metering Arrangement l , shall be calculated as follows:

$$H_{i,j,k} = HAP \times (WC_{j,k} + PC_{i,j,k} + OC_{j,k} + PPM_j + E_{i,j,k})$$

where:

HAP means the Headroom Allowance Percentage, which is 1.4641%.

Determination and publication of Benchmark Maximum Charges and other values

- (j) Subject to paragraphs (l) and (m) no later than the fifth Working Day of February in relation to a forthcoming Charge Restriction Period j starting on 1 April, or no later than the fifth Working Day of August in relation to a forthcoming Charge Restriction Period j starting on 1 October, the Authority will:
- (i) determine the updated Benchmark Maximum Charges which shall apply for any forthcoming Charge Restriction Period by calculating such values in accordance with paragraph (e); and
 - (ii) publish such Benchmark Maximum Charges so calculated in the format specified in Annex 5.
- (k) Subject to paragraphs (l) and (m), at the same time as publishing the Benchmark Maximum Charges pursuant to paragraph 28A.15(b) the Authority will also publish the following values and, where relevant, identify the data sources used for:
- (i) the wholesale cost allowance calculated in accordance with paragraph 28AD.7;
 - (ii) the network cost allowance determined in accordance with paragraph 28AD.8;
 - (iii) the policy cost allowance, calculated in accordance with paragraph 28AD.9;
 - (iv) the value of $CPIH_j$ as described in paragraph 28A.13.

- (l) If the information that is required to calculate one or more of the values listed in paragraph (k) is unavailable at the time of the calculation, the Authority may use an alternative source to set the values to determine the Benchmark Maximum Charges. In that event, the Authority will publish the alternative value(s) it has used to determine the Benchmark Maximum Charge at the same time as publishing the Benchmark Maximum Charges.
- (m) If, owing to a technical issue, the Authority is unable to publish the Benchmark Maximum Values or the values listed in paragraph (k) within the timetable set out in paragraph (j), it will publish such values without delay following resolution of the technical issue.

Duration of the Prepayment Charge Restriction

- (n) This condition will come into force on 1 January 2017 and shall cease to have effect on 30 June 2021.

Direction for alternative compliance assessment

- (o) The licensee may apply to the Authority to request a direction concerning the compliance of a particular Prepayment Tariff with the Prepayment Charge Restriction where, due to the structure of the relevant Prepayment Tariff, the Charges for Supply Activities at certain consumption levels would exceed the Relevant Maximum Charge, but the licensee can provide evidence to the reasonable satisfaction of the Authority that it is unlikely that Relevant Customers subject to such Prepayment Tariff will have a consumption level which would cause them to incur Charges for Supply Activities in excess of the Relevant Maximum Charge.
- (p) If the Authority has issued a direction to the licensee pursuant to paragraph (o), the licensee must comply with such direction and must determine, at the end of each Charge Restriction Period, whether any Relevant Customer has in fact incurred Charges for Supply Activities in excess of the Relevant Maximum Charge. If the licensee determines that this is the case, the licensee must:
 - (i) inform the Authority in Writing without delay; and
 - (ii) pay a rebate to, or credit the account of, each such Relevant Customer equal to the difference between the Charges for Supply Activities actually incurred and the Relevant Maximum Charge within 30 days of the end of the relevant Charge Restriction Period.

Reporting obligation

- (q) The licensee must provide the Authority with a report, in the format specified by the Authority from time to time, no more than 30 calendar days after the start of each Charge Restriction Period (without prejudice to the Authority's existing powers to request such information from the licensee at an earlier date). This report must state for each of its Prepayment Tariffs:
 - (i) the Tariff Name and any brand name that the Prepayment Tariff is marketed under;
 - (ii) the first and (where applicable) last dates on which each Prepayment Tariff was or will be supplied to Relevant Customers under a Domestic Supply Contract or a Deemed Contract;
 - (iii) the Standing Charge(s) and Unit Rate(s) of each Prepayment Tariff in each Charge Restriction Region;
 - (iv) the criteria a customer must meet in order to be eligible for the Prepayment Tariff;
 - (v) the number of customers subject to the Prepayment Tariff at the end of the first day of the Charge Restriction Period; and
 - (vi) any other information about the Prepayment Tariff which the Authority may from time to time specify.
- (r) The licensee must inform the Authority, in Writing (or in any other format specified by the Authority), of any changes to the information included in the report as soon as reasonably practicable after the implementation of any such changes, including as a result of the launch of a new Prepayment Tariff.
- (s) The licensee must give the Authority any information that it reasonably requests about the licensee's compliance with paragraph (a) as soon as reasonably practicable after receiving a request.

Definitions for condition

- (t) In this condition:

Benchmark Annual Consumption Levels' means the benchmark annual consumption levels nil kWh and m kWh, where m shall take the value 12,000 kWh;

Benchmark Maximum Charge' means one of 28 benchmark maximum charge values (in pounds sterling and exclusive of Value Added Tax), which are unique to a specific

Benchmark Annual Consumption Level and Charge Restriction Region, and are updated on a semi-annual basis by the Authority pursuant to paragraphs (e) and (j);

‘Charge Restriction Region’ means a Distribution Services Area;

‘Charge Restriction Period’ means a period, between 1 April 2017 and 31 December 2020, either:

- beginning on 1 April of each year and ending on 30 September of the same calendar year; or
- beginning on 1 October of each year and ending on 31 March of the subsequent calendar year; or
- beginning on 1 October of 2020 and ending on 31 December 2020.

‘Charges for Supply Activities’ has the meaning given to that term in standard condition 22A;

‘CMA’ means the Competition and Markets Authority;

‘Distribution Services Area’ has the meaning given in and is to be interpreted in accordance with standard condition 2 (Application of Section C (Distribution Services Obligations)) of the distribution licence granted or treated as granted under section 6(1)(c) of the Electricity Act 1989;

‘Excluded Smart Meter’ means either: (a) a Smart Metering System which consists of a Gas Meter and any associated or ancillary devices identified in a version (other than the first version) of the SME Technical Specification; or (b) a Smart Metering System otherwise identified by the CMA (through a direction given under the Energy Market Investigation (Prepayment Charge Restriction) Order 2016) as being fully interoperable;

‘Prepayment Charge Restriction’ means the obligation set out in paragraph (a);

‘Prepayment Tariff’ means a Tariff in respect of any Domestic Supply Contract or Deemed Contract with a Relevant Customer which includes a requirement to pay Charges through one or more Prepayment Meters;

‘Relevant Customer’ means a Domestic Customer supplied via a Prepayment Meter, excluding those Domestic Customers supplied via an Excluded Smart Meter;

‘Relevant Maximum Charge’ means for each Relevant Customer the maximum charge amount (in pounds sterling, excluding value added tax) for any consumption level, calculated in accordance with paragraph (d) in the relevant Charge Restriction Period and Charge Restriction Region.

Annex 5 – Baseline Benchmark Maximum Charges (ie as at 30 June 2015)

Region, <i>i</i>	Single rate meters (benchmark consumption per annum, <i>k</i>)	
	Nil kWh	<i>m</i> (13,500 kWh)
North West England	£94.00	£586.12
North East England	£94.00	£584.62
Yorkshire & North Lincolnshire	£94.00	£572.98
North Scotland	£94.00	£567.97
Southern England	£94.00	£600.65
Southern Scotland	£94.00	£568.01
North Wales and Mersey	£94.00	£584.36
London	£94.00	£597.23
South East England	£94.00	£590.30
East England	£94.00	£584.29
East Midlands	£94.00	£574.50
West Midlands	£94.00	£582.86
South West England	£94.00	£593.61
South Wales	£94.00	£577.92

Note: all amounts exclude VAT

Condition 28AA. Regulation of charges for certain Domestic Customers

Prohibition on exceeding the Relevant Maximum Charge

28AA.1 In respect of each Relevant 28AA Customer and in accordance with the requirements of this condition, the Obligated Licensee must ensure that at all times from the date for compliance with this paragraph 28AA.1 (as set out in paragraphs 28AA.9 or 28AA.10 below (as applicable)) during each applicable Charge Restriction Period the aggregate Charges for Supply Activities which apply to that Relevant 28AA Customer do not exceed the Relevant Maximum Charge.

Domestic Customers already subject to standard condition 28A

28AA.2 This condition will apply to a Relevant 28AA Customer in respect of any periods of time whereby that Relevant 28AA Customer does not benefit from the requirements of condition 28A.

Determination of Relevant Maximum Charge

28AA.3 For each Benchmark Metering Arrangement (denoted l), for that part of a Charge Restriction Period (denoted j) where this condition has effect with resulting length t months, and for each of the 14 Charge Restriction Regions (denoted i), the Relevant Maximum Charge for a given level of consumption x shall be determined by reference to the Benchmark Maximum Charges applicable during the part of a Charge Restriction Period where this condition has effect at two Benchmark Annual Consumption Levels denoted below as nil and m , as follows:

$$ChargeMax_{i,j,l}(x) = \left[ChargeMax_{i,j,l}(nil) \times \frac{t}{12} \right] + \left[\frac{ChargeMax_{i,j,l}(m) - ChargeMax_{i,j,l}(nil)}{m} \times x \right]$$

Reporting obligation

28AA.4 Subject to paragraph 28AA.5, the Obligated Licensee must provide the Authority, in a format specified by the Authority, with a report containing the following information for each of its Tariffs with a Relevant 28AA Customer to whom this condition applies:

- (a) the Tariff name and any brand name that the Tariff is marketed under;
- (b) the first and (where applicable) last dates on which each Tariff was or will be supplied to Relevant 28AA Customers under a Domestic Supply Contract or a Deemed Contract;
- (c) the Standing Charge(s) and Unit Rate(s) of each Tariff in each Charge Restriction Region;

- (d) to which Metering Arrangement(s) each Tariff applies or will apply;
- (e) the number of Relevant 28AA Customers subject to the Tariff:
 - (i) as at the Modification Date for the first report; and
 - (ii) as at the date specified by the Authority pursuant to paragraph 28AA.5 for each subsequent report; and
- (f) any other information about the Tariff which the Authority may from time to time specify.

28AA.5 For the purposes of paragraph 28AA.4 the first report must be provided five Working Days after the Modification Date, and any subsequent report must be provided five Working Days after a date specified by the Authority in a statement published in writing.

28AA.6 The Obligated Licensee must inform the Authority, in Writing (or in any other format specified by the Authority), of any changes to the information included in the report as soon as reasonably practicable after the implementation of any such changes.

28AA.7 The Obligated Licensee must give the Authority any information that it reasonably requests about the Obligated Licensee's compliance with this condition as soon as reasonably practicable after receiving a request.

Direction for alternative compliance assessment

28AA.8 Paragraphs 28A.19 and 28A.20 of condition 28A apply to this condition on the basis that:

- (a) any reference to "Prepayment Tariff" is to be read as "Tariff subject to the Relevant Maximum Charge in condition 28AA";
- (b) any reference to "Prepayment Charge Restriction" is to be read as "paragraph 28AA.1 of condition 28AA";
- (c) any reference to "Relevant Customers" is to be read as "Relevant 28AA Customer"; and
- (d) any reference to "Relevant Maximum Charge" is to be read as "Relevant Maximum Charge as applied under condition 28AA".

Date for compliance with Relevant Maximum Charge

28AA.9 Where the Obligated Licensee has Identified a Relevant 28AA Customer on a date which is:

- (a) 50 days or less before the Modification Date; or

(b) on or after the Modification Date,

the Obligated Licensee must comply with paragraph 28AA.1 of this condition on and from the date which is 50 days after that Relevant 28AA Customer was Identified.

28AA.10 Where the Obligated Licensee has Identified a Relevant 28AA Customer on a date which is earlier than 50 days before the Modification Date, the Obligated Licensee must comply with paragraph 28AA.1 of this condition on and from the Modification Date.

Termination of condition

28AA.11 This condition will cease to have effect at 23:59 on 31 December 2019 unless the Authority specifies an earlier date by publishing a statement in Writing.

Definitions for condition

28AA.12 In this condition:

“Benchmark Maximum Charge” means the applicable value published by the Authority for the Charge Restriction Period *j* pursuant to paragraph 28A.14 of condition 28A and calculated in accordance with paragraphs 28A.5 to 28A.13;

“Charge Restriction Period” has the meaning given to that term in standard condition 28A.24;

“Charge Restriction Region” has the meaning given to that term in standard condition 28A.24;

“Charges for Supply Activities” has the meaning given to that term in standard condition 22A.9;

“Core Group Customer” has the meaning given to that term in regulation 7(2) of the Regulations;

“28AA Default Fixed Term Contract” means any type or part of a Domestic Supply Contract or any other contractual arrangement which may apply or be deemed to apply to a Domestic Customer, including by virtue of any law or enactment (“other contractual arrangement”) which:

- (a) contains any terms and conditions which apply for a fixed term period; and
- (b) comes into effect automatically or at the discretion of the licensee after the expiry or termination of any type or part of a previous Domestic Supply Contract or, where applicable, other contractual arrangement (“previous contract”) either:
 - (i) by virtue of the terms and conditions provided for in that previous contract (and, for the purposes of this definition, it is irrelevant whether or not the Domestic

Customer originally agreed to any terms and conditions which purported to permit that automatic effect or discretion of the licensee); or

(ii) otherwise by the operation of the law or any provision of an enactment;

“First Subsequent Scheme Year” means the period of time designated as a scheme year at paragraph 2 of the Regulations which commences consecutively after the end of Scheme Year 7;

“Identified” means

- (a) In respect of Scheme Year 7, the First Subsequent Scheme Year or the Second Subsequent Scheme Year, where the Obligated Licensee has either:
 - (i) received a notice under regulation 6(1) of the Regulations which specifies the Domestic Customer; or
 - (ii) determined that the Domestic Customer is to receive the prescribed rebate (as defined in the Regulations) pursuant to Chapter 2 of the Regulations;
- (b) In respect of Scheme Year 6, where the Domestic Customer has received the prescribed rebate from the Obligated Licensee (as defined in the Regulations);

“Modification Date” means the 2 February 2018;

“Obligated Licensee” means a Supplier which is a scheme gas supplier for the purposes of regulation 5(5) of the Regulations;

“Regulations” means the Warm Home Discount Regulations 2011 (SI 2011/1033) (as amended from time to time);

“Relevant 28AA Customer” means a Domestic Customer supplied by virtue of the Gas Supply Licence held by the Obligated Licensee and which:

- (a) is subject to a Deemed Contract, an Evergreen Supply Contract or a 28AA Default Fixed Term Contract; and
- (b) falls into at least one of the categories listed at Schedule 1 to this condition 28AA;

“Relevant Maximum Charge” means for each Relevant 28AA Customer the maximum charge amount (in pounds sterling, excluding value added tax) for any consumption level, calculated in accordance with paragraph 28AA.3;

“Scheme Year 6” has the meaning given to that term in paragraph 2 of the Regulations, being the period from 23 July 2016 to 31 May 2017;

“Scheme Year 7” has the meaning given to that term in paragraph 2 of the Regulations, being the period from 1 June 2017 to 31 March 2018;

“Second Subsequent Scheme Year” means the period of time designated as a scheme year at paragraph 2 of the Regulations commencing after the end of the First Subsequent Scheme Year.

Schedule 1 to standard condition 28AA: Categories of Relevant 28AA Customer

S1.1 The categories referred to in part (b) of the definition of Relevant 28AA Customer are set out at paragraphs S1.2-S1.5 below.

Domestic Customer Identified in Scheme Year 6

S1.2 Where the Domestic Customer is Identified in Scheme Year 6, that Domestic Customer is a Relevant 28AA Customer for the period commencing on the date the Obligated Licensee is required to comply with paragraph 28AA.1 of standard condition 28AA and ending on 31 March 2019.

Domestic Customer Identified in Scheme Year 7

S1.3 Where the Domestic Customer is Identified in Scheme Year 7, that Domestic Customer is a Relevant 28AA Customer from the beginning of the period of Scheme Year 7 that remains following the date for compliance with paragraph 28AA.1 of standard condition 28AA, and remains a Relevant 28AA Customer until the earlier of:

- (a) the end of the First Subsequent Scheme Year; or
- (b) condition 28AA ceasing to have effect as specified at paragraph 28AA.11 of standard condition 28AA.

Domestic Customer Identified in the First Subsequent Scheme Year

S1.4 Where the Domestic Customer is Identified in the First Subsequent Scheme Year, that Domestic Customer is a Relevant 28AA Customer from the beginning of the period of the First Subsequent Scheme Year that remains following the date for compliance with paragraph 28AA.1 of standard condition 28AA, and remains a Relevant 28AA Customer until the time that condition 28AA ceases to have effect as specified at paragraph 28AA.11 of standard condition 28AA.

Domestic Customer Identified in the Second Subsequent Scheme Year

S1.5 Where the Domestic Customer is Identified in the Second Subsequent Scheme Year, that Domestic Customer is a Relevant 28AA Customer from the beginning of the period of the Second Subsequent Scheme Year that remains following the date for compliance with paragraph 28AA.1 of standard condition 28AA, and remains a Relevant 28AA Customer until the time that condition 28AA ceases to have effect as specified at paragraph 28AA.11 of standard condition 28AA.

Condition 28AD. Regulation of charges for Domestic Customers supplied under certain Domestic Supply Contracts

Requirement to adhere to a Charge Restriction

- 28AD.1 In respect of each Relevant 28AD Customer and in accordance with the requirements of this condition, the licensee must ensure that at all times the aggregate amount of all Charges for Supply Activities applicable to each Relevant 28AD Customer does not exceed the Relevant Maximum Charge within each 28AD Charge Restriction Period.
- 28AD.2 Unless a direction has been issued by the Authority pursuant to paragraph 28AD.31, in order to comply with paragraph 28AD.2, the licensee must ensure that for each of its Tariffs the aggregate Charges for Supply Activities applicable to any Relevant 28AD Customer at any consumption level (x kWh) in respect of a 28AD Charge Restriction Period do not exceed the Relevant Maximum Charge.
- 28AD.3 The licensee must ensure that each of its Multi-tier Tariffs complies with the Charge Restriction for all possible divisions of consumption between the different months within the 28AD Charge Restriction Period.

Scope of condition 28AD

- 28AD.4 This condition 28AD does not apply in relation to:
- (a) a Domestic Customer in respect of any periods of time during which that Domestic Customer benefits from the requirements of condition 28A; or
 - (b) a Tariff chosen by a Domestic Customer in respect of which the Authority has issued a direction to the licensee under paragraph 28AD.24 to the effect that this condition 28AD does not apply to that Tariff by reason of section 3(2)(b) of the Act.

Determination of Relevant Maximum Charge

- 28AD.5 For each Payment Method (denoted p), 28AD Charge Restriction Period of length t months (denoted j), and for each of the 14 Charge Restriction Regions (denoted i), the Relevant Maximum Charge for a given level of consumption x shall be determined by reference to the Benchmark Maximum Charges

applicable during a 28AD Charge Restriction Period at two Benchmark Annual Consumption Levels denoted below as nil and m , as follows:

$$ChargeMax_{i,j,p}(x) = \left[ChargeMax_{i,j,p}(nil) \times \frac{t}{12} \right] + \left[\frac{ChargeMax_{i,j,p}(m) - ChargeMax_{i,j,p}(nil)}{m} \times x \right]$$

ChargeMax(m) and ChargeMax(nil) are defined as described in paragraph 28AD.6.

Calculation of the Benchmark Maximum Charges for 28AD Charge Restriction Periods

28AD.6 For each 28AD Charge Restriction Period, the Authority will calculate the Benchmark Maximum Charge for each:

- (a) Benchmark Annual Consumption Level;
- (b) Charge Restriction Region; and
- (c) Payment Method

in accordance with the following formula:

$$\begin{aligned} ChargeMax_{i,j,k,p} &= (WC_{j,k,p} + NC_{i,j,k,p} + PC_{j,k} \\ &+ AA_{i,j,k,p} + CO_{j,k,p} + DRC_{i,j,k,p} + SMNCC_{j,k,p} + IC_{j,k} \\ &+ E_{i,j,k,p} + H_{i,j,k,p} + L_{i,j,k,l,p}) \end{aligned}$$

where (the following units all being in pounds sterling):

$ChargeMax_{i,j,k,p}$ means the Benchmark Maximum Charge in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , and Payment Method p ;

$WC_{j,k,p}$ means the Wholesale Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for payment method p , calculated in accordance with paragraph 28AD.7;

$NC_{i,j,k,p}$ means the Network Cost Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark

	Annual Consumption Level k , for Payment Method p , determined in accordance with paragraph 28AD.8;
$PC_{j,k}$	means the Policy Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , calculated in accordance with paragraph 28AD.9;
$AA_{i,j,k,p}$	means the Adjustment Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p calculated in accordance with paragraph 28AD.10A;
$CO_{j,k,p}$	means the Core Operating Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , calculated in accordance with paragraph 28AD.10;
$DRC_{i,j,k,p}$	means the Debt-Related Cost Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , calculated in accordance with paragraph 28AD.11;
$SMNCC_{j,k,p}$	means the Smart Metering Net Cost Change Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , calculated in accordance with paragraph 28AD.11A;
$IC_{j,k}$	means the Industry Charge Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , calculated in accordance with paragraph 28AD.11B;
$E_{i,j,k,p}$	means the Earnings Before Interest and Tax Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , calculated in accordance with paragraph 28AD.12;
$H_{i,j,k,p}$	means the Headroom Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , calculated in accordance with paragraph 28AD.13.
$L_{i,j,k,l,p}$	means the Levelisation Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Benchmark Metering

Arrangement l , for Payment Method p , calculated in accordance with paragraph 28AD.14A.

Wholesale Cost Allowance

28AD.7 For the purposes of paragraph 28AD.6 the Wholesale Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , shall be the Direct Fuel Cost Component calculated, subject to paragraphs 28AD.14 and 28AD.15 below, in accordance with the methodology and data sources set out in Annex 2. The value of the Wholesale Cost Allowance at nil consumption will be zero.

Network Cost Allowance

28AD.8 For the purposes of paragraph 28AD.6, the Network Cost Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , shall be calculated based on the data within the published charging statements of the Network Companies and, subject to paragraphs 28AD.14 and 28AD.15 below, in accordance with the methodology and data sources set out in Annex 3.

Policy Cost Allowance

28AD.9 For the purposes of paragraph 28AD.6, the Policy Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , is the cost of the environmental and social schemes set out in Annex 4 and, subject to paragraphs 28AD.14 and 28AD.15 below, calculated in accordance with the methodology and data sources set out in Annex 4.

Core Operating Cost Allowance

28AD.10 For the purposes of paragraph 28AD.6, the Core Operating Cost Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k and for Payment Method p shall be calculated as follows:

$$CO_{j,k,p} = (CO_{0,k,p} \times \frac{CPIH_j}{CPIH_0})$$

where:

$CO_{0,k,p}$ means the Baseline Value for the Core Operating Cost Allowance at Benchmark Annual Consumption Level k and for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A;

$CPIH_j$ means the value of the consumer prices index including owner occupiers' housing costs, series ID: L522 (the "CPIH Index"), published by the Office for National Statistics. The value used shall be chosen as follows:

- For the First Charge Restriction Period the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Jun\ j-1}$$

- For a Mid Charge Restriction Period beginning on 1 April of each year and ending on 30 September of the subsequent calendar year the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Dec\ j-1}$$

- For a Mid Charge Restriction Period beginning on 1 October of each year and ending on 31 March of the subsequent calendar year, the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Jun\ j-1}$$

- For a Subsequent Charge Restriction Period beginning on 1 April of each year and ending on 30 June of the same calendar year and a Subsequent Charge Restriction Period beginning on 1 July of each year and ending on 30 September of the same calendar year, the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{Dec\ j-1}$$

- For a Subsequent Charge Restriction Period beginning on 1 October of each year and ending on 31 December of the same calendar year and a Subsequent Charge Restriction Period beginning on 1 January of each year and ending on 31 March of the same calendar year, the value of $CPIH_j$ shall be calculated as:

$$CPIH_j = CPIH_{j-1}$$

$CPIH_0$ is the Initial Value of the CPIH Index for the Core Operating Cost Allowance, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.

Adjustment Allowance

28AD.10A For the purposes of 28AD.6 the Adjustment Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , and for Payment Method p is a sum of adjustments to the default tariff cap, subject to paragraph 28AD.15, calculated in accordance with the methodology set out in Annex 8.

Debt-Related Cost Allowance

28AD.11 For the purposes of paragraph 28AD.6, the Debt-Related Cost Allowance in Charge Restriction Region i , 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k and for Payment Method p shall be calculated as follows:

$$\begin{aligned} DRC_{i,j,k,p} = & \left(AC_{0,k,p} \times \frac{CPIH_j}{CPIH_d} \right) \\ & + \left[BDC_{p=c} \times (WC_{j,k,p=c} + NC_{i,j,k,p=c} + PC_{j,k} + AA_{i,j,k,p=c} + CO_{j,k,p=c} + SMNCC_{j,k,p=c} + IC_{j,k}) \right] \\ & + \left[BDC_{p=ppm} \times \left(WC_{j,k=m,p=ppm} + NC_{i,j,k=m,p=ppm} + PC_{j,k=m} + AA_{i,j,k=m,p=ppm} \right. \right. \\ & \quad \left. \left. + CO_{j,k=m,p=ppm} + SMNCC_{j,k=m,p=ppm} + IC_{j,k=m} \right) \right] \\ & + \left[\left(WCC_p \times \frac{CoC_j}{CoC_0} \right) \times (WC_{j,k,p} + NC_{i,j,k,p} + PC_{j,k} + AA_{i,j,k,p} + CO_{j,k,p} + SMNCC_{j,k,p} + IC_{j,k}) \right] \end{aligned}$$

where:

$k=m$ means Benchmark Annual Consumption Level m as defined in 28AD.5.

$p=c$ means Payment Methods Standard Credit and Other Payment Method.

$p=ppm$ means Payment Method Prepayment.

$AC_{0,k,p}$	means the Baseline Value for the Debt-Related Administrative Cost at Benchmark Annual Consumption Level k , for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.
$BDC_{p=c}$	means the Baseline Value for the Debt-Related Bad Debt Cost for Payment Method p where p equals to c denoting Payment Methods Standard Credit and Other Payment Method, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.
$BDC_{p=ppm}$	means the Baseline Value for the Debt-Related Bad Debt Cost, for Payment Method p where p equals to ppm denoting Payment Method Prepayment, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.
WCC_p	means the Baseline Value for the Debt-Related Working Capital Cost, for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.
$CPIH_j$	has the meaning given to in paragraph 28AD.10.
$CPIH_d$	is the Initial Value of the CPIH Index for the Debt-Related Cost Allowance, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.
CoC_j	means the Cost of Capital in 28AD Charge Restriction Period j , as used in the calculation of the Earnings Before Interest and Tax Margin Percentage.
CoC_0	is the Initial Value of the Cost of Capital for the 28AD Charge Restriction Period, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A.

Smart Metering Net Cost Change Allowance

28AD.11A For the purposes of paragraph 28AD.6, the Smart Metering Net Cost Change Allowance in 28AD Charge Restriction period j , at Benchmark Annual Consumption Level k , for Payment Method p is the value of the Non-Pass Through Net Cost Change Allowance, which the Authority will publish in the format set out in Annex 5; and, subject to paragraphs 28AD.14 and 28AD.15 below, re-publish in the format set out in Annex 5

where it appears to the Authority that it is necessary to do so, such re-publication not to take effect before the first day of the 28AD Charge Restriction Period immediately following the date on which it is published.

Industry Charge Allowance

28AD.11B For the purposes of paragraph 28AD.6, the Industry Charge Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k is the sum of pass-through industry charges set out in Annex 5 and, subject to paragraphs 28AD.14 and 28AD.15, determined and published semi-annually in accordance with paragraph 28AD.18 or otherwise in accordance with paragraph 28AD.20A and with the methodology and data sources set out in Annex 5.

Earnings Before Interest and Tax Allowance

28AD.12 For the purposes of paragraph 28AD.6, the Earnings Before Interest and Tax Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , shall be calculated as follows:

$$E_{i,j,k,l,p} = \text{EBIT Fixed Component}_j + ((\text{EBIT Percentage}_j \times (WC_{j,k,p} + NC_{i,j,k,p} + PC_{j,k} + AA_{i,j,k,p} + CO_{j,k,p} + DRC_{i,j,k,p} + SMNCC_{j,k,p} + IC_{j,k}))$$

where:

EBIT Fixed Component means the Baseline Value for the Earnings Before Interest and Tax Margin Fixed Component, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16.

EBIT Percentage means the Baseline Value for the Earnings Before Interest and Tax Margin Percentage, as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16.

Headroom

28AD.13 For the purposes of paragraph 28AD.6, the Headroom Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , shall be calculated as follows:

$$H_{i,j,k,p} = HAP \times (WC_{j,k,p} + PC_{j,k} + AA_{i,j,k,p} + CO_{j,k,p} + DRC_{i,j,k,p} + SMNCC_{j,k,p} + IC_{j,k} + E_{i,j,k,p})$$

where:

HAP means the Baseline Value for the Headroom Allowance Percentage as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16.

Levelisation Allowance

28AD.13A For the purposes of 28AD.6, the Levelisation Allowance in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Benchmark Metering Arrangement l and for Payment Method p is an adjustment to the amounts paid by customers on different Payment Methods, subject to paragraphs 28AD.13B and 28AD.15, calculated in accordance with the methodology set out in Annex 9.

28AD.13B If the Authority has published a statement in writing to terminate the Levelisation Policy, following consultation, the value of the Levelisation Allowance is zero.

Data sources

28AD.14 If the external data sources referred to in Annexes 2, 3, 4 or 5 are no longer available, the Authority may replace the data sources set out in Annexes 2, 3, 4 or 5 (as applicable) with any suitable successor data sources. If the Authority cannot identify a suitable successor data source, it may, following consultation, either replace the data with an alternative data source, or amend the form of the model to reflect the change in data availability.

28AD.15 The Authority may from time to time, and following consultation, amend the methodology set out in Annex 2, Annex 3, Annex 4, Annex 5, Annex 8 or Annex 9 by way of a statement in Writing, where the Authority considers that either:

- (a) there has been a significant and unanticipated change of circumstances such that Annex 2, Annex 3, Annex 4, Annex 5, Annex 8 or Annex 9 no longer reflects an efficient level of any of the Wholesale Cost Allowance, Network Cost Allowance, Policy Cost Allowance, Smart Metering Net Cost Change Allowance, Industry Charge Allowance, Adjustment Allowance or Levelisation Allowance; or
- (b) there is a typographical or mathematical error in any of Annex 2, Annex 3, Annex 4, Annex 5, Annex 8 or Annex 9 such that an amendment is necessary in order to ensure the proper functioning of the relevant methodology.

Determination and publication of Benchmark Maximum Charges and other values

28AD.16 No later than 1 January 2019, the Authority will publish by way of a statement in Writing the Baseline Values and the Initial Value of the CPIH Index, calculated in the format specified in Annex 1.

28AD.16A No later than 1 July 2025, the Authority will publish by way of a statement in Writing the Baseline Values and the Initial Values of the CPIH Index for the Core Operating Cost Allowance and the Debt-Related Cost Allowance, and the Initial Value of the Cost of Capital for the Debt-Related Cost Allowance, calculated in the format specified in Annex 1.

28AD.17 No later than 1 January 2019, the Authority will:

- (a) determine the Benchmark Maximum Charges which shall apply for the First Charge Restriction Period j by calculating such values in accordance with paragraph 28AD.6; and
- (b) publish such Benchmark Maximum Charges so calculated in the format specified in Annex 6.

28AD.18 For each Subsequent Charge Restriction Period, subject to paragraphs 28AD.19, 28AD.20 and 28AD.20A, the Authority will, at least 25 working days before the start of a forthcoming 28AD Charge Restriction Period:

- (a) determine the updated Benchmark Maximum Charges which shall apply for any forthcoming 28AD Charge Restriction Period j by calculating such values in accordance with paragraph 28AD.6 ;
- (b) in so determining the updated Benchmark Maximum Charges which shall have effect from the first day of any forthcoming 28AD Charge Restriction Period j , take into account any modification made to SLC 28AD, notwithstanding that any such modification may not have come into effect at the time of publication of the updated Benchmark Maximum Charges in accordance with paragraph 28AD.18(c), provided that any such modification has come into effect by no later than the first date of any forthcoming 28AD Charge Restriction Period j ; and
- (c) publish such Benchmark Maximum Charges so calculated in the format specified in Annex 6.

28AD.19 If the information that is required to calculate one or more of the values referred to at paragraph 28AD.17(a) or paragraph 28AD.18(a) is unavailable at the time of the calculation, the Authority may use an alternative source to set the values to determine the Benchmark Maximum Charges. In that event, the Authority will publish the alternative value(s) it has used to determine the Benchmark Maximum Charges at the same time as publishing the Benchmark Maximum Charges.

28AD.20 If, owing to a technical issue, the Authority is unable to publish the Benchmark Maximum Charges or the values referred to at paragraph 28AD.17(a) or paragraph 28AD.18(a) within the timetable set out in paragraph 28AD.17 or paragraph 28AD.18, it will publish such Benchmark Maximum Charges or values without delay following resolution of the technical issue.

28AD.20A In the event of exceptional circumstances, and the Authority taking steps set out in paragraph 28AD.15(a) in making amendments to the methodology set out in Annex 2, Annex 3, Annex, 4, Annex 5, Annex 8 or Annex 9, the Authority may:

- (a) determine revised Benchmark Maximum Charges which shall apply for the remainder of a 28AD Charge Restriction Period j (for which the Authority has already published the Benchmark Maximum Charges pursuant to paragraph 28AD.18(c) or paragraph 28AD.20), replacing the Benchmark Maximum Charges previously published from a date specified by the

Authority by way of a statement in Writing, by calculating such values in accordance with paragraph 28AD.6;

- (b) in so determining the revised Benchmark Maximum Charges which shall apply for the remainder of a 28AD Charge Restriction Period j from the date specified by the Authority pursuant to paragraph 28AD.20A(a), take into account any modification made to SLC 28AD, notwithstanding that any such modification may not have come into effect at the time of publication of the updated Benchmark Maximum Charges in accordance with paragraph 28AD.20(c), provided that any such modification has come into effect by no later than the date specified by the Authority pursuant to paragraph 28AD.20A(a); and
- (c) publish such Benchmark Maximum Charges so calculated in the format specified in Annex 6.

Duration of the Charge Restriction

28AD.21 This condition will come into force on 1 January 2019 and will cease to have effect on a date specified by the Secretary of State.

28AD.22 Not Used

Direction for the purposes of section 3(2)(b) of the Act (Renewable Tariff Exemption)

28AD.23 The licensee may apply to the Authority to request a direction that a particular Tariff complies with section 3(2)(b) of the Act such that this condition 28AD does not apply pursuant to paragraph 28AD.4(b).

28AD.24 The Authority may issue a direction following an application made pursuant to paragraph 28AD.23, where the licensee can provide evidence to the reasonable satisfaction of the Authority that all of the following conditions are met:

- (a) the Domestic Customer has chosen an Evergreen Supply Contract;
- (b) the Tariff relating to that Evergreen Supply Contract supports the production of gas from renewable sources to an extent that is materially greater than that which may otherwise be brought about as a result of subsidies, obligations or other mandatory mechanisms; and
- (c) the cost to the licensee of supplying gas by virtue of the particular Tariff relating to that Evergreen Supply Contract is materially greater than the

Relevant Maximum Charge for reasons that are directly attributable to the support that Tariff provides to the production of gas from renewable sources.

28AD.25 The Authority may refuse to issue a direction pursuant to paragraph 28AD.24 where it is not satisfied that the materially greater cost referred to at paragraph 28AD.24(c) reflects an efficient level of the costs associated with licensee's supply of gas by virtue of the particular Tariff.

28AD.26 The licensee must comply at all times with the terms of any direction issued pursuant to paragraph 28AD.24.

28AD.27 The licensee must ensure that any information provided to the Authority pursuant to paragraph 28AD.23, 28AD.24 and/or 28AD.28 is accurate, and must immediately notify the Authority upon becoming aware that any such information is false and/or misleading.

28AD.28 The licensee must give the Authority any information that it reasonably requests about the licensee's compliance with any direction issued pursuant to paragraph 28AD.24 as soon as reasonably practicable after receiving a request.

28AD.29 The Authority may at any time revoke any direction issued pursuant to paragraph 28AD.24 where:

- (a) it appears to the Authority that any information provided by the licensee pursuant to paragraph 28AD.24 is inaccurate; and
- (b) the licensee is unable promptly to provide information which the Authority considers is evidence to its reasonable satisfaction that each of the conditions set out at paragraphs 28AD.24(a)-(c) are met.

28AD.30 The Authority may issue a direction pursuant to paragraph 28AD.24 in accordance with guidance issued by the Authority from time to time.

Direction for alternative compliance assessment

28AD.31 The licensee may apply to the Authority to request a direction concerning the compliance of a particular Tariff with the Charge Restriction where, due to the structure of the relevant Tariff, the Charges for Supply Activities at certain consumption levels would exceed the Relevant Maximum Charge, but the licensee can provide evidence to the reasonable satisfaction of the Authority that it is unlikely that Relevant 28AD Customers subject to such Tariff will

have a consumption level which would cause them to incur Charges for Supply Activities in excess of the Relevant Maximum Charge.

28AD.32 If the Authority has issued a direction to the licensee pursuant to paragraph 28AD.31, the licensee must comply with such direction and must determine, at the end of each 28AD Charge Restriction Period, whether any Relevant 28AD Customer has in fact incurred Charges for Supply Activities in excess of the Relevant Maximum Charge. If the licensee determines that this is the case, the licensee must:

- (a) inform the Authority in Writing without delay; and
- (b) pay a rebate to, or credit the account of, each such Relevant 28AD Customer equal to the difference between the Charges for Supply Activities actually incurred by Relevant 28AD Customers and the Relevant Maximum Charge within 30 days of the end of the relevant 28AD Charge Restriction Period.

Definitions for condition

28AD.33 In this condition:

‘Act’ means the Domestic Gas and Electricity (Tariff Cap) Act 2018 (as amended from time to time);

‘Adjustment Allowance’ means a sum of adjustments to the default tariff cap, in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , and which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out in Annex 8.

‘Baseline Value’ means the values as specified by the Authority by publishing a statement in Writing in accordance with paragraph 28AD.16 or 28AD.16A, and in the format set out at Annex 1. These are the values of the Baseline Value for the Core Operating Cost Allowance, the Headroom Allowance Percentage, the Earnings Before Interest and Tax Margin Percentage, the Earnings Before Interest and Tax Margin Fixed Component, and the Debt-Related Cost Allowance;

‘Benchmark Annual Consumption Levels’ means the benchmark annual consumption levels nil kWh and m kWh, where m shall take the following value:

$m = 12,000 \text{ kWh}$

‘Benchmark Maximum Charge’ means one of the benchmark maximum charge values (in pounds sterling and exclusive of value added tax), which are unique to a specific Benchmark Annual Consumption Level, Charge Restriction Region and Payment Method, and are updated by the Authority pursuant to paragraphs 28AD.17 to 28AD.18 or otherwise in accordance with paragraph 28AD.20A;

‘Charge Restriction’ means the obligation set out in paragraph 28AD.1 ;

‘28AD Charge Restriction Period’ means a period, between 1 January 2019 and the end date specified by the Secretary of State, either:

- the First Charge Restriction Period;
- the Mid Charge Restriction Periods;
- a Subsequent Charge Restriction Period beginning on 1 January of each year and ending on 31 March of the same calendar year; or
- a Subsequent Charge Restriction Period beginning on 1 April of each year and ending on 30 June of the same calendar year; or
- a Subsequent Charge Restriction Period beginning on 1 July of each year and ending on 30 September of the same calendar year; or
- a Subsequent Charge Restriction Period beginning on 1 October of each year and ending on 31 December of the same calendar year.

‘Charge Restriction Region’ means a Distribution Services Area;

‘Charges for Supply Activities’ has the meaning given to that term in standard condition 22A;

‘Core Operating Cost Allowance’ means the amount calculated to reflect an efficient level of the costs associated with suppliers’ own internal operating costs in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k for Payment Method p which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with paragraph 28AD.10. For the avoidance of doubt,

these costs do not include Debt-Related Costs and Industry Charges, which are set as separate allowances;

‘Cost of Capital’ means the percentage value of the nominal pre-tax cost of equity in 28AD Charge Restriction Period j , as used in the calculation of the Earnings Before Interest and Tax Margin Percentage;

‘CPIH Index’ has the meaning given to it at paragraph 28AD.10;

‘28AD Default Fixed Term Contract’ means any type or part of a Domestic Supply Contract or any other contractual arrangement which may apply or be deemed to apply to a Domestic Customer, including by virtue of any law or enactment (“other contractual arrangement”) which:

- (a) contains any terms and conditions which apply for a fixed term period; and
- (b) comes into effect automatically or at the discretion of the licensee after the expiry or termination of any type or part of a previous Domestic Supply Contract or, where applicable, other contractual arrangement (“previous contract”) either:
 - (i) by virtue of the terms and conditions provided for in that previous contract (and, for the purposes of this definition, it is irrelevant whether or not the Domestic Customer originally agreed to any terms and conditions which purported to permit that automatic effect or discretion of the licensee); or
 - (ii) otherwise by the operation of the law or any provision of an enactment;

‘Debt-Related Administrative Costs’ means the amount calculated to reflect an efficient level of debt-related administrative costs of a notional supplier at Benchmark Annual Consumption Level k , for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A and in the format set out in Annex 1;

‘Debt-Related Bad Debt Costs’ means the percentage amount calculated to reflect an efficient level of bad debt costs of a notional supplier for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A and in the format set out in Annex 1;

‘Debt-Related Cost Allowance’ means the amount calculated to reflect an efficient level of the debt-related costs of a notional supplier in Charge Restriction Region i , 28AD

Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with paragraph 28AD.11;

‘Debt-Related Working Capital Costs’ means the percentage amount calculated to reflect an efficient level of debt-related working capital costs of a notional supplier for Payment Method p , as published by the Authority by way of a statement in Writing pursuant to paragraph 28AD.16A and in the format set out in Annex 1;

‘Direct Cost Fuel Component’ means the component of the Wholesale Cost Allowance that is calculated to reflect the cost of wholesale gas purchases in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for payment method p , and which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out in Annex 2;

‘Earnings Before Interest and Tax Allowance’ means the amount to reflect a return on capital, calculated by the sum of

- a) the figure arrived at by applying the Earnings Before Interest and Tax Margin Percentage by the sum of the Wholesale Cost Allowance, the Network Cost Allowance, the Policy Cost Allowance, the Adjustment Allowance, the Core Operating Cost Allowance, the Debt-Related Cost Allowance, the Smart Metering Net Cost Change Allowance and Industry Charge Allowance in Charge Restriction Region i , 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Benchmark Metering Arrangement l , for Payment Method p ; and
 - b) the Earnings Before Interest and Tax Fixed Component,
- which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with paragraph 28AD.12;

‘Earnings Before Interest and Tax Fixed Component’ means the amount, expressed as a value as specified by the Authority by publishing a statement in Writing in accordance with paragraph 28AD.16 and in the format set out in Annex 1, in order to calculate part of the Earnings Before Interest and Tax Allowance;

‘Earnings Before Interest and Tax Margin Percentage’ means the value, expressed as a percentage as specified by the Authority by publishing a statement in Writing in accordance with paragraph 28AD.16 and in the format set out in Annex 1, by which the Wholesale Cost Allowance, the Network Cost Allowance, the Policy Cost Allowance, the Adjustment Allowance, the Core Operating Cost Allowance, the Debt-Related Cost Allowance, the Smart Metering Net Cost Change Allowance and the Industry Charge

Allowance are to be multiplied in order to calculate part of the Earnings Before Interest and Tax Allowance.

‘Distribution Services Area’ has the meaning given in and is to be interpreted in accordance with standard condition 2 (Application of Section C (Distribution Services Obligations)) of the distribution licence granted or treated as granted under section 6(1)(c) of the Electricity Act 1989;

‘First Charge Restriction Period’ means the period beginning on 1 January 2019 and ending on 31 March 2019;

‘Headroom Allowance’ means the amount which is additional to the Wholesale Cost Allowance, the Network Cost Allowance, the Policy Cost Allowance, the Core Operating Cost Allowance, the Debt-Related Cost Allowance, the Smart Metering Net Cost Change Allowance, the Industry Charge Allowance and the Earnings Before Interest and Tax Allowance in Charge Restriction Region i , in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for Payment Method p , which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with paragraph 28AD.13;

‘Headroom Allowance Percentage’ means the value, expressed as a percentage as specified by the Authority by publishing a statement in Writing in accordance with paragraph 28AD.16 and in the format set out in Annex 1, by which the Wholesale Cost Allowance, the Policy Cost Allowance, the Core Operating Cost Allowance, the Debt-Related Cost Allowance, the Smart Metering Net Cost Change Allowance, the Industry Charge Allowance and the Earnings Before Interest and Tax Allowance is to be multiplied in order to calculate the Headroom Allowance;

‘Industry Charge Allowance’ means:

- (a) an amount calculated to reflect the costs (if any) that the licensee is required to pay by way of charging statements for service charges to Smart DCC Ltd in accordance with condition 19 of the Smart Meter Communication Licence;
- (b) an amount calculated to reflect the costs (if any) that the licensee is required to pay to meet the capital costs and reasonably incurred costs of Smart Metering Communications Body Limited (trading as Smart Energy GB), being the body corporate carrying out the role of consumer engagement in relation to Smart Metering Systems, in accordance with (as applicable) standard condition 39.24 or 39A.36;

- (c) an amount calculated to reflect the costs (if any) that the shipper passes on to the supplier to pay for Central Data Service Provider services;
- (d) an amount calculated to reflect the costs (if any) that the licensee is required to pay by way of charging statements for service charges to the Retail Energy Code Company (RECCo), in accordance with standard condition 11,

in each case adjusted in the manner set out in Annex 5;

‘Initial Value of the CPIH Index’ means the initial value of the consumer prices index including owner occupiers’ housing costs, series ID: L522, as specified by the Authority by publishing a statement in Writing in accordance with paragraph 28AD.16 or 28AD.16A, and in the format set out at Annex 1;

‘Levelisation Allowance’ means an amount calculated to adjust the amount paid by customers on different Payment Methods in Charge Restriction Region *i*, in 28AD Charge Restriction Period *j*, at Benchmark Annual Consumption Level *k*, for Benchmark Metering Arrangement *l* and for Payment Method *p*. The aforementioned amount would be calculated by the Authority for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out at Annex 9;

‘Levelisation Policy’ means an adjustment to the caps on Payment Methods derived By the operation of Relevant Maximum Charge in paragraph 28AD.7;

‘Mid Charge Restriction Periods’ means the six-month periods beginning on 1 April 2019 and ending on 30 September 2022;

‘Multi-tier Metering Arrangement’ means using a Gas Meter for the purpose of a Tariff whereby a Domestic Customer is charged on the basis of a Unit Rate which varies according to the Domestic Customer’s gas consumption over a defined period of time;

‘Multi-tier Tariff’ means a Tariff whereby a Domestic Customer incurs Charges for Supply Activities on the basis of a Multi-tier Metering Arrangement;

‘Network Company’ means any person holding a licence granted under section 7 of the Gas Act 1986;

‘Network Cost Allowance’ means the amount calculated to reflect the costs associated with transmission and distribution charges in Charge Restriction Region *i*, in 28AD Charge Restriction Period *j*, at Benchmark Annual Consumption Level *k*, for payment

method p , which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out at Annex 3;

‘Other Payment Method’ means any Payment Method that is not Standard Credit or Prepayment;

‘Payment Method’ means:

- (a) in relation to any Relevant 28AD Customer that is not a Relevant 28AD Warm Home Discount Customer, the method by which that Relevant 28AD Customer pays for Charges for Supply Activities, being either Standard Credit, Prepayment or Other Payment Method; or
- (b) in relation to a Relevant 28AD Warm Home Discount Customer, Other Payment Method;

‘Policy Cost Allowance’ means the amount calculated to reflect the costs associated with gas suppliers’ environmental and social obligations in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out at Annex 4;

‘Prepayment’ means a Payment Method whereby a Domestic Customer pays the licensee for Charges for Supply Activities through a Prepayment Meter or a Smart Metering System running in Prepayment Mode.

‘Relevant 28AD Customer’ means a Domestic Customer supplied by virtue of the Gas Supply Licence held by the licensee and which is subject to an Evergreen Supply Contract, a Deemed Contract or a 28AD Default Fixed Term Contract;

‘Relevant 28AD Warm Home Discount Customer’ means a Relevant 28AD Customer with a payment method of Standard Credit or Other Payment Method, excluding Prepayment which falls into at least one of the categories listed at Annex 7 to this condition 28AD;

‘Relevant Maximum Charge’ means for each Relevant 28AD Customer the maximum charge amount (in pounds sterling, excluding value added tax) for any consumption level, calculated in accordance with paragraph 28AD.5;

‘Smart Metering Net Cost Change Allowance’ means the value of the Smart Metering Non-Pass-Through Net Cost Change Allowance calculated in accordance with the methodology set out at Annex 5, for the periods and within the timeframes specified in this condition 28AD, which is used to update the level of the Core Operating Cost Allowance;

‘Smart Metering Non-Pass Through Net Cost Change Allowance’ means the amount that the licensee is required to pay in connection with a Smart Metering System as set out in Annex 5. For the avoidance of doubt, these costs are distinct from the Smart Metering Pass-Through costs which are included in the Industry Charge Allowance;

‘Standard Credit’ means a Payment Method whereby a Domestic Customer pays the licensee for Charges for Supply Activities, where gas is not supplied through a Prepayment Meter, and such payment is not drawn automatically from a Domestic Customer’s bank account by reason of a direct debit authorisation or otherwise;

‘Subsequent Charge Restriction Period’ means any 28AD Charge Restriction Period which is not the First Charge Restriction Period nor a Mid Charge Restriction Period;

‘Tariff’ means a Tariff in respect of any Domestic Supply Contract or Deemed Contract with a Relevant 28AD Customer;

‘Wholesale Cost Allowance’ means the amount calculated to reflect the cost of wholesale gas in 28AD Charge Restriction Period j , at Benchmark Annual Consumption Level k , for payment method p , the component of which is the Direct Fuel Cost Component, and which the Authority is to calculate for the periods and within the timeframes specified in this condition 28AD in accordance with the methodology set out at Annex 2.

Annex 1 – Format for publishing Baseline Values and Initial Value of the CPIH Index

Baseline Values

Core Operating Cost Allowance

Payment Method <i>p</i>	Benchmark consumption per annum, <i>k</i> – Nil kWh	Benchmark consumption per annum, <i>k</i> – <i>m</i> (12,000 kWh)
Standard Credit		
Prepayment		
Other Payment Method		

Debt-Related Cost Allowance

	Payment Method <i>p</i>	Benchmark consumption per annum, <i>k</i> – Nil kWh	Benchmark consumption per annum, <i>k</i> – <i>m</i> (12,000 kWh)
<i>Debt-Related Administrative Cost (AC)</i>	Standard Credit		
	Prepayment		
	Other Payment Method		
<i>Debt-Related Bad Debt Cost (BDC)</i>	Standard Credit		
	Prepayment		
	Other Payment Method		
<i>Debt-Related Working Capital Cost (WCC)</i>	Standard Credit		
	Prepayment		
	Other Payment Method		

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Headroom Allowance Percentage

HAP	
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Earnings Before Interest and Tax Margin Allowance

EBIT Fixed Component	
EBIT Percentage	

Initial Values

Initial Value of the Cost of Capital

CoC ₀	
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Initial Value of the CPIH Index for the Core Operating Cost Allowance

CPIH ₀	
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Initial Value of the CPIH Index for the Debt-Related Cost Allowance

CPIH _d	
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**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Annex 2 – Methodology for determining the Wholesale Cost Allowance

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Annex 3 – Methodology for determining the Network Cost Allowance

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Annex 4 – Methodology for determining the Policy Cost Allowance

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Annex 5 – Methodology for determining the Smart Metering Net Cost Change

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

Annex 6 – Format for the publication of Benchmark Maximum Charges

Standard Credit

Region, <i>i</i>	Benchmark consumption per annum, <i>k</i> – Nil kWh	Benchmark consumption per annum, <i>k</i> – <i>m</i> (12,000 kWh)
North West		
Northern		
Yorkshire		
Northern Scotland		
Southern		
Southern Scotland		
N Wales and Mersey		
London		
South East		
Eastern		
East Midlands		
Midlands		
Southern Western		
South Wales		

Prepayment

Region, <i>i</i>	Benchmark consumption per annum, <i>k</i> – <i>Nil kWh</i>	Benchmark consumption per annum, <i>k</i> – <i>m</i> (12,000 kWh)
North West		
Northern		
Yorkshire		
Northern Scotland		

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Southern		
Southern Scotland		
N Wales and Mersey		
London		
South East		
Eastern		

Other Payment Method

Region, <i>i</i>	Benchmark consumption per annum, $k -$ Nil kWh	Benchmark consumption per annum, $k -$ m (12,000 kWh)
North West		
Northern		
Yorkshire		
Northern Scotland		
Southern		
Southern Scotland		
N Wales and Mersey		
London		
South East		
Eastern		
East Midlands		
Midlands		
Southern Western		
South Wales		

Annex 7 - Categories of Relevant 28AD Warm Home Discount Customers

A7.1 The categories referred to in the definition of Relevant 28AD Warm Home Discount Customer are set out at paragraphs A7.2-A7.4 below.

Relevant 28AD Customer Identified in Scheme Year 6

A7.2 Where the Relevant 28AD Customer was Identified in Scheme Year 6, that Relevant 28AD Customer is a Relevant 28AD Warm Home Discount Customer.

Relevant 28AD Customer Identified in Scheme Year 7

A7.3 Where the Relevant 28AD Customer was Identified in Scheme Year 7, that Relevant 28AD Customer is a Relevant 28AD Warm Home Discount Customer.

Relevant 28AD Customer Identified in Scheme Year 8

A7.4 Where the Relevant 28AD Customer was Identified in Scheme Year 8, that Relevant 28AD Customer is a Relevant 28AD Warm Home Discount Customer.

Definitions for Annex 7

A7.5 In this Annex 7:

“Identified” means

- (a) In respect of Scheme Year 8, either:
 - (i) the licensee has received a notice under regulation 6(1) of the Regulations which specifies the Relevant 28AD Customer;
 - (ii) the licensee has determined that the Relevant 28AD Customer is to receive the prescribed rebate (as defined in the Regulations) pursuant to Chapter 2 of the Regulations; or
 - (iii) the Relevant 28AD Customer has received the prescribed rebate from the licensee (as defined in the Regulations);
- (b) In respect of Scheme Year 6 and Scheme Year 7, where the Relevant 28AD Customer has received the prescribed rebate from the licensee (as defined in the Regulations);

“Regulations” means the Warm Home Discount Regulations 2011 (SI 2011/1033) (as amended from time to time);

“Scheme Year 6” has the meaning given to that term in paragraph 2 of the Regulations, being the period from 23 July 2016 to 31 May 2017;

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“Scheme Year 7” has the meaning given to that term in paragraph 2 of the Regulations, being the period from 1 June 2017 to 31 March 2018;

“Scheme Year 8” has the meaning given to that term in paragraph 2 of the Regulations, being the period from 15 August 2018 to 31 March 2019.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
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Annex 8 – Methodology for Adjustment Allowance

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
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Annex 9 – Methodology for Levelisation Allowance

.xlsx file available at <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/energy-price-cap-default-tariff-policy/energy-price-cap-default-tariff-levels>

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Condition 28B. Not Used

Condition 28C. Milestone Assessments

- 28C.1 The licensee must notify the Authority, in writing, when there is a reasonable prospect that it will imminently reach, or at the latest when it reaches its first 50,000 Domestic Customers, , or such other number of Domestic Customers as directed by the Authority, for the purpose of undergoing the relevant milestone assessment.
- 28C.2 The licensee must notify the Authority, in writing, when there is a reasonable prospect that it will imminently reach, or at the latest when it reaches its first 200,000 Domestic Customers, or such other number of Domestic Customers as directed by the Authority, for the purpose of undergoing the relevant milestone assessment.
- 28C.3 The licensee must notify the Authority, in writing, when there is a reasonable prospect that it will imminently reach, or at the latest when it reaches such number of Domestic Customers as may be specified by the Authority in a direction, for the purpose of undergoing the relevant milestone assessment.
- 28C.4 From the earlier of the time at which the licensee either:
- (a) submits a notification to the Authority as required by SLC 28C.1, SLC 28C.2 or a direction issued by the Authority in respect of this SLC 28C; or
 - (b) has reached the specified number of Domestic Customers specified in SLC 28C.1, SLC 28C.2 or a direction issued by the Authority in respect of this SLC 28C,

unless directed otherwise by the Authority, the licensee must not enter into any new Domestic Supply Contracts, unless that Domestic Supply Contract is a Deemed Contract or a Contract with a Domestic Customer with whom that Supplier already has a Contract, until such time as the Authority has notified the licensee that it has completed the relevant milestone assessment in line with the timescale set out by the Authority in any guidance issued on SLC 28C. To the extent that this SLC 28C.4 applies, the licensee shall not be obliged to comply with SLC 22.2.

- 28C.5 The licensee must have regard to the findings of any milestone assessment conducted pursuant to this SLC 28C and notified to it.

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Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

28C.6 The licensee must have regard to any guidance on SLC 28C (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise.

28C.7 The licensee is not required to comply with SLC 28C.4 to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 29. Gas safety

Arrangements for gas safety checks

29.1 The licensee must provide a gas safety check, in accordance with the requirements of paragraph 29.3, where the Domestic Customer meets the criteria set out in paragraph 29.2 and:

- (a) lives with others, at least one of whom is under five years old; or
- (b) is of Pensionable Age, disabled or chronically sick and either:
 - (i) lives alone; or
 - (ii) lives with others who are all of Pensionable Age, disabled, chronically sick or under 18.

29.2 The criteria referred to in paragraph 29.1 are that the Domestic Customer:

- (a) does not occupy premises in relation to which a landlord is responsible for arranging a gas safety check under regulations made under the Health and Safety at Work etc Act 1974;
- (b) is in receipt of a means-tested benefit;
- (c) has asked for a gas safety check to be carried out; and
- (d) has not had a gas safety check carried out at the premises in the last 12 months or such longer period as may be directed by the Authority following consultation with the Secretary of State and such other persons as the Authority considers are likely to be affected.

29.3 The requirements referred to in paragraph 29.1 are that gas safety checks must:

- (a) be provided free of charge;
- (b) be carried out by a person who has appropriate expertise;
- (c) include checks on the safety of gas appliances and other gas fittings on the customer's side of the Gas Meter; and
- (d) for a gas appliance, include an examination of:
 - (i) the effectiveness of any flue;
 - (ii) the supply of combustion air;

- (iii) its operating pressure or heat input or, where necessary, both; and
- (iv) its operation so as to ensure its safe functioning.

Provision of gas safety information

- 29.4 The licensee must take all reasonable steps to provide, free of charge, the information required by paragraph 29.5 to each Domestic Customer at least once each year and must provide it when requested to do so by a Domestic Customer.
- 29.5 The information referred to in paragraph 29.4 is information sufficient to inform each of the licensee's Domestic Customers about:
- (a) the safe use of gas appliances and other gas fittings;
 - (b) the dangers of carbon monoxide poisoning;
 - (c) the benefits of fitting an audible carbon monoxide alarm that complies with a relevant British or European safety standard;
 - (d) the benefits of gas safety checks; and
 - (e) where to seek advice if gas appliances are condemned as a result of a gas safety check.

Provision of information

- 29.6 The licensee must:
- (a) prepare a statement that sets out, in plain and intelligible language, its obligations under paragraphs 29.1 to 29.3;
 - (b) publish that statement on and make it readily accessible from its Website (if it has one);
 - (c) take all reasonable steps to inform each of its Domestic Customers, at least once each year, of that statement and how to obtain it; and
 - (d) give a copy of that statement on request and free of charge to any person.

Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025

Condition 30. (Not used)

Standard conditions 31 and 32:

Domestic Customer information

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Conditions 31 to 31D – Not used

Condition 31E. overarching requirements

31E.1 – 31E.9 (Not used)

Provision of information regarding inclusion or exclusion of value added tax

31E.10 Where the licensee provides a Domestic Customer with any information about the Charges for the Supply of Gas or any other type of charge or fee (the “Applicable Charges”), the licensee must inform the Domestic Customer of whether the Applicable Charges include or exclude value added tax.

31E.11 – 31E.15 (Not used)

Guidance

31E.16 The licensee must have regard to any guidance on standard condition 31E (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

31E.17 The licensee is not required to comply with standard condition 31E to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 31F. Encouraging and enabling engagement

Consumer engagement objective

31F.1 In complying with paragraphs 31F.3 to 31F.5, the licensee must act in a manner which is designed to promote positive engagement by encouraging each Domestic Customer (as appropriate to the circumstance) to:

- (a) consider switching Tariff or Gas Supplier; and/or
- (b) understand and manage the costs associated with that Domestic Customer's Tariff and the gas that Domestic Customer consumes.

31F.2 In complying with paragraphs 31F.3 and 31F.4 the licensee must take into account:

- (a) that Domestic Customer's characteristics and current Tariff's features; and
- (b) where appropriate, that Domestic Customer's preferences.

Continuing to make informed tariff and consumption choices

31F.3 The licensee must ensure that each Domestic Customer is provided with information, services and/or tools in a Form and at a frequency sufficient to enable that Domestic Customer to:

- (a) understand the key features of their Tariff, including any charges, fees or payments; and
- (b) make informed choices in when, and how much, gas that Domestic Customer consumes, including prompting that Domestic Customer to consider ways to be more efficient and/or flexible in how and when that Domestic Customer consumes gas.

Comparing and switching tariff and supplier

31F.4 The licensee must ensure that each Domestic Customer is provided with information in a Form and at a frequency that is sufficient to enable that Domestic Customer to understand that they can switch Tariff and Gas Supplier, and may benefit from doing so, including financially.

Providing prompts to engage

31F.5 The licensee must ensure that:

- (a) it seeks to identify each Domestic Customer's Key Prompt Points; and
 - (i) on each of those occasions where a Key Prompt Point is identified, the licensee considers whether it would be appropriate, in line with the

objective set out in paragraph 31F.1(a), to provide that Domestic Customer with the Switching Information, regardless of whether the Switching Information has already been provided in accordance with paragraph 31F.5(c); and

- (b) it provides the Switching Information on all the following Notices:
 - (i) any Domestic Statement of Renewal Terms;
 - (ii) any Relevant Contract Change Notice;
 - (iii) any Notice required under paragraph 22D.9; and
 - (iv) any Notice required by paragraph 23.2; and
- (c) on at least one occasion in any 12 month period it provides each Domestic Customer with the Switching Information, where the Switching Information has not been provided in accordance with paragraphs 31F.5(a) or 31F.5(b) in that 12 month period.

Cheapest Tariff Message

31F.6 The licensee must display an alternative Cheapest Tariff Message, containing a message to the effect that the Domestic Customer is already subject to the Relevant Cheapest Tariff and/or Alternative Cheapest Tariff, in circumstances where:

- (a) the licensee only has one Tariff (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees only have one Tariff); and/or
- (b) the Domestic Customer is already subject to the licensee's (or, where there are any Affiliate Gas Licensees, the licensee's and any Affiliate Gas Licensee's) Relevant Cheapest Tariff and/or Alternative Cheapest Tariff (as applicable).

Estimated Annual Costs

31F.7 Where Estimated Annual Costs are provided to a Domestic Customer by the licensee or any Representative (either by virtue of a standard condition or on a voluntary basis), the licensee must provide (and take all reasonable steps to ensure that any Representative provides) a brief statement (in Writing where the Estimated Annual Cost are provided in Writing or orally where the Estimated Annual Cost are provided orally) explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax, what it is and what it can be used for, and outlining any assumptions that have been made in its calculation.

31F.8 Where the licensee provides a Domestic Customer with any information about their Estimated Annual Costs in respect of an Evergreen Supply Contract, the licensee must provide the Domestic Customer with a statement to the effect that the nature of the contract means that the Charges for the Supply of Gas may be increased by the licensee in the future.

31F.9 Where the Estimated Annual Cost is communicated at Key Prompt Points, it must be displayed separately in respect of electricity and gas.

“About Your Tariff” Label

31F.10 The licensee must prepare an “About Your Tariff” Label which must be provided to each Domestic Customer in accordance with paragraph 31F.5 and standard condition 31H.4 which:

- (a) contains any information that Domestic Customer may require should that Domestic Customer wish to compare Tariffs across the retail market; and
- (b) must be provided in a consolidated way and be easily distinguishable from the rest of the communication.

Tariff Information Label

31F.11 The licensee must prepare a Tariff Information Label for each of their Operational Tariffs which consists of a clear and comprehensible list of key features of that Tariff, in a table or other user friendly and consolidated format, to allow easy comparison with the key features of all the licensee’s other Operational Tariffs.

- (a) If any Relevant Person requests a copy of any Tariff Information Label, the licensee must provide a Written copy to that person free of charge within 5 days after the day the request was received or as soon as reasonably practicable thereafter.
- (b) If the licensee or any Affiliate Licensees have a Website, the licensee must publish each Tariff Information Label, on that Website in a position that is capable of easily being accessed by any person and which does not require a person to input any information apart from their address or postcode.

Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms

31F.12 Where the licensee or any Representative is required by any standard condition to provide information about all the Principal Terms, the licensee must take (and ensure that any Representative takes) all reasonable steps to communicate the following information to the Domestic Customer:

- (a) the Tariff Information Label or, in the case of oral communications, the information contained in the Tariff Information Label (in respect of any Domestic Supply Contract offered to the Domestic Customer); and
- (b) the Domestic Customer’s Estimated Annual Costs (in respect of any Domestic Supply Contract offered to the Domestic Customer).

Information about efficient use of gas

31F.13 The licensee must maintain:

- (a) information about the efficient use of gas to enable a Domestic Customer to make an informed judgment about measures to improve the efficiency with which they use the gas supplied to their Domestic Premises; and
- (b) information about sources from which a Domestic Customer may obtain additional information or assistance about measures to improve the efficiency with which they use the gas supplied to their Domestic Premises, including information:
 - (i) that is publicly available about financial assistance towards the cost of the measures available from government; or
 - (ii) that is available through bodies in receipt of financial assistance from government in connection with measures to promote the efficient use of energy.

31F.14 The licensee must provide the information referred to in paragraph 31F.13 to a Domestic Customer:

- (a) free of charge if they request that information;
- (b) by operating a telephone information service that provides that information free of charge; and
- (c) by publishing that information on and making it readily accessible from its Website (if it has one).

Definitions

31F.15 For the purposes of this condition:

“Cheapest Tariff Message” means a statement informing the Domestic Customer of:

- (a) the Exact Tariff Name of the Tariff which is the Relevant Cheapest Tariff;
- (b) the Estimated Annual Savings for the Relevant Cheapest Tariff;
- (c) the Exact Tariff Name of the Tariff which is the Alternative Cheapest Tariff; and
- (d) the Estimated Annual Savings for the Alternative Cheapest Tariff.

“Key Prompt Points” means points in time at which a Domestic Customer is likely to want to consider, or could benefit from considering, their options relating to switching Tariff.

“Operational” means any Tariff which is available to Domestic Customers or which still applies to any Domestic Customers (including, but not limited to, Live Evergreen Tariffs, Closed Fixed Term Tariffs, and Dead Tariffs).

“Switching Information” means all of the following information provided at one time:

- (a) that Domestic Customer’s Cheapest Tariff Message;
- (b) that Domestic Customer’s Estimated Annual Costs; and
- (c) that Domestic Customer’s “About Your Tariff” Label.

Guidance

31F.16 The licensee must have regard to any guidance on SLC 31F (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

31F.17 The licensee is not required to comply with standard condition 31F to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 31G. Assistance and advice information

31G.1 The licensee must ensure that each Domestic Customer is provided with information in a Form and at a frequency that is sufficient to enable that Domestic Customer to quickly and easily understand how to:

- (a) identify and contact each Relevant Party about a problem, question or any other request for assistance. This includes queries, complaints, disputes or emergencies; and
- (b) seek impartial advice from Citizens Advice consumer service.

31G.2 The licensee must ensure that each Domestic Customer is provided, as appropriate in the circumstances, with information in a Form and at a frequency that is sufficient to enable that Domestic Customer to quickly and easily understand:

- (a) what their rights are as regards to the means of dispute settlement available in the event of a dispute, including how to identify and contact the Relevant Ombudsman for the circumstances; and
- (b) how to access appropriate assistance and advice. This includes information about:
 - (i) debt prevention and management;
 - (ii) improving energy efficiency, including management of gas consumption and associated costs; and
 - (iii) social, financial and energy efficiency programmes.

31G.3 In complying with paragraphs 31G.1 and 31G.2 the licensee must take into account:

- (a) that Domestic Customer's characteristics and current Tariff's features; and
- (b) where appropriate, that Domestic Customer's preferences.

31G.3A The licensee must provide, or procure the provision of, an enquiry service that enables Domestic Customers to contact the licensee. As a minimum the enquiry service must:

- (a) Offer a range of contact methods that meet the needs of the licensee's Domestic Customers, including those of its Domestic Customers in Vulnerable Situations;
- (b) Be available to receive enquiries and offer assistance, guidance, or advice at times that meet the needs of Domestic Customers, including those of Domestic Customers in Vulnerable Situations; and
- (c) Be available 24 hours every day to receive enquiries from, and offer assistance, guidance, or advice to, Domestic Customers who are experiencing an interruption in supply of gas caused by a meter fault.

Paragraph (c) in this Condition 31G.3A will only take effect following consultation and after the Authority has given the licensee at least two months' Notice.

31G.3B When providing the enquiry service, the licensee must implement appropriate processes to prioritise enquiries from:

- (a) Domestic Customers in Vulnerable Situations who, due to their circumstances or characteristics, may require immediate assistance, guidance or advice;
- (b) Any representative acting on behalf and in the interest of a Domestic Customer in a Vulnerable Situation who, due to their circumstances or characteristics, may require immediate assistance, guidance or advice.

31G.3C When providing the enquiry service the licensee must implement appropriate processes to provide the enquiry service free of charge to Domestic Customers who are having or will have difficulty paying all or part of the Charges for the Supply of Gas.

31G.3D The licensee must publish, as soon as possible after it becomes available, at a prominent location, in a format that is readily accessible and that meets the needs of Domestic Customers, including those of Domestic Customers in Vulnerable Situations, the licensee's latest overall customer service performance rating and its scores for each customer service category as measured by the Citizens Advice star rating.

31G.3E The licensee must have regard to any guidance on standard condition 31G.3A to 31G.3D which, following consultation, the Authority may issue and may from time-to-time revise (following further consultation).

Energy Consumer Guidance

31G.4 The licensee must publish the latest version of the Energy Consumer Guidance and the Concise Guidance on its website within 28 days of the date on which that version is published by Citizens Advice or Citizens Advice Scotland.

31G.5 The licensee must inform each of its Domestic Customers how the Energy Consumer Guidance and the Concise Guidance can be accessed by:

- (a) providing each new Domestic Customer whose premises it supplies with gas under a Contract or a Deemed Contract with this information when the licensee first begins to supply gas to the Domestic Customer's premises or, in the case of a Deemed Contract, becomes aware that it is doing so; and
- (b) providing this information to a Domestic Customer as soon as reasonably practicable after they request it.

31G.6 The licensee must provide a copy of the Concise Guidance to each of its Domestic Customers annually.

Emergency and enquiry services

31G.7 The licensee must keep each of its Domestic Customers informed:

- (a) that an escape or a suspected escape of gas should be reported immediately; and

- (b) of a telephone number which should be used for that purpose.

Dispute settlement

31G.8 The licensee must provide to each of its Domestic Customers information concerning that Domestic Customer's rights as regards the means of dispute settlement available to that Domestic Customer in the event of a dispute with the licensee.

Other information to be sent at least annually

31G.9 The licensee must inform each of its Domestic Customers of their Meter Point Reference Number annually if the licensee has not sent a Bill or statement of account to them.

31G.10 The licensee must inform each of its Domestic Customers:

- (a) that Citizens Advice consumer service can assist in providing information and advice to Domestic Customers; and

- (b) how to contact Citizens Advice and Citizens Advice Scotland;

by providing that information annually if the licensee has not sent a Bill or statement of account to them.

Definitions

31G.11 For the purposes of this condition:

“Concise Guidance” means the concise guidance published by Citizens Advice or Citizens Advice Scotland under section 19A of the Consumers, Estate Agents and Redress Act 2007.

“Energy Consumer Guidance” means the energy consumer guidance published by Citizens Advice or Citizens Advice Scotland under section 19A of the Consumers, Estate Agents and Redress Act 2007.

“Relevant Party” means the licensee, their Representatives and the Relevant Gas Transporter (via the Relevant Gas Transporter's Enquiry Service).

“Vulnerable Situation” has the same meaning as in SLC 0.

Guidance

31G.12 The licensee must have regard to any guidance on SLC 31G (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

31G.13 The licensee is not required to comply with standard condition 31G to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 31H. Relevant Billing Information, Bills and statements of account

Provision of Relevant Billing Information, Bills and statements of account

31H.1 The licensee must ensure that each Domestic Customer is provided with Relevant Billing Information, and where relevant Bills or statements of account, in a Form and at a frequency that is sufficient to enable that Domestic Customer to understand and manage the costs associated with their Tariff and the gas they consume.

31H.2 In complying with paragraph 31H.1 the licensee must take into account:

- (a) that Domestic Customer's characteristics and current Tariff's features; and
- (b) where appropriate, that Domestic Customer's preferences.

31H.3 Bills and statements of account must either:

- (a) be provided in a Form that allows the Domestic Customer to easily retain a copy; or
- (b) be made easily available to the Domestic Customer for reference.

Information to be provided on Bills and statements of account

31H.4 The licensee must provide the following information in Writing on every Domestic Customer's Bill or statement of account:

- (a) that Domestic Customer's Meter Point Reference Number;
- (b) subject to paragraph 31H.6, a comparison of the Domestic Customer's gas consumption for the period covered by the Bill or statement of account, with the Domestic Customer's gas consumption for the corresponding period in the previous year (for the purposes of this condition, the "corresponding period");
- (c) a clearly visible, Optical Label containing each of the Relevant Data Items for Gas in such a manner that, when scanned with a Relevant Device (in conjunction with a separate software program or otherwise), the Relevant Data Items for Gas are loaded on to the Relevant Device in accordance with the Specified Sequence without any requirement for the Domestic Customer to input further information into the Device; where the Domestic Customer is supplied with electricity and gas under a Dual Fuel Account, the licensee may use a single Optical Label containing the Relevant Data Items for Gas and the Relevant Data Items for Electricity in accordance with the Specified Sequence; data items other than Relevant Data Items may be included in the Optical Label provided they do not interfere with the Specified Sequence or with the ability of a Relevant Device to scan, access or load any of the Relevant Data Items in accordance with this provision; and

- (d) an “About Your Tariff” Label.

31H.5 The licensee must inform each of its Domestic Customers:

- (a) that Citizens Advice consumer service can assist in providing information and advice to Domestic Customers; and
- (b) how to contact Citizens Advice and Citizens Advice Scotland,
by providing that information on or with each Bill or statement of account sent to each Domestic Customer in relation to Charges.

31H.6 The requirement in sub-paragraph 31H.4 (b) only applies if the licensee has been contracted to supply gas to the same Domestic Customer at the same Domestic Premises throughout the period:

- (a) commencing with the start of the corresponding period; and
- (b) ending with the end of the period to which the Bill or statement of account relates.

31H.7 The requirement in sub-paragraph 31H.4 (c) does not apply:

- (a) to licensees who supply gas to fewer than 50,000 Domestic Customers or such other number as may from time to time be directed by the Authority;
- (b) in respect of final Bills; or
- (c) in respect of Bills or statements of account that include Charges for the Supply of Gas corresponding to more than one Meter Point Reference Number.

31H.8 The licensee must make it clear on the Bill or statement of account whether any estimates of the Domestic Customer’s gas consumption have been used in producing the information.

Terms of Domestic Supply Contracts

31H.9 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of standard condition 31H.

31H.10 The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

- (a) any requirement of standard condition 31H which could reasonably be considered as:
 - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances;
 - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
 - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and

- (b) any provisions standard condition 31H specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

Other relevant requirements

31H.11 The licensee must also comply with any other requirements in the Gas Supply Licence that may apply to billing practices, including (but not limited to) standard conditions 21B and 21BA.

Definitions

31H.12 **“Relevant Billing Information”** means any information a Domestic Customer may need to understand and manage the costs associated with their Tariff and the gas they consume. This includes (either collectively or at differing frequencies, as appropriate to that Domestic Customer and the circumstance):

- (a) any charges, fees or payments to or from that Domestic Customer’s account, and what is owed to or by the licensee;
- (b) how any charges, fees or payments are calculated, ensuring that where a breakdown of the Domestic Customer’s price is presented in bills that breakdown corresponds with the three main components set out in the table contained in Annex 1 to Regulation (EU) 2016/1952 of 26 October 2016 on European statistics on natural gas and electricity process and repealing Directive 2008/92/EC;
- (c) when and how that Domestic Customer needs to make any payments or will have payments deducted, leaving reasonable time for that Domestic Customer to arrange payment before it falls due; and
- (d) if the Domestic Supply Contract or Deemed Contract provides for a future change of the product or price this must be indicated on the bill together with the date on which the change takes place.

Guidance

31H.13 The licensee must have regard to any guidance on SLC 31H (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

31H.14 The licensee is not required to comply with standard condition 31H to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 31I. Contract changes information (notifications of price increases, disadvantageous unilateral variations and end of fixed term contracts)

31I.1 The licensee must ensure that each Domestic Customer is provided with a Notice prior to the event of:

- (a) a Disadvantageous Unilateral Variation;
- (b) an increase in the Charge(s) for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge); and
- (c) the end of a Fixed Term Supply Contract.

31I.2 Notices under paragraph 31I.1 must:

- (a) be provided 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 proposed Change(s), leaving reasonable time for that Domestic Customer to avoid any Change(s) before they take effect; and
- (b) contain information which is sufficient to enable that Domestic Customer to understand:
 - (i) the Change(s), including the main reason(s) for the Change(s);
 - (ii) any potential implications (including any financial implications) of the Change(s) for that Domestic Customer if no action is taken;
 - (iii) when the Change(s) take effect; and
 - (iv) that Domestic Customer's rights and available options relevant to the Change(s).

31I.3 In complying with paragraphs 31I.1 and 31I.2 the licensee must take into account:

- (a) that Domestic Customer's characteristics; and
- (b) where appropriate, that Domestic Customer's preferences.

Notices in the event of Disadvantageous Unilateral Variations or increases in Charge(s) for the Supply of Gas

31I.4 The Notice referred to in paragraphs 31I.1(a) and (b) (a "Relevant Contract Change Notice"):

- (a) must inform the Domestic Customer that they may end the Domestic Supply Contract if the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral Variation is unacceptable to them by changing their Gas Supplier or entering into a new contract with their Gas Supplier;

- (b) 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; and
- (c) must display the Charges for the Supply of Gas or any other charges-inclusive of value added tax at the applicable rate.

31I.5 A Relevant Contract Change Notice:

- (a) must be provided to the Domestic Customer separately from any other document (including, but not limited to, a Bill, statement of account, or marketing material), with the exception of a Relevant Contract Change Notice for electricity, as defined in standard condition 1 of the Electricity Supply Licence; and
- (b) may be provided as a Combined Relevant Contract Change Notice where the Domestic Customer is subject to a Dual Fuel Account.

Domestic Statement of Renewal Terms

31I.6 The Notice referred to in paragraph 31I.1(c) (a “Domestic Statement of Renewal Terms”) must include:

- (a) a statement explaining that if the Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of the existing Fixed Term Supply Contract is due to end, the Domestic Customer will become subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable;
- (b) information about how and when the Domestic Customer may terminate their Fixed Term Supply Contract without being charged a Termination Fee and a statement explaining the effect of paragraphs 24.8 to 24.12 of standard condition 24;
- (c) changes to the Principal Terms including:
 - (i) the Domestic Customer’s current Principal Terms (or alternatively an explanation of how that Domestic Customer can access their current Principal Terms);
 - (ii) the Principal Terms that would apply if the Domestic Customer becomes subject to either the Relevant Cheapest Evergreen Tariff or a Relevant Fixed Term Default Tariff, as applicable, by virtue of paragraph 22C.7 of standard condition 22C; and
 - (iii) where a Notice is also being provided to the Domestic Customer pursuant to paragraph 22C.5(a) of standard condition 22C, the Principal Terms that would apply if the Domestic Customer agrees a further fixed term period for an existing Fixed Term Supply Contract; and

- (d) the new Estimated Annual Costs and Tariff Information Label with the new Principal Terms, as required by paragraph 31F.12.

31I.7 A Domestic Statement of Renewal Terms must be provided to the Domestic Customer separately from any other document (including, but not limited to, a Bill, statement of account, or marketing material).

Definitions

31I.8 For the purposes of this licence condition:

“the Change” means the events set out in paragraph 31I.1 – Disadvantageous Unilateral Variations, increases in Charge(s) for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge) and the end of a Fixed Term Supply Contract.

“Combined Relevant Contract Change Notice” is a Notice that meets the requirements of a Relevant Contract Change Notice for both gas and electricity in a single document.

Guidance

31I.9 The licensee must have regard to any guidance on standard condition 31I (including in respect of definitions which appear in standard condition 1) which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

Exception to compliance with condition

31I.10 The licensee is not required to comply with standard condition 31I to such extent and subject to such conditions as the Authority may from time to time direct.

Condition 32. Reporting on performance

- 32.1 The licensee must provide the Authority and Citizens Advice and Citizens Advice Scotland with information specified by the Authority relating to matters that it reasonably considers are relevant to the licensee's dealings with its Domestic Customers.
- 32.2 The information referred to in paragraph 32.1 may, in particular, include information about:
- (a) the number of the licensee's Domestic Customers using each method of payment for Charges for the Supply of Gas;
 - (b) failures by the licensee's Domestic Customers to pay Charges for the Supply of Gas by the date on which the payment was due;
 - (c) Disconnections carried out by the licensee;
 - (d) the provision by the licensee of gas safety checks and energy efficiency information; and
 - (e) the services offered by the licensee to Domestic Customers on its Priority Services Register and the number of Domestic Customers who are listed on that register.
- 32.3 The information provided by the licensee under paragraph 32.1 must be in the form of a statistical record having such content and being presented in such a format and at such intervals of time as the Authority may from time to time direct following consultation with the licensee and Citizens Advice and Citizens Advice Scotland.

Condition 32A. Power to direct suppliers to test consumer engagement measures

Power of direction

- 32A.1 For any purposes connected with the Authority's consideration of measures or behaviours which may impact on consumer engagement ('consumer engagement measures'), the licensee must comply with a direction issued by the Authority in respect of Relevant Matters for Standard Condition 32A.
- 32A.2 The licensee is not required to comply with a direction issued pursuant to 32A.1 unless the Authority has given the licensee at least 1 month's prior Notice.
- 32A.3 A direction issued under paragraph 32A.1 may include a requirement to comply with any instructions from the Authority or a third party agent appointed by the Authority for the purposes of conducting any test of consumer engagement measures.

Provision of information

- 32A.4 The licensee must provide the Authority (or such other person as specified by the Authority) with information specified by the Authority in relation to matters that it reasonably considers are relevant to:
- (a) the Authority's consideration of whether to issue a direction pursuant to paragraph 32A.1; and/or
 - (b) the licensee's compliance with any direction issued pursuant to paragraph 32A.1.
- 32A.5 The Authority may direct the licensee to comply with paragraph 32A.4 by providing to the Authority (or such other person as specified by the Authority) information:
- (a) in a particular form or medium by a particular date;
 - (b) in a particular form or medium at such reoccurring intervals of time as the Authority considers appropriate; and
 - (c) of any description specified by the Authority, including any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Authority.
- 32A.6 The licensee is not required to comply with paragraph 32A.4 if it could not be compelled to produce or give the information in evidence in civil proceedings before a court.

Compliance with this condition

- 32A.7 The licensee is not required to comply with paragraph 32A.1 until the Authority has published criteria for the selection of one or more licensees to conduct testing (including through Randomised Controlled Trials) of any consumer engagement measures.

Definitions for condition

- 32A.8 For the purposes of this condition:

‘Relevant Matters for Standard Condition 32A’ means any or all of the following:

- (a) a requirement to test or evaluate (including through a Randomised Controlled Trial, where the Authority considers it appropriate) any consumer engagement measures in a manner and time frame prescribed by the Authority (including on the basis of the Authority’s Specification for Testing), and to provide information to Domestic Customers in a manner and time frame specified by the Authority;
- (b) where appropriate, a requirement to submit an implementation plan to the Authority for approval;
- (c) a requirement not to comply with any licence conditions which are relevant to the subject matter of this condition to such extent and subject to such conditions as the Authority may direct; and
- (d) a requirement to provide the Authority (or such other person as specified by the Authority) with information relating to the results (and the underlying data) of the testing of any consumer engagement measures in the manner and time frame specified by the Authority.

‘Randomised Controlled Trial’ means a form of consumer research (which is statistically robust for measuring behavioural impact) for Domestic Customers which is for the purposes of testing one or more consumer engagement measures relevant to the subject matter of this licence condition and includes two or more randomly assigned customer groups from the pool of eligible participants (which may be determined and specified by the Authority) in circumstances where:

- (a) at least one of those groups are not subject to the consumer engagement measure; and
- (b) all of the customer groups are comparable (including on the basis of the randomised selection) but for the consumer engagement measure(s).

‘Authority’s Specification for Testing’ includes detail on some or all of the following:

Design

- the objective(s) of the testing;
- the details of the consumer engagement measure(s) (and any variants) to be tested;
- the testing methodology (including, but not limited to, the approach to randomisation and maximising the equivalence of groups and the proposed sample size);
- the testing of outcomes and how they will be measured;
- the proposed timetable;
- any planned piloting activity; and/or
- any supplementary research or follow up analysis to gain a better understanding of the behavioural impact.

Implementation

- the identification of third parties who will be involved in delivering the proposed specification for testing and clarity around roles and responsibilities;
- the details of any proposed supplier-initiated activity that might have an impact on the testing;
- proposed approach for monitoring (including possible arrangements for independent moderation) and quality assurance; and/or
- the approach to dealing with ethics and consumer protection issues, including how any possible consumer detriment will be identified, monitored and addressed should any issue be identified.

Analysis and evaluation of the results

- criteria and approach to evaluate and analyse the results of the testing; and/or
- data to be shared, consideration of format, precise content, file types and data security.

Duration of condition

32A.9 Paragraphs 32A.1 to 32A.8 will cease to have effect at 24:00 on 31 December 2022 unless, following consultation, the Authority specifies a later date by publishing a statement in Writing.

32A.10 The power to specify a later date in paragraph 32A.9 may be exercised by the Authority on more than one occasion (before, on, or after the expiry of any later date specified by the Authority).

SECTION C: STANDARD CONDITIONS FOR ALL SUPPLIERS

Condition 33. Smart Metering System – Roll-out, Installation and Maintenance

PART A - ROLL-OUT DUTY AND EXCEPTIONS TO THE DUTY

The roll-out duty

- 33.1 The licensee must take all reasonable steps to ensure that a Relevant Smart Metering System is installed on or before the ARS Specified Date at each Domestic Premises or Designated Premises in respect of which it is the Relevant Gas Supplier.
- 33.2 The requirement in paragraph 33.1 is subject to paragraphs 33.3, 33.4, 33.5 and 33.6.

Exception for Domestic and Designated Premises – Large Gas Meters

- 33.3 The requirement in paragraph 33.1 does not apply in respect of any Domestic Premises or Designated Premises at which either:
- a) the existing Gas Meter is a Large Gas Meter; or
 - b) any New Gas Meter or Replacement Gas Meter installed or arranged to be installed by the licensee is a Large Gas Meter,

and where in either case:

- c) that Large Gas Meter meets any requirements which apply to it by virtue of paragraph 12.27 or 12.29 of standard condition 12 (Matters relating to Gas Meters).

Exception for Designated Premises - Advanced Meter Arrangements

- 33.4 The requirement in paragraph 33.1 does not apply in respect of any Designated Premises:
- a) where:
 - (i) the licensee or any other person has, prior to the Relevant Date, made arrangements for an Advanced Meter to be installed at that Designated Premises; and
 - (ii) the obligation under those arrangements to install an Advanced Meter is to be satisfied by a date which is also prior to the Relevant Date; and
 - (b) where either:
 - (i) the Relevant Date has not yet occurred; or
 - (ii) the Relevant Date has occurred and the Gas Meter installed at the Designated Premises is an Advanced Meter that was installed prior to that date.

Exception for Designated Premises - Advanced Meter Contract

33.5 The requirement in paragraph 33.1 does not apply in respect of any Designated Premises:

- a) where:
 - (i) the licensee or any other person has, prior to 6 April 2016, entered into a contract with the Customer at the Designated Premises to install or arrange the installation of an Advanced Meter at that Designated Premises; and
 - (ii) the obligation under that contract is for the Advanced Meter to be installed on or before the ARS Specified Date; and
- b) where either:
 - (i) the the date which falls immediately after the ARS Specified Date not yet occurred; or
 - (ii) the date which falls immediately after the ARS Specified Date has occurred and the Gas Meter installed at the Designated Premises is the Advanced Meter that was first installed, pursuant to the contract, on or before the ARS Specified Date.

Exception for Designated Premises –Non-Domestic, Non-Micro Business Consumers

33.6 The requirement in paragraph 33.1 does not apply in respect of any Designated Premises:

- (a) that are Designated Premises of a Non-MB Consumer; and
- (b) where:
 - (i) the licensee or any other person has either made arrangements for an Advanced Meter to be installed at the Designated Premises or entered into a contract with the Non-MB Consumer to install or arrange the installation of an Advanced Meter at the Designated Premises;
 - (ii) the licensee has communicated, in plain and intelligible language, the Relevant Information to the Non-MB Consumer; and
 - (iii) the Non-MB Consumer has chosen not to have a Smart Metering System installed at the Designated Premises.

Part B - DUTY IN RELATION TO REPLACEMENT METERS AND NEW CONNECTIONS AND Exceptions from the Duty

The duty in relation to replacement meters and new connections

- 33.7 The licensee must take all reasonable steps to ensure that at each Domestic Premises or Designated Premises in respect of which:
- (a) it is the Relevant Gas Supplier, any Replacement Gas Meter which is installed or is arranged to be installed forms part of a Relevant Smart Metering System;
 - (b) it is to be the first Relevant Gas Supplier, any New Gas Meter which is installed or is arranged to be installed forms part of a Relevant Smart Metering System.
- 33.8 The requirement in paragraph paragraph 33.7 is subject to paragraphs 33.10, 33.11, 33.12 and 33.13.
- 33.9 The requirement in paragraph paragraph 33.7 and paragraphs 33.10, 33.11, 33.12 and 33.13 apply only with effect from any date specified by the Secretary of State in a direction issued to the licensee in accordance with this paragraph.

Exception for Domestic and Designated Premises – Large Gas Meters

- 33.10 The requirement in paragraph 33.7 does not apply in respect of any Domestic Premises or Designated Premises at which either:
- a) the existing Gas Meter is a Large Gas Meter; or
 - b) any New Gas Meter or Replacement Gas Meter installed or arranged to be installed by the licensee is a Large Gas Meter,

and where in either case:

- c) that Large Gas Meter meets any requirements which apply to it by virtue of paragraph 12.27 or 12.29 of standard condition 12 (Matters relating to Gas Meters).

Exception for Designated Premises - Advanced Meter Arrangements

- 33.11 The requirement in paragraph 33.7 does not apply in respect of any Designated Premises where:
- a) the licensee or any other person has, prior to Relevant Date, made arrangements for an Advanced Meter to be installed at that Designated Premises;
 - b) the obligation under those arrangements to install an Advanced Meter is to be satisfied by a date which is also prior to the Relevant Date; and
 - c) the Relevant Date has not yet occurred.

Exception for Designated Premises – Advanced Meter Contract

- 33.12 The requirement in paragraph 33.7 does not apply in respect of any Designated Premises:
- a) where:
 - (i) the licensee or any other person has, prior to 6 April 2016, entered into a contract with the Customer at the Designated Premises to install or

- arrange the installation of an Advanced Meter at that Designated Premises; and
- (ii) the obligation under that contract is for the Advanced Meter to be installed on or before the ARS Specified Date; and
- (b) where both:
 - (i) the Advanced Meter has not yet been installed at the Designated Premises pursuant to the contract; and
 - (ii) the date which falls immediately after the ARS Specified Date has not yet occurred.

Exception for Designated Premises – Non-Domestic, Non-Micro Business Consumers

33.13 The requirement in paragraph 33.7 does not apply in respect of any Designated Premises:

- (a) that are Designated Premises of a Non-MB Consumer; and
- (b) where:
 - (i) the licensee or any other person has either made arrangements for an Advanced Meter to be installed at the Designated Premises or entered into a contract with the Non-MB Consumer to install or arrange the installation of an Advanced Meter at the Designated Premises;
 - (ii) the licensee has communicated, in plain and intelligible language, the Relevant Information to the Non-MB Consumer;
 - (iii) the Non-MB Consumer has chosen not to have, or where there is installed at the Designated Premises a Smart Metering System has chosen not to continue to have, a Smart Metering System installed at the Designated Premises; and
 - (iv) the Replacement Gas Meter or New Gas Meter installed or arranged to be installed at the Designated Premises is an Advanced Meter.

PART C – DUTIES AFTER INSTALLATION AND DEFINITIONS

The duties after installation maintenance and replacement of Smart Metering Systems

33.14 Paragraphs 33.15 to 33.20 apply to the licensee in respect of each Domestic Premises and Designated Premises at which:

- a) it is the Relevant Gas Supplier; and
- b) there is installed a Smart Metering System,
(the relevant premises).

Maintenance of Smart Metering Systems

- 33.15 Where this paragraph applies, the licensee must take all reasonable steps to ensure that the Smart Metering System at the relevant premises is maintained so that at all times it satisfies the requirements of a Version of the GSME Technical Specification which is:
- a) within its Maintenance Validity Period;
 - b) the same Version in respect of all devices (but excluding for this purpose a Communications Hub) comprised within that Smart Metering System;
 - c) where the Smart Metering System at the premises includes a Communications Hub, Compatible with the Version of the CH Technical Specification in accordance with which that Communications Hub is maintained by the DCC;
 - d) where there is installed at the relevant premises a PPMID, Compatible with the Version of the PPMID Technical Specification in accordance with which that PPMID is maintained by the licensee; and
 - e) where there is provided at the relevant premises an IHD, Compatible with the Version of the IHD Technical Specification in accordance with which that IHD is maintained by the licensee during the period which it is required to be maintained.
- 33.16 The requirement in paragraph 33.15 is subject to paragraphs 33.17, 33.19 and 33.20.
- 33.17 Where on any given date a Smart Metering System is maintained by the licensee such that it satisfies the requirements in the of a particular Version of the GSME Technical Specification, the licensee must take all reasonable steps to ensure that the Smart Metering System is not subsequently maintained by the licensee so as to satisfy the requirements of an earlier Version (as indicated by a lower Principal Version number and/or a lower Sub-Version number) of the GSME Technical Specification notwithstanding that any such earlier Version may otherwise meet the requirements of paragraph 33.15.

Replacement of Smart Metering Systems

- 33.18 Paragraph 33.19 applies where:
- a) paragraph 33.15 applies to the licensee in respect of a Smart Metering System at relevant premises;
 - b) the licensee removes or arranges to remove that Smart Metering System from the relevant premises in its entirety; and
 - c) the licensee installs or arranges to be installed at the relevant premises, by way of replacement (whether in accordance with the requirement of paragraph 33.7(a) or otherwise), a new Smart Metering System.

33.19 Where this paragraph applies the licensee must ensure that any Smart Metering System that is installed or arranged to be installed by it at the relevant premises, by way of replacement, satisfies the requirements of a Version of the GSME Technical Specification which is:

- a) the same Version in respect of all devices (but excluding for this purpose a Communications Hub) comprised in the Smart Metering System; and
- b) compliant with paragraph 33.20.

33.20 A Version of the GSME Technical Specification is compliant with this paragraph where it is not earlier than the latest Version in accordance with which the licensee was required to maintain the Smart Metering System previously installed at the relevant premises by virtue of paragraph 33.17 (and, for these purposes, an earlier Version of the GSME Technical Specification is indicated by a lower Principal Version and/or Sub-Version number, and a later Version by a higher Principal Version and/or Sub-Version number).

Exception

33.21 The requirement in paragraph 33.15 does not apply in respect of any part of a Smart Metering System which consists of a Communications Hub.

33.22 For the purposes of Part A and Part B of this condition:

**Relevant Smart
Metering System**

means, in respect of any Domestic Premises or Designated Premises a system installed at such premises for the purposes of the supply of gas to those premises which on the Installation Date:

- (a) consists of an Gas Meter and any associated or ancillary devices identified in a Version of the GSME Technical Specification which is:
 - (i) within its Installation Validity Period; and
 - (ii) the same Version in respect of all such devices;
- (b) as a minimum, has the functional capability specified by and complies with the other requirements of that Version of the GSME Technical Specification; and
- (c) where the premises is a Domestic Premises, except where that Version of the GSME Technical Specification has a Principal Version number of 1, includes a Relevant Communications Hub.

33.23 For the purposes of this condition:

Advanced Meter	means a Gas Meter which satisfies the definition of 'advanced meter' in paragraph 12.22 of standard condition 12 (Matters relating to Gas Meters) but which does not form part of a Smart Metering System.
Domestic Energy Premises	means premises which (with respect to the supply of gas) are Domestic Premises, or (with respect to the supply of electricity) satisfy the definition of 'Domestic Premises' at standard condition 6 of the Electricity Supply Licence.
Energy Supplier	means the holder of an Electricity Supply Licence and/or a Gas Supply Licence.
Large Energy Supplier	means an Energy Supplier which is not a Small Energy Supplier.
Micro Business Energy Consumer	means a consumer of gas or electricity (or both) that is a Micro Business Consumer in accordance with: <ul style="list-style-type: none"> (a) the meaning given to the term Micro Business Consumer in standard condition 7A (Supply to Micro Business Consumers); or (b) the meaning given to the term Micro Business Consumer in standard condition 7A of the Electricity Supply Licence.
New Gas Meter	means the Gas Meter that is the first Gas Meter to be installed or arranged to be installed at the relevant premises.
Non-MB Consumer	means a Non-Domestic Customer that is not a Micro Business Energy Consumer.
Relevant Date	means: <ul style="list-style-type: none"> (a) where the licensee is a Large Energy Supplier, 28 April 2017; and (b) where the licensee is a Small Energy Supplier, 17 August 2017, or (in either case) such later date as the Secretary of State may direct.
Relevant Information	means information, which shall be accurate, comprehensive and not misleading, on the factors the Non-MB Consumer should reasonably take into account in deciding whether to have an Advanced Meter or a

	Smart Metering System installed at the Designated Premises.
Replacement Gas Meter	means a Gas Meter that replaces a Gas Meter previously installed at the relevant premises.
Small Energy Supplier	means an Energy Supplier which supplied (whether with electricity, or gas, or both) fewer than 250,000 (two hundred and fifty thousand) Domestic Energy Premises on 15 February 2015.

Condition 33A: Qualifying Metering Systems – Post-2020 Roll-out and Installation

The Post-2020 Roll-out Duty

- 33A.1 Paragraph 33A.2 applies in respect of a Rollout Year where the Secretary of State has, in accordance with paragraph 33A.7 (a) or (b), specified the value, or the methodology for calculating the value, of T_y , $DOMT_3$, $DEST_3$, $DOMT_4$ or $DEST_4$ (as the case may be) for that Rollout Year.
- 33A.2 Where this paragraph applies in respect of a Rollout year, the licensee must ensure that, the number of Qualifying Metering Systems that are installed in:
- (a) Qualifying Relevant Premises in:
 - (i) the First Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(a);
 - (ii) the Second Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(b);
 - (b) Qualifying Relevant Domestic Premises in:
 - (i) the Third Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(c);
 - (ii) the Fourth Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(e);
 - (c) Qualifying Relevant Designated Premises in:
 - (i) the Third Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(d);
 - (ii) in the Fourth Rollout Year is greater than or equal to the target number determined for that Rollout Year in accordance with paragraph 33A.5(f).

Qualifying Metering Systems

- 33A.3 For the purposes of this condition, a **Qualifying Metering System** means any of the following:
- (a) in respect of any Rollout Year, a Smart Metering System;a Smart Metering System;
 - (b) in respect of only the First Rollout Year and the Second Rollout Year, an Advanced Meter installed in the Designated Premises of a Non-MB Consumer in accordance with the requirements of paragraph 33.13(b) of

standard condition 33 (Smart Metering System - Roll-out, Installation and Maintenance);

- (c) in respect of only the Third Rollout Year and the Fourth Rollout Year, an Advanced Meter installed in a Designated Premises in accordance with any of the requirements of standard condition 33 (Smart Metering System - Roll-out, Installation and Maintenance);
- (d) in respect of any Rollout Year, a Large Gas Meter, installed in either Designated Premises or Domestic Premises, that is an Advanced Meter.

Qualifying Relevant Premises , Qualifying Relevant Domestic Premises and Qualifying Relevant Designated Premises

33A.4 For the purposes of this condition, **Qualifying Relevant Premises** means;

- (a) a Domestic Premises in respect of which the licensee is the Relevant Gas Supplier and at which there is installed neither:
 - (i) a Smart Metering System; nor
 - (ii) an Advanced Meter installed in accordance with the requirements of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance);

(and for the purposes of this condition any such Domestic Premises is a **Qualifying Relevant Domestic Premises**), and
- (b) a Designated Premises in respect of which the licensee is the Relevant Gas Supplier and at which there is installed neither:
 - (i) a Smart Metering System; nor
 - (ii) an Advanced Meter installed in accordance with the requirements of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance),

(and for the purposes of this condition any such Designated Premises is a **Qualifying Relevant Designated Premises**).

The Target

33A.5 For the purposes of this condition:

- (a) the target number referred to in paragraph 33A.2(a)(i) shall in relation to the First Rollout Year be calculated in accordance with the following formula:

$$N_y = \left(\frac{1}{a_y} RSMS_y \right) - T_y$$

where:

- N_y means the target number for the First Rollout Year;
- a_y means a number which is used to calculate a proportion, and shall be equal for First Rollout Year to the number specified for that Rollout Year in the table at paragraph 33A.6;
- $RSMS_y$ means, in relation to the First Rollout Year, the number of Qualifying Relevant Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of that Rollout Year;
- T_y means a number representing a tolerance level, which shall have the value that is determined in accordance with paragraph 33A.7(a); and
- y means the First Rollout Year;
- (b) the target number referred to in paragraph 33A.2(a)(ii) shall in relation to the Second Rollout Year be the lower of the numbers resulting from the calculation of the following formulas:

(i) $N_y = \left(\frac{1}{3} \left(TMS_y - (S_1 + NQ_1) \right) \right) - T_y$; and

(ii) $N_y = \left(\frac{1}{3} RSMS_y \right) - T_y$

where:

- N_y means the target number for the Second Rollout Year (but where when calculated in accordance with either of the above formulas N_y would be a negative number, it shall be deemed to be zero for the purposes of this condition);
- $RSMS_y$ means the number of Qualifying Relevant Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of the Second Rollout Year;
- TMS_y means the number of Domestic Premises and Designated Premises in respect of which the licensee is the Relevant Gas Supplier at the start date of the Second Rollout Year,
- S_1 means:
- (i) the number of Domestic Premises and Designated Premises in respect of which the licensee was the Relevant Gas Supplier on, and at which a Qualifying Metering System was installed by, the date which immediately precedes the start date of the First Rollout Year; plus

(ii) where applicable, the number of Last Resort Supply Premises;

NQ₁ means the number of Qualifying Relevant Premises at which the licensee installed a Qualifying Metering System during the First Rollout Year;

T_y means a number representing a tolerance level for the Second Rollout Year, which shall have the value that is determined in accordance with paragraph 33A.7(a),

y means the Second Rollout Year,

save that with regard to the terms S₁ and NQ₁ the number of Domestic Premises and Designated Premises in respect of which the licensee ceased to be the Relevant Gas Supplier during the First Rollout Year by virtue of a Supplier-Led Transfer shall not be counted for the purposes of the calculation.

(c) the target number referred to in paragraph 33A.2(b)(i) shall in relation to the Third Rollout Year be calculated in accordance with the following formula:

$$N_3 = \left(\frac{1}{2} DOMRSMS_3 \right) - DOMT_3$$

where:

N₃ means the target number for the Third Rollout Year for Qualifying Relevant Domestic Premises (but where when calculated in accordance with the above formula N₃ would be a negative number, it shall be deemed to be zero for the purposes of this condition);

DOMRSMS₃ means the number of Qualifying Relevant Domestic Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of the Third Rollout Year; and

DOMT₃ means a number representing a tolerance level for the Third Rollout Year which shall have the value that is determined in accordance with paragraph 33A.7(b);

(d) the target number referred to in paragraph 33A.2(c)(i) shall in relation to the Third Rollout Year be the lower of the numbers resulting from the calculation of the following formulas:

$$(i) N_3 = \left(\frac{1}{2} (DESTMS_3 - (DESS_2 + DESNQ_2)) \right) - DEST_3; \text{ and}$$

$$(ii) N_3 = \left(\frac{1}{2} DESRSMS_3 \right) - DEST_3$$

where:

- N_3 means the target number for the Third Rollout Year for Qualifying Relevant Designated Premises (but where when calculated in accordance with either of the above formulas N_3 would be a negative number, it shall be deemed to be zero for the purposes of this condition);
- $DESRMS_3$ means the number of Qualifying Relevant Designated Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of the Third Rollout Year;
- $DESTMS_3$ means the number of Designated Premises in respect of which the licensee is the Relevant Gas Supplier at the start date of the Third Rollout Year,
- $DESS_2$ means:
- (i) the number of Designated Premises in respect of which the licensee was the Relevant Gas Supplier on, and at which a Qualifying Metering System was installed by, the date which immediately precedes the start date of the Second Rollout Year; plus
 - (ii) where applicable, the number of Last Resort Supply Premises;
- $DESNQ_2$ means the number of Qualifying Relevant Designated Premises at which the licensee installed a Qualifying Metering System during the Second Rollout Year; and
- $DEST_3$ means a number representing a tolerance level for the Third Rollout Year which shall have the value that is determined in accordance with paragraph 33A.7(b),

save that with regard to the terms $DESS_2$ and $DESNQ_2$:

- (i) the number of Designated Premises in respect of which the licensee ceased to be the Relevant Gas Supplier during the Second Rollout Year by virtue of a Supplier-Led Transfer; and
 - (ii) the number of Designated Premises which during the Second Rollout Year were reclassified as Domestic Premises and in respect of which the licensee continued to be the Relevant Gas Supplier for the remainder of the Second Rollout Year;
- shall not be counted for the purposes of the calculation;
- (e) the target number referred to in paragraphs 33A.2(b)(ii) shall in relation to the Fourth Rollout Year be calculated in accordance with the following formula:

$$N_4 = \text{DOMRMS}_4 - \text{DOMT}_4$$

where:

- N_4 means the target number for the Fourth Rollout Year for Qualifying Relevant Domestic Premises (but where when calculated in accordance with the above formula N_4 would be a negative number, it shall be deemed to be zero for the purposes of this condition);
- $DOMRSMS_4$ means the number of Qualifying Relevant Domestic Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of the Fourth Rollout Year; and
- $DOMT_4$ means a number representing a tolerance level for the Fourth Rollout Year which shall have the value that is determined in accordance with paragraph 33A.7(b); and

- (f) the target number referred to in paragraph 33A.2(c)(ii) shall in relation to the Fourth Rollout Year be calculated in accordance with the following formula:

$$N_4 = DESRSMS_4 - DEST_4$$

where:

- N_4 means the target number for the Fourth Rollout Year for Qualifying Relevant Designated Premises (but where when calculated in accordance with the above formula N_4 would be a negative number, it shall be deemed to be zero for the purposes of this condition);
- $DESRSMS_4$ means the number of Qualifying Relevant Designated Premises at which a Qualifying Metering System had not been installed by the date which immediately precedes the start date of the Fourth Rollout Year; and
- $DEST_4$ means a number representing a tolerance level for the Fourth Rollout Year which shall have the value that is determined in accordance with paragraph 33A.7(b).

33A.5A For the purposes of assessing the attainment by the Licensee of the target number for the Third Rollout Year and the Fourth Rollout Year, the installation by the Licensee at a Gas Only Premises of a Qualifying Metering System which is a SMETS2+ Smart Metering System shall be counted as having a number value of Z, where Z is:

- (a) 1.5; or
- (b) such other number (equal to or greater than 1) as may be specified in or calculated in accordance with a document issued by the Secretary of State for the purposes of changing the value of Z as specified in sub-paragraph (a), as revised from time to time by the Secretary of State following consultation with all holders of Gas Supply Licences and such other persons as the Secretary of State considers appropriate.

33A.6 For the purposes of paragraph 33A.5 (a), in the First Rollout Year, the value of a_y shall be that which is set out in respect of that Rollout Year in the table immediately below:

Rollout Year	Value of a_y
First Rollout Year	4
Second Rollout Year	N/A
Third Rollout Year	N/A
Fourth Rollout Year	N/A

33A.7 For the purposes of

- (a) paragraphs 33A.5(a) and (b) the value of T_y , for the Rollout Year in respect of which each such paragraph applies, shall be equal to the value (for that term) which is specified in, or calculated in accordance with a methodology specified in, a document published and issued by the Secretary of State for the purposes of this Condition 33A, following consultation with all holders of Gas Supply Licences and Electricity Supply Licences and such other persons as the Secretary of State considers appropriate;
- (b) paragraphs 33A.5(c), (d), (e) and (f) the value of $DOMT_3$, $DEST_3$, $DOMT_4$ and $DEST_4$ (as the case may be for the Rollout Year in respect of which each such paragraph applies), shall be equal to the value (for that term) which is specified in, or calculated in accordance with a methodology specified in, any one or more document published and issued by the Secretary of State for the purposes of this Condition 33A, following consultation (which may be undertaken prior to or after the date on which this paragraph comes into force) with all holders of Gas Supply Licences and Electricity Supply Licences and such other persons as the Secretary of State considers appropriate.

33A.8 The provisions of:

- (a) paragraph 33A.7(a) may be relied upon by the Secretary of State on more than one occasion by means of any document which, from time to time, expressly replaces the previous value that is specified for, or previous methodology for calculating, T_y in accordance with that paragraph;
- (b) paragraph 33A.7(b) may be relied upon by the Secretary of State on more than one occasion by means of any one or more document which, from time to time, expressly replaces the previous value that is specified for, or previous methodology for calculating (as the case may be) $DOMT_3$, $DEST_3$, $DOMT_4$, and $DEST_4$ in accordance with that paragraph.

Definitions

33A.9 For the purposes of this condition:

Advanced Meter	has the meaning given to it in standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).
Electricity SMETS2+ Smart Metering System	means a Smart Metering System that meets the requirements of a Version of the ESME Technical Specification with a Principal Version number that is greater than 1.
ESME Technical Specification	has the meaning given to 'Electricity Smart Metering Equipment Technical Specification (or ESMETS)' in the Smart Energy Code.
First Rollout Year	means the twelve month period beginning on the date immediately following the ARS Specified Date.
Fourth Rollout Year	means the twelve month period beginning on the date immediately following the last date of the Third Rollout Year.
Gas Only Premises	means a Qualifying Relevant Premises at which: <ul style="list-style-type: none"> (a) neither the Licensee nor an Affiliate is the Relevant Electricity Supplier; and (b) there is not installed an Electricity SMETS2+ Smart Metering System.
Last Resort Supply Premises	means: <ul style="list-style-type: none"> (a) for the purposes of paragraph 33A.5(b) any Domestic Premises or Designated Premises at which: <ul style="list-style-type: none"> i. the licensee became the Relevant Gas Supplier during the First Rollout Year by virtue of a Last Resort Supply Direction issued by the Authority to the licensee pursuant to standard condition 8 (Obligations under Last Resort Supply Direction); and ii. there was installed a Qualifying Metering System by the date immediately prior to the date on which the Last Resort Supply Direction had effect; and (b) for the purposes of paragraph 33A.5(d), any Designated Premises at which: <ul style="list-style-type: none"> i. the licensee became the Relevant Gas Supplier during the Second Rollout Year by virtue of a Last Resort Supply

	Direction issued by the Authority to the licensee pursuant to standard condition 8 (Obligations under Last Resort Supply Direction); and
	ii. there was installed a Qualifying Metering System by the date immediately prior to the date on which the Last Resort Supply Direction had effect.
Non-MB Consumer	has the meaning given to that expression in standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).
Qualifying Metering System	has the meaning given to that expression in paragraph 33A.3.
Qualifying Relevant Designated Premises	has the meaning given to that expression in paragraph 33A.4(b).
Qualifying Relevant Domestic Premises	has the meaning given to that expression in paragraph 33A.4(a).
Qualifying Relevant Premises	has the meaning given to that expression in paragraph 33A.4.
Relevant Electricity Supplier	in relation to any premises, means the Electricity Supplier that is supplying electricity to the premises
Rollout Year	means each of the following: <ul style="list-style-type: none"> (a) First Rollout Year; (b) Second Rollout Year; (c) Third Rollout Year; and (d) Fourth Rollout Year.
Second Rollout Year	means the twelve month period beginning on the date immediately following the last date of the First Rollout Year.
Supplier-led Transfer	means, in relation to the supply of gas to a Domestic Premises or a Designated Premises, the transfer of responsibility for that supply from the licensee to an Affiliate Gas Licensee where the transfer was not initiated by or at the request of the Customer at the premises.
Third Rollout Year	means the twelve month period beginning on the date immediately following the last date of the Second Rollout Year.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 34. Provision of an In-Home Display

The general duty

- 34.1 The licensee must, where it installs or arranges for the installation of a Smart Metering System at any Domestic Premises on or after the Smart Metering Designated Date, ensure that it:
- (a) provides to the Domestic Customer at the premises complete and accurate information, which does not mislead the Domestic Customer, concerning the availability and benefits of an In-Home Display;
 - (b) communicates that information in plain and intelligible language;
 - (c) offers the Domestic Customer the opportunity to have an In-Home Display provided at the Domestic Premises on or after the HAN Date;
 - (d) where the Domestic Customer accepts the offer, provides at the premises on or as soon as reasonably practicable after the HAN date, an In-Home Display; and
 - (e) where it provides an In-Home Display pursuant to sub-paragraph (d), provides an In-Home Display that is of a type that is capable of being connected, through the HAN to the Smart Metering System at the premises, at the Specified Frequency Band, unless it would be technically impracticable for an In-Home Display provided at the premises to be so connected (and for the purposes of this sub-paragraph (e) it shall be considered to be technically impracticable for an In-Home Display provided at the premises to be so connected where any such connection cannot be made without the installation of additional equipment or the relocation of any part of the Smart Metering System at the premises).
- 34.2 The requirement in paragraph 34.1 is subject to paragraph 34.5 and 34.9(a).

Duty in relation to the Offer of an In-Home Display

- 34.3 This paragraph has effect from 1 July 2016 and applies where:
- (a) pursuant to its obligation in paragraph 34.1, the licensee offers the Domestic Customer the opportunity to have an In-Home Display provided at the Domestic Premises; and
 - (b) prior to the Domestic Customer accepting or rejecting the opportunity to have an In-Home Display provided, the licensee also offers the Domestic Customer the opportunity to have provided to him an alternative to an In-Home Display.
- 34.4 Where paragraph 34.3 applies the licensee must:
- (a) not make it a condition of the offer referred to in paragraph 34.3(b) that in order to accept it the Domestic Customer must reject, or may not accept, the Licensee's offer, made pursuant to paragraph 34.1(c); and
 - (b) ensure that the licensee's offer to provide an alternative to an In-Home Display does not in any way detract from, or otherwise undermine, the licensee's offer, made in accordance with and pursuant to paragraph 34.1(c).

Exception to the general duty - Existing In-Home Display

- 34.5 The licensee is not required to comply with paragraph 34.1 if a device has been provided by any person at the Domestic Premises which on the date on which the Smart Metering System is installed at the Domestic Premises constitutes an In-Home Display.

The duty on request of Domestic Customers

- 34.6 Where paragraph 34.7 applies, the licensee:

- (a) must take all reasonable steps to provide at Domestic Premises in respect of which it is the Relevant Gas Supplier, an In-Home Display; and
- (b) where it provides an In-Home Display pursuant to sub-paragraph (a), ensure that the In-Home Display it provides is of a type that is capable of being connected, through the HAN to the Smart Metering System at the premises, at the Specified Frequency Band, unless it would be technically impracticable for an In-Home Display provided at the premises to be so connected (and for the purposes of this sub-paragraph (b) it shall be considered to be technically impracticable for an In-Home Display provided at the premises to be so connected where any such connection cannot be made without the installation of additional equipment or the relocation of any part of the Smart Metering System at the premises).

- 34.7 This paragraph applies where:

- (a) the Domestic Customer at premises in respect of which the licensee is the Relevant Gas Supplier makes a request for the licensee to provide an In-Home Display within the Relevant Period; and
- (b) prior to that request an In-Home Display has not been provided at the premises

- 34.8 The requirement in paragraph 34.6 is subject to paragraphs 34.6 and 34.9(a) and 34.17.

Exception to the general duty and the duty on request- Derogation from the Secretary of State

- 34.9 Where the Secretary of State gives a direction to the licensee under paragraph 34.10, the licensee:

- (a) is not required to comply with paragraphs 34.1 and 34.6 to such extent and subject to such conditions as specified in the direction; and
- (b) must submit to the Secretary of State the evidence specified in the direction by the Relevant Date.

- 34.10 The Secretary of State may give a direction to the licensee under this paragraph where the licensee submits, on or before 30 September 2016, an application to the Secretary of State for a derogation from the requirements in paragraphs 34.1 and 34.6.

- 34.11 Paragraph 34.12 applies where:

- (a) the licensee is notified of a Proposed Supplier Transfer in respect of the premises of a Domestic Customer for which it is the Relevant Gas Supplier; and

- (b) the licensee has provided to that Domestic Customer an alternative to an In-Home Display pursuant to and in accordance with a direction given by the Secretary of State under paragraph 34.10.

34.12 Where this paragraph applies, the licensee must ensure that it offers, as soon as reasonably practicable after receiving the notification referred to in paragraph 34.11(a), the Domestic Customer the opportunity to have an In-Home Display provided at the Domestic Premises.

The duty during the Relevant Period on and after provision of an IHD

34.13 The licensee must take all reasonable steps to ensure that at each Domestic Premises in respect of which it is the Relevant Gas Supplier and at which an In-Home Display has been provided, the In-Home Display is at all times during the Relevant Period maintained so that it satisfies the requirements of a Version of the IHD Technical Specification which is:

- (a) within its Maintenance Validity Period; and
- (b) where there is installed at the relevant premises a Smart Metering System:
 - (i) Compatible with the Version of the GSME Technical Specification in accordance with which that Smart Metering System is maintained by the licensee; and
 - (ii) where the Smart Metering System includes a Communications Hub, Compatible with the Version of the CH Technical Specification in accordance with which that Communications Hub is maintained by the DCC

34.14 The requirement in paragraph 34.13 is subject to paragraph 34.15 and 34.18.

34.15 Where on any given date during the Relevant Period an In-Home Display is maintained by the licensee such that it satisfies the requirements of a particular Version of the IHD Technical Specification, the licensee must take all reasonable steps to ensure that the In-Home Display is not subsequently maintained by the licensee so as to satisfy the requirements of an earlier Version (as indicated by a lower Principal Version number and/or a lower Sub-Version number) of the IHD Technical Specification notwithstanding that any such earlier Version may otherwise meet the requirements of paragraph 34.13

The duty to deal with IHD faults

34.16 Where:

- (a) the licensee is notified that there is a fault in an In-Home Display provided at a Domestic Premises in respect of which it is the Relevant Gas Supplier;
- (b) the consequence of the fault is that the In-Home Display no longer satisfies the minimum requirements of any Version of the IHD Technical Specification with which it is required to be maintained in accordance with paragraph 34.13;
- (c) the Smart Metering System at the Domestic Premises was installed:

- (i) on or after the Smart Metering Designated Date; and
- (ii) no more than 12 months prior to the date on which the licensee is notified of the fault; and
- (d) the licensee is in its reasonable opinion satisfied that the fault in the In-Home Display is not due to a failure by the Domestic Customer to take all reasonable steps to keep the In-Home Display in good working order.

the licensee must take all reasonable steps to repair or replace the faulty In-Home Display

34.17 The requirement in paragraph 34.16 is subject to paragraph 34.18.

Exceptions

34.18 Paragraphs 34.6, 34.13 and 34.16 apply:

- (a) in all cases in respect of any Domestic Premises at which the licensee installed or arranged for the installation of the Smart Metering System; and
- (b) in any other case, only from such date and to such extent as specified in a direction issued by the Secretary of State under this sub-paragraph.

Definitions

34.19 For the purposes of this condition:

Relevant Date means the date specified, in the direction given to the licensee by the Secretary of State under paragraph 34.9, as the date by which the licensee must submit to the Secretary of State the evidence specified in the direction.

Relevant Period means, in respect of a Smart Metering System installed on or after the Smart Metering Designated Date:

- (a) the period which commences on the date on which the Smart Metering System is installed at the Domestic Premises and ends 12 months after that date; or
- (b) where the HAN Date is a date that is later than the Installation Date of the Smart Metering System, the period which commences on the HAN Date and ends 12 months after that date.

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

Application

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

The Objectives and the duty to achieve them

- 35.2 The objectives of this Condition (the Objectives) are to ensure that:
- (a) the licensee and any Representative provides and maintains a standard of service which helps to ensure that Domestic Customers' experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations;
 - (b) all activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner;
 - (c) Domestic Customers are given information about, and during, the installation of Smart Metering Systems which:
 - (i) is complete and accurate;
 - (ii) does not mislead them; and
 - (iii) informs them about the benefits of Smart Metering Systems and about what to expect in relation to the installation process; and
 - (d) Domestic Customers are not subject to unwelcome Marketing during any visit to their premises for the purposes of installing Smart Metering Systems.
- 35.3 The licensee shall take all reasonable steps:
- (a) to secure the achievement of the Objectives; and
 - (b) to avoid doing anything which jeopardises its ability to achieve the Objectives.

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).
- 35.5 (Not used).

Content of the Domestic Installation Code

- 35.6 The Domestic Installation Code must include provisions which set minimum standards of service for the installation, and activities relating to the installation, of Smart Metering Systems at Domestic Premises.
- 35.7 The Domestic Installation Code must include provisions which ensure that any costs that the licensee seeks to recover from Customers in relation to:
- (a) the provision, configuration, installation or operation of the Smart Metering System at Domestic Premises;
 - (b) the replacement, modification or reconfiguration of the Smart Metering System at Domestic Premises in accordance with the duty at paragraph 33.14 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance); or
 - (c) the provision of a replacement In-Home Display at Domestic Premises in accordance with the duty at paragraph 34.7 or paragraph 34.9 of standard condition 34 (Provision of an In-Home Display),
- may be recovered from a Domestic Customer only in the circumstances described in either paragraph 35.8 or 35.9.
- 35.8 The circumstances described in this paragraph are that costs are borne by the licensee's Domestic Customers generally as an increment of charges for gas supplied to them.
- 35.9 The circumstances described in this paragraph are that:
- (a) the Smart Metering System installed at Domestic Premises exceeds the minimum requirements of every Version of the GSME Technical Specification or IHD Technical Specification which is within its Installation Validity Period at the date of installation ('enhanced equipment');
 - (b) the Domestic Customer at the premises has first been given the option of having installed at his premises a Smart Metering System which does not exceed such minimum requirements every Version of the SME or IHD Technical Specification which is within its Installation Validity Period; and
 - (c) the Domestic Customer has, prior to the Smart Metering System being installed, expressly requested the installation of enhanced equipment.
- 35.10 The Domestic Installation Code must include provisions which will ensure that the licensee and its Representatives will:
- (a) not make any Sales Transaction during a visit to install a Smart Metering System at any Domestic Premises;
 - (b) not undertake any Marketing during a visit to install a Smart Metering System unless the Domestic Customer has, in advance of the date of the installation visit, given his explicit consent to Marketing being undertaken during the installation visit; and

- (c) cease any Marketing being undertaken in compliance with sub-paragraph (b) immediately upon a request to do so made by the Domestic Customer or any member of his household.

35.11 The Domestic Installation Code must make provision relating to the establishment and implementation of practices, procedures and arrangements by which the licensee and its Representatives will:

- (a) take all reasonable steps to ensure that no undue inconvenience is caused to Domestic Customers or other occupants of Domestic Premises as a result of any visit made to Domestic Premises for the purposes of installing a Smart Metering System;
- (b) provide for Domestic Customers to be given complete and accurate information and advice, which is in plain and intelligible language and which does not mislead them, about;
 - (i) the installation, purpose, features and advantages of Smart Metering Systems;
 - (ii) the use of Smart Metering Systems, including such information as will assist Domestic Customers to make informed judgements about the way in which they can improve the efficiency with which they use the electricity and/or gas supplied to them; and
 - (iii) sources from which Domestic Customers may obtain additional and impartial information or assistance about improving the efficiency with which they use the electricity and/or gas supplied to them;
- (c) identify and meet the needs of specific Domestic Customer groups – including in particular Domestic Customers (or occupants of the Domestic Premises) who are of Pensionable Age, disabled or chronically sick – in relation to the installation (and provision of information relating to the installation) of Smart Metering Systems;
- (d) notify Domestic Customers of the Domestic Installation Code, of the provisions set out in it and of the licensee's obligations under it; and
- (e) retain, and produce to the Authority when requested to do so, documentary evidence sufficient to demonstrate (where given) a Domestic Customer's consent to Marketing being undertaken during the installation visit.

35.12 The Domestic Installation Code may make further provisions in relation to any matters that are designed to secure the achievement of the Objectives.

35.13 The Domestic Installation Code may provide for particular provisions, as specified in it, not to apply in such cases or circumstances as are specified or described in the Domestic Installation Code.

35.14 (Not used).

Consultation on the Domestic Installation Code

35.15 (Not used).

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.

35.17 The license must maintain a record of its performance against and compliance with the requirements of the Domestic Installation Code.

Review of the Domestic Installation Code

35.18 The licensee must from time to time:

- (a) take steps to obtain the views of Domestic Customers about the licensee's and its Representatives' activities and conduct relating to the installation of Smart Metering Systems; and
- (b) together with all other licensed electricity and gas suppliers of Domestic Premises, review the Domestic Installation Code and the manner in which it has been operated with a view to determining, taking into account views received, whether any revisions should be made to it.

35.19 (Not used).

35.20 (Not used).

35.21 The licensee shall give, free of charge and as soon as practicable following the request, a copy of the most up-to-date approved or designated (as the case may be) Domestic Installation Code to any person that requests it.

Interpretation and Definitions

35.22 In this Condition, any reference to Smart Metering System shall be read as incorporating a reference to:

- (a) any part of that system; and
- (b) an In-Home Display.

35.23 In this condition any reference to 'installation' shall be read:

- (a) in the context of a Smart Metering System, as incorporating a reference to the establishment of the HAN and the making of a connection to the SM WAN at Domestic Premises, and the words 'install', 'installed' and 'installing' shall be construed accordingly;

- (b) in the context of an In-Home Display, as incorporating a reference to the provision of that In-Home Display, and the words 'install', 'installed' and 'installing' shall be construed accordingly.

35.24 For the purposes of this Condition:

Marketing

means any activities of the licensee or any of its Representatives that:

- (a) take place with the simultaneous physical presence of:
 - (i) the licensee or the Representative; and
 - (ii) a Domestic Customer or any member of his household; and
- (b) entail verbal communication with the Domestic Customer or any member of his household with the intention or effect of:
 - (i) promoting the provision by the licensee or any other named person of any goods and services; or
 - (ii) promoting the availability to the Domestic Customer or member of his household of any goods or services specifically designed for or tailored to his requirements,

but for these purposes:

- (c) 'promoting' shall be taken to exclude the activity of agreeing or arranging, at the request of the Domestic Customer or a member of his household, any further communication with that person, at a date later than the date of the installation visit, in relation to the provision by the licensee or any other named person of any goods or services; and
- (d) 'goods or services' shall be taken to exclude any goods or services are to be provided free of charge.

Sales Transaction

means any transaction, whether in writing or otherwise, which involves a Domestic Customer or any member of his household:

- (a) paying a sum of money to any person in respect of the provision of goods or services; or
- (b) entering into a contract to pay a sum of money to any person in respect of the provision of goods or services.

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

The Objectives and the duty to achieve them

- 36.1 The objectives of this Condition (the **Objectives**) are to ensure that:
- (a) the licensee and any Representative provides and maintains a standard of service which helps to ensure that Micro Business Consumers' experience of the installation of Smart Metering Systems at their premises meets their reasonable expectations;
 - (b) all activities undertaken by the licensee and any Representative in relation to the installation of Smart Metering Systems are conducted in a fair, transparent, appropriate and professional manner; and
 - (c) Micro Business Consumers are provided with information about, or during, the installation of Smart Metering Systems which:
 - (i) is complete and accurate;
 - (ii) does not mislead them; and
 - (iii) informs them about the benefits of the Smart Metering Systems and about what to expect in relation to the installation process.
- 36.2 The licensee shall take all reasonable steps:
- (a) to secure the achievement of the Objectives; and
 - (b) to avoid doing anything which jeopardises its ability to achieve the Objectives.

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).
- 36.4 (Not used).

Content of the Installation Code

- 36.5 The Installation Code must make provisions relating to the establishment and implementation of practices, procedures and arrangements by which the licensee and its Representatives will:
- (a) take all reasonable steps to ensure that no undue inconvenience is caused to Micro Business Consumers as a result of any visit made to their premises for the purposes of installing Smart Metering Systems; and

- (b) provide for Micro Business Consumers to be given complete and accurate information and advice, which is in plain and intelligible language and which does not mislead them, about:
 - (i) the installation, purpose, features and advantages of Smart Metering Systems;
 - (ii) the use of Smart Metering Systems, including such information as will assist Micro Business Consumers to make informed judgements about the way in which they can improve the efficiency with which they use the electricity and/or gas supplied to them; and
 - (iii) sources from which Micro Business Consumers may obtain additional information or assistance about improving the efficiency with which they use the electricity and/or gas supplied to them.

36.6 The Installation Code may make further provisions in relation to any matters that are designed to secure the achievement of the Objectives.

36.7 The Installation Code may provide for particular provisions, as specified in it, not to apply in such cases or circumstances as are specified or described in the Installation Code.

36.8 (Not used). .

Consultation on the Installation Code

36.9 (Not used).

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.

36.11 The licensee must maintain a record of its performance against and compliance with the requirements of the Installation Code.

Review of the Installation Code

36.12 The licensee must from time to time:

- (a) take steps to obtain the views of Micro Business Consumers about the licensee's and its Representatives' activities and conduct relating to the installation of Smart Metering Systems; and
- (b) together with all other licensed electricity and gas suppliers, review the Installation Code and the manner in which it has been operated with a view to determining, taking into account views received, whether any revisions should be made to it.

36.13 (Not used). .

36.14 (Not used).

36.15 The licensee shall give, free of charge and as soon as practicable following the request, a copy of the most up-to-date approved or designated (as the case may be) Installation Code to any person that requests it.

Interpretation and Definitions

36.16 In this Condition:

- a) any reference to Smart Metering System shall be read as incorporating a reference to any part of that system; and
- b) in the context of a Smart Metering System any reference to 'installation' shall be read as incorporating a reference to the establishment of the HAN and the making of a connection to the SM WAN at Designated Premises of Micro Business Consumers, and the words 'install', 'installed' and 'installing' shall be construed accordingly.

36.17 For the purposes of this Condition:

Micro Business Consumer has the meaning given to it in standard condition 7A (Supply to Micro Business Consumers).

Condition 37. Roll-out Reporting and Provision of Information to the Secretary of State

Introduction

- 37.1 This condition provides for the Secretary of State to be able to obtain from the licensee information in respect of matters relating to the provision, installation, operation, maintenance, and use of meters.

Purposes

- 37.2 The purposes of this condition are to ensure that the Secretary of State may obtain such information as he may reasonably require to enable him, from time to time, to:
- (a) examine and assess the readiness of the licensee to comply with any Relevant SMS Condition;
 - (b) monitor and review the steps taken, or to be taken, by the licensee to:
 - (i) install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems and In-Home Displays in accordance with the requirements of any Relevant SMS Condition;
 - (ii) promote awareness and understanding by Energy Consumers of the use of Smart Metering Systems and In-Home Displays (and information that may be obtained through them);
 - (c) evaluate:
 - (i) the scope and effectiveness of the licensee's consumer engagement activities; and
 - (ii) the implementation of the Consumer Engagement Plan;
 - (d) identify and evaluate the costs associated with, and benefits attributable to, the provision, installation, operation, maintenance, and use of Smart Metering Systems and In-Home Displays, including in particular:
 - (i) energy savings made as a result of Energy Consumers being able to better manage their energy consumption and expenditure;
 - (ii) cost savings and improvements in services resulting from changes made to energy industry activities and procedures;
 - (e) decide whether or when there may be a need for him to exercise any of his powers under any Relevant SMS Condition or section 88 of the Energy Act 2008; and
 - (f) publish information in respect of the matters set out in paragraphs (a) – (e).

Information Request

- 37.3 The Secretary of State may, for the purposes of this condition, from time to time issue a request for Information to be provided to him (an **Information Request**).

- 37.4 An Information Request (or any part of it) may be addressed to the licensee alone, to all Gas Suppliers or to a category of Gas Suppliers.
- 37.5 An Information Request may in particular, where the licensee is a Relevant Supplier, require the licensee to provide:
- (a) on an annual basis (and at such other times as may be specified in the Information Request) Information in respect of:
 - (i) its proposals, plans and projections for meeting its duties in relation to the provision, installation, operation, and maintenance of Smart Metering systems and In-Home Displays; and
 - (ii) its progress against the proposals, plans and projections included in the previous year's roll-out report,(together the **roll-out report**); and
 - (b) for such periods and at such frequency as may be specified in the Information Request, Information which sets out the licensee's progress against the proposals, plans and projections included in its latest roll-out report (the **monitoring report**).
- 37.6 An Information Request may in particular, where the licensee is not a Relevant Supplier, require it to provide on an annual basis (and at such other times as may be specified in the Information Request) Information in respect of its proposals for and progress towards meeting its duties in relation to the provision, installation, operation, and maintenance of Smart Metering Systems and In-Home Displays (the **progress report**).
- 37.7 An Information Request may in particular specify:
- (a) the type and nature of Information to be provided, including in particular the type and nature of Information to be provided in a roll-out report, monitoring report, and progress report;
 - (b) that the Information is to be accompanied by such supporting documents or data as may be described;
 - (c) that all or some of the specified Information must continue to be provided at the intervals specified until such date as specified or until the Secretary of State issues a subsequent Information Request to the licensee or the category of Gas Suppliers of which it is a member; and
 - (d) the form and manner in which, and the date by which, the specified Information is to be provided.
- 37.8 The licensee must comply with an Information Request addressed to it or to a category of Gas Suppliers of which it is a member.
- 37.9 The licensee must ensure that the Information it provides in response to an Information Request is complete and accurate.

- 37.10 The licensee is not required under this condition to provide any Information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

Cessation

- 37.11 This condition shall cease to apply to the licensee from the date which is five years after the ARS Specified Date.

Interpretation and Definitions

- 37.12 In this condition:

Consumer Engagement Plan has:

- (a) prior to the date that standard condition 39A (Smart Metering Consumer Engagement) takes effect, the meaning given to it in standard condition 39 (Smart Metering Consumer Engagement); and
- (b) on and after the date that standard condition 39A (Smart Metering Consumer Engagement) takes effect, the meaning given to it in standard condition 39A (Smart Metering Consumer Engagement).

Energy Consumer means a consumer of gas or electricity (or both).

Energy Supplier has the meaning given to it in standard condition 33 (Smart Metering System – Roll - out, Installation and Maintenance).

Information includes information in any form or medium and of any description specified by the Secretary of State and includes any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Secretary of State.

Relevant SMS Condition means any condition of this licence which imposes obligations or contains provisions in respect of any matter relating to the provision, installation, operation, maintenance, or use of a Smart Metering System or an In-Home Display.

Relevant Supplier means an Energy Supplier which supplies either gas or electricity (or both) to at least 150,000 Energy Consumers.

Condition 38. Roll-out Reporting, Setting and Achieving Annual Milestones, and Provision of Information to the Authority

Introduction

38.1 This condition provides for:

- (a) the licensee to be required to prepare and provide to the Authority a Roll-out Plan, to report against the Roll-out Plan and to set and achieve Annual Milestones; and
- (b) the Authority to be able to obtain from the licensee information in respect of matters relating to the provision, installation, operation, maintenance and use of Smart Metering Systems, In-Home Displays and Relevant Gas Meters and the licensee's achievement of the Annual Milestones.

Purposes

38.2 The purposes of this condition are to:

- (a) provide that the Authority may require the licensee to prepare a Roll-out Plan which includes Annual Milestones;
- (b) require the licensee to achieve the Annual Milestones set out in the Roll-out Plan; and
- (c) ensure that the Authority may obtain such information as it may reasonably require to enable it, from time to time, to:
 - (i) examine and assess the readiness of the licensee to comply with any Relevant SMS Condition;
 - (ii) monitor and review the steps taken or to be taken by the licensee to install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems, In-Home Displays and Relevant Gas Meters in accordance with the requirements of any Relevant SMS Condition; and
 - (iii) monitor the licensee's achievement of the Annual Milestones set out in the Roll-out Plan.

Roll-out Plan and Progress Reports

38.3 Where directed by the Authority, the licensee must prepare and submit to the Authority, by a date specified in a direction issued by the Authority, a document (the **Roll-out Plan**) which contains:

- (a) where the licensee is required to provide a roll-out report to the Secretary of State under standard condition 37 (Roll-out Reporting and Provision of Information to the Secretary of State), such parts of the roll-out report as are specified in the direction;

- (b) Annual Milestones, set by the licensee for such period as may be specified in the direction, for the purpose of the licensee complying with its duties in relation to the provision, installation, operation, maintenance and use of Smart Metering Systems, In-Home Displays and Relevant Gas Meters;
 - (c) a detailed explanation of the licensee's reasons, which reasons must be duly justified, for the Annual Milestones set by it; and
 - (d) such other Information as may be specified in the direction.
- 38.4 The licensee must achieve the Annual Milestones set out in its Roll-out Plan.
- 38.5 For the purposes of paragraph 38.4, the licensee shall be considered to have achieved an Annual Milestone set out in its Roll-out Plan where, by the end of the calendar year to which that Annual Milestone relates, it has reached at least 95% (or such lower percentage as may be specified in any direction issued to the licensee by the Authority) of that Annual Milestone.
- 38.6 The licensee may submit a revised Roll-out Plan to the Authority only:
- (a) on, or in the seven days immediately following, each anniversary, occurring prior to 31 March 2018, of the date specified in the direction issued by the Authority in accordance with paragraph 38.3; or
 - (b) where in response to a request from the licensee, the Authority has agreed that it may submit a revised Roll-out Plan.
- 38.7 Where, in accordance with paragraph 38.6, the licensee submits a revised Roll-out Plan, it must also set out its reasons, which reasons must be duly justified, for making the revisions together with such supporting Information as may be required by the Authority.
- 38.8 The licensee must prepare and submit to the Authority, in accordance with any direction issued to the licensee by the Authority and for such periods and at such frequency as may be specified in the direction, a report (the **Progress Report**) which sets out the licensee's progress and performance against the Roll-out Plan.
- 38.9 The licensee must publish its Roll-out Plan and any Progress Report, or such Information contained in the Roll-out Plan and any Progress Report, where it is directed to do so by the Authority.

Directions

- 38.10 The licensee must comply with any directions the Authority may issue for the purposes of this condition and which are addressed to it or to a category of Gas Suppliers of which it is a member
- 38.11 A direction issued by the Authority may, in particular, specify:
- (a) the format of the Roll-out Plan and the Progress Report;

- (b) the form and manner in which the Annual Milestones need to be included in the Roll-out Plan;
- (c) the Information the licensee must include in the Progress Report, which may, where the licensee is required to provide a roll-out report to the Secretary of State under standard condition 37 (Roll-out Reporting and Provision of Information to the Secretary of State), include such parts of the roll-out report as are specified in the direction;
- (d) requirements in relation to the submission of the Roll-out Plan and Progress Reports to the Authority; and
- (e) the manner and method by which any specified Information from the Roll-out Plan and any Progress Report must be published by the licensee.

Information Request

- 38.12 Where the licensee receives a request for Information from the Authority for the purposes of this condition (an **Information Request**), it must provide that Information to the Authority within the time and in the form requested.
- 38.13 An Information Request issued by the Authority may in particular specify the type and nature of Information to be provided by the licensee, including in particular in respect of:
- (a) the readiness of the licensee to comply with any Relevant SMS Condition; and
 - (b) the steps taken or to be taken by the licensee to install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems, In-Home Displays and Relevant Gas Meters in accordance with the requirements of any Relevant SMS Condition.
- 38.14 The licensee must ensure that the Information it provides in response to an Information Request is complete and accurate.
- 38.15 The licensee is not required under this condition to provide any Information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

Cessation

- 38.16 This condition shall cease to apply to the licensee from the date which is 12 months after the date specified in paragraph 33.1 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).

Interpretation

- 38.17 In this condition:

Annual Milestone	means a percentage of the total number of Domestic Premises and Designated Premises:
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- (a) in respect of which the licensee is the Relevant Gas Supplier; and
- (b) at which a Smart Metering System or Relevant Gas Meter is to be installed by the end of each calendar year falling within the period specified in a direction issued by the Authority under paragraph 38.3.

Progress Report means a report submitted in accordance with paragraph 38.8.

Relevant Gas Meter means any Gas Meter installed or arranged to be installed by the licensee pursuant to paragraphs 33.3, 33.4, 33.5, 33.7, 33.11, 33.12 or 33.13 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).

Relevant SMS Condition means any condition of this licence which imposes obligations or contains provisions in respect of any matter relating to the provision, installation, operation, maintenance or use of a Smart Metering System or an In-Home Display.

Roll-out Plan means a plan submitted in accordance with paragraph 38.3, as it may be revised in accordance with paragraph 38.6.

Condition 38A: Roll-out and Installation of smart meters – Licensees reporting and publication requirements to the Authority

Beginning of the year reporting and publication obligation

- 38A.1 By no later than the last day of the first month of every Rollout Year the licensee must submit a Beginning Of The Year Report to the Authority.
- 38A.2 No later than 2 working days after the licensee submitted the Beginning Of The Year Report to the Authority, for the First and Second Rollout Year, the licensee must publish prominently on its website the Target Number. No later than 2 working days after the licence submitted the Beginning Of The Year Report to the Authority, for the Third and Fourth Rollout Year, the licensee must publish prominently on its website, the Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year, and 33A.5 (e) & (f), for the Fourth Rollout Year including. Relevant Suppliers must also publish prominently on their websites the additional information required to be included in their Beginning Of The Year Report under paragraph 38A.4 and 38A.4A.
- 38A.3 In the Beginning Of The Year Report, for the First and Second Rollout Year, the licensee must include the following information:
- (a) The Target Number for the Relevant Year;
 - (b) Number of Qualifying Relevant Premises without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;
 - (c) Licensee's total number of gas customers eligible for or with a Qualifying Metering System installed as of the last day of the Rollout Year ending immediately before the Relevant Year; and
 - (d) Hyperlink to the Target Number published in accordance with paragraph 38A.2.
- 38A.3A In the Beginning Of The Year Report, for the Third and Fourth rollout year, the licensee must include:
- (a) The Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year, and 33A.5 (e) & (f), for the Fourth Rollout Year;
 - (b) Number of Qualifying Relevant Domestic Premises, without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;
 - (c) Number of Qualifying Relevant Designated Premises, without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;

- (d) Licensee's total number of Domestic Premises, in respect of which the licensee is the Relevant Gas Supplier on the date which immediately precedes the start date of the Relevant Year;
- (e) Licensee's total number of Designated Premises, in respect of which the licensee is the Relevant Gas Supplier on the date which immediately precedes the start date of the Relevant Year; and
- (f) Hyperlink to the Target Number published in accordance with paragraph 38A.2.

38A.4 In the Beginning Of The Year Report, for the First and Second Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Year:

- (a) Number of credit meter customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (b) Number of pre-payment customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (c) Number of Domestic Customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (d) Number of Non-Domestic customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises; and
- (e) any other information as specified in a direction issued by the Authority pursuant to SLC 38A.9 and SLC 38A.10.

38A.4A In the Beginning Of The Year Report, for the Third and Fourth Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Year:

- (a) Number of credit meter customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Domestic Premises;
- (b) Number of pre-payment customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Domestic Premises;
- (c) any other information as specified in a direction issued by the Authority pursuant to SLC 38A.9 and SLC 38A.10.

End of year performance reporting and publication obligation

38A.5 By no later than one month after the end of each Rollout Year, the licensee must submit an End Of Year Performance Report to the Authority.

- 38A.6 At the same time as the licensee submits the End Of Year Performance Report to the Authority, for the First and Second Rollout Year, the licensee must publish the number of Qualifying Metering Systems installed in Qualifying Relevant Premises in the Relevant Previous Year prominently on its website alongside the Target Number for the Relevant Previous Year. At the same time as the licensee submits the End Of Year Performance Report to the Authority, for the Third and Fourth Rollout Year, the licensee must publish the number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises in the Relevant Previous Year, and the number of Qualifying Metering Systems installed in Qualifying Relevant Designated Premises in the Relevant Previous Year, prominently on its website alongside the Target Number for the Relevant Previous Year. The licensee must also publish on their website the information required under paragraph 38A.7A (e) and (f). Relevant Suppliers must also publish prominently on their websites the additional information required to be included in their End Of Year Performance Report under paragraph 38A.8 and 38A.8A.
- 38A.7 In the End Of Year Performance Report, for the First and Second rollout year, the licensee must include the following information:
- (a) whether it met its Target Number for the Relevant Previous Year;
 - (b) Number of Qualifying Metering Systems installed for Qualifying Relevant Premises for the Relevant Previous Year;
 - (c) Licensee's total number of gas customers eligible for or with a Qualifying Metering System installed on the last day of the Rollout Year for the Relevant Previous Year;
 - (d) Information related to Qualifying Metering Systems installed compared to planned installations in the Beginning Of The Year Report; and
 - (e) Hyperlink to the number of Qualifying Metering Systems installed published in accordance with paragraph 38A.6.
- 38A.7A In the End Of Year Performance Report, for the Third and Fourth rollout year, the licensee must include:
- (a) whether it met its Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year;
 - (b) whether it met its Target Number calculated in accordance with 33A.5 (e) & (f) for the Fourth Rollout Year;
 - (c) Number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises, for the Relevant Previous Year;
 - (d) Number of Qualifying Metering Systems installed in Qualifying Relevant Designated Premises, for the Relevant Previous Year;
 - (e) Number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises, that were Gas Only Premises, for the Relevant Previous Year;
 - (f) Number of Qualifying Metering Systems installed in Qualifying Relevant Designated Premises, that were Gas Only Premises, for the Relevant Previous Year;

- (g) Licensee's total number of gas Domestic Premises, in respect of which the licensee is the Relevant Gas Supplier as of the last day of the Rollout Year for the Relevant Previous Year;
- (h) Licensee's total number of gas Designated Premises, in respect of which the licensee is the Relevant Gas Supplier as of the last day of the Rollout Year for the Relevant Previous Year;
- (i) Information related to Qualifying Metering Systems installed compared to planned installations in the Beginning Of The Year Report; and
- (j) Hyperlink to the number of Qualifying Metering Systems installed published in accordance with paragraph 38A.6.

38A.8 In the End Of Year Performance Report, for the First and Second Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Previous Year:

- (a) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for credit customers;
- (b) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for prepayment customers;
- (c) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for domestic customers; and
- (d) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for non-domestic customers.

38A.8A In the End Of Year Performance Report, for the Third and Fourth Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Previous Year:

- (a) Number of Qualifying Metering Systems installed at Qualifying Relevant Domestic Premises for the first time for credit customers;
- (b) Number of Qualifying Metering Systems installed at Qualifying Relevant Domestic Premises for the first time for prepayment customers.

Direction

38A.9 The licensee must comply with any directions the Authority may issue for the purposes of this condition and which are addressed to it or to a category of Gas Suppliers of which it is a member.

38A.10 A direction issued by the Authority may, in particular, specify:

- (a) the format of the Beginning Of The Year Report and the End Of Year Performance Report;
- (b) the form and manner in which the information required under paragraph 38A.3 & 38A.3A and, where applicable, 38A.4 & 38A.4A in the Beginning Of The Year Report;
- (c) the form and manner in which the information required under paragraph 38A.7 & 38A.7A and, where applicable, paragraph 38A.8 & 38A.8A must be included in the End Of Year Performance Report;
- (d) requirements in relation to the submission of the Beginning Of The Year Report and the End Of Year Performance Report in addition to the requirements under paragraphs 38A.1 and 38A.5;
- (e) the manner and method by which any specified information in the Beginning Of The Year Report or the End Of Year Performance Report must be published by the licensee in addition to the requirements to publish under paragraph 38A.2 and 38A.6; and
- (f) the information the licensee must include in the End Of Year Performance Report, which may, where the licensee is required to provide a rollout report to the Secretary of State under SLC 37 (Rollout Reporting and Provision of Information to the Secretary of State), include such parts of the rollout report as are specified in the direction.

Definitions

38A.11 For the purposes of this condition:

Beginning Of The Year Report	means the report containing the information set out in paragraph 38A.3 and, where applicable, paragraph 38A.4 required to be submitted to the Authority in accordance with paragraph 38A.1.
End Of Year Performance Report	means the report containing the information set out in paragraph 38A.7 and, where applicable, paragraph 38A.8 required to be submitted to the Authority in accordance with paragraph 38A.5.
Energy Customer	has the meaning as defined in SLC 39.46.

Qualifying Metering Systems	As defined in standard condition 33A.2.
Qualifying Relevant Premises	means premises meeting the requirements set out in standard condition 33A.3.
Relevant Previous Year	means the Rollout Year ending immediately before the year in which the End Of Year Report is required to be submitted in accordance with SLC 38A.5.
Relevant Supplier	<p>means a gas or electricity supplier which:</p> <p>(a) is authorised by its licence to supply gas or electricity to an Energy Customer; and</p> <p>(b) supplies either gas or electricity (or both) to 150,000, or more, Energy Customers.</p>
Relevant Year	means the Rollout Year in which the Beginning Of The Year Report is required to be submitted in accordance with SLC 38A.1.
Rollout Year	means the twelve month period in each year, beginning on the date immediately following the ARS Specified Date.
Target Number	means the target number calculated in accordance with SLC 33A.5.

Condition 39. Smart Metering Consumer Engagement

Introduction

- 39.1 This condition provides for holders of electricity and gas supply licences to be required to establish, support and monitor the work of a body which will carry out the role of consumer engagement in relation to Smart Metering Systems.

Application

- 39.2 This condition shall:
- (a) apply to the licensee only to the extent specified in paragraph 39.3; and
 - (b) cease to apply with effect on and from 30 June 2021, or any later date up to (but not later than) 31 December 2021 that may be specified in a direction issued by the Secretary of State, save that any such direction may be issued only where:
 - (i) at the same time the Secretary of State also issues a direction under paragraph 39A.2(a) of Condition 39A (Smart Metering Consumer Engagement); and
 - (ii) the date specified in each such direction is the same.
- 39.3 Where the licensee is:
- (a) a Relevant Supplier, it is required to comply with Part A;
 - (b) a Small Domestic Supplier, it is required to comply with Part B;
 - (c) a Large Non-Domestic Supplier, it is required to comply with Part C;
 - (d) a Small Non-Domestic Supplier, it is required to comply with Part D.

PART A. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A RELEVANT SUPPLIER

Duty to establish the Central Delivery Body

- 39.4 The licensee, together with all other Relevant Suppliers, must take such steps and do such things as are within its power:
- (a) to establish, by no later than 30 June 2013, a body corporate to carry out the role of consumer engagement in relation to Smart Metering Systems (referred to in this condition as the **Central Delivery Body**);
 - (b) to provide that the Central Delivery Body is constituted and governed so as to ensure that it:
 - (i) has the characteristics set out at Part A1;
 - (ii) has the objectives set out at Part A2;
 - (iii) procures the advice of experts as set out at Part A3; and
 - (iv) fulfils the functions set out at Part A4;

- (c) to provide for the costs of the Central Delivery Body to be met as set out at Part A5, Part C and Part D.

Part A1. Characteristics of the Central Delivery Body

Constitution

39.5 The articles of association of the Central Delivery Body must as a minimum provide that:

- (a) it is a not-for-profit body;
- (b) its board of directors (the **Board**) is at all times constituted so as to reflect the provisions of paragraph 39.6;
- (c) the Secretary of State has a right of veto in respect of the appointment of any person as the Chairman of the Board;
- (d) any person nominated by and representing either:
 - (i) the Secretary of State; or
 - (ii) all Network Operators,is entitled to attend, but not vote at, a meeting of the Board;
- (e) the Board will exercise independent judgment and reach its decisions in accordance with the requirements of paragraph 39.8;
- (f) its business shall be (and shall be limited to):
 - (i) achieving the objectives set out at Part A2;
 - (ii) achieving those objectives by taking such steps as are reasonably necessary and appropriate for carrying out the activities set out at Parts A3 and A4.

Composition of the Board

39.6 The Board shall comprise:

- (a) a Chairman appointed by the Relevant Suppliers;
- (b) six directors nominated by and representing Relevant Suppliers;
- (c) two directors nominated by and representing Small Domestic Suppliers;
- (d) one director nominated by and representing Non-Domestic Suppliers;
- (e) one director nominated by and representing Non-Domestic-Only Suppliers;
- (f) two directors nominated by Citizens Advice or Citizens Advice Scotland; and
- (g) two directors representing the interests of Energy Consumers.

- 39.7 The Chairman of the Board must be independent of any person or body that is represented by a director appointed in accordance with the provisions of paragraphs 39.6(b)-(g).

Decision-Making

- 39.8 A decision made by the Board must be made in accordance with a voting procedure which provides for:
- (a) each directors, other than the Chairman, to exercise a single vote on each decision to be taken;
 - (b) decisions to be made by a simple majority; and
 - (c) the Chairman to be able to exercise a casting vote by only where the number of votes for and against a decision are equal.

Part A2. Objectives of the Central Delivery Body

Objectives

- 39.9 The objectives of the Central Delivery Body set out in paragraph 39.10 are to apply in respect of Energy Consumers at Domestic Energy Premises and Relevant Designated Premises.
- 39.10 The objectives of the Central Delivery Body are to:
- (a) build consumer confidence in the installation of Smart Metering Systems by gas and electricity suppliers;
 - (b) build consumer awareness and understanding of the use of Smart Metering Systems (and the information obtained through them);
 - (c) increase the willingness of Energy Consumers to use Smart Metering Systems to change their behaviour so as to enable them to reduce their consumption of energy; and
 - (d) in respect of Energy Consumers at Domestic Energy Premises only, assist those consumers with low incomes or prepayment meters, or those consumers who may encounter additional barriers in being able to realise the benefits of Smart Metering Systems due to their particular circumstances or characteristics, to realise the benefits of Smart Metering Systems while continuing to maintain an adequate level of warmth and to meet their other energy needs.

Part A3. Arrangements for Obtaining Expert Advice

- 39.11 The Central Delivery Body shall establish arrangements for the purpose of ensuring that it is regularly provided with all appropriate advice that is:
- (a) concerned with the means by which it can most efficiently and effectively achieve its objectives; and
 - (b) procured from such persons, as selected by it, who have widely recognised expertise in matters that are relevant to, and will assist in, the efficient and effective achievement of its objectives.

Part A4. Functions of the Central Delivery Body

39.12 The functions of the Central Delivery Body shall be to:

- (a) produce and maintain a plan for achieving its objectives (the **Consumer Engagement Plan**) which meets the requirements of paragraphs 39.13 to 39.16;
- (b) implement the Consumer Engagement Plan in accordance with paragraph 39.17;
- (c) develop and produce an annual budget for the delivery of the Consumer Engagement Plan which meets the requirements of paragraphs 39.18 and 39.19 (the **Annual Budget**);
- (d) produce a report on at least an annual basis (the **Annual Report**) which meets the requirements of paragraphs 39.20 and 39.21; and
- (e) publish the Consumer Engagement Plan, the Annual Budget and the Annual Report in accordance with paragraphs 39.22 and 39.23.

The Consumer Engagement Plan

39.13 The Consumer Engagement Plan must be in writing and must:

- (a) constitute a plan which is designed to ensure that the Central Delivery Body takes all appropriate steps to achieve its objectives;
- (b) describe the activities that the Central Delivery Body proposes to carry out for that purpose;
- (c) describe how the Central Delivery Body has taken into account the need to:
 - (i) co-ordinate its consumer engagement activities with consumer engagement activities undertaken by other parties in relation to Smart Metering Systems;
 - (ii) undertake a co-ordinated delivery of consumer engagement activities that reflects and takes into account the need to adopt different activities for the purpose of meeting the consumer engagement requirements of any class or classes of Energy Consumer, including Energy Consumers:
 - (A) paying by different payment methods;
 - (B) residing in different geographical areas;
 - (C) occupying different types of Domestic Energy Premises and Relevant Designated Premises; and
 - (D) carrying on commercial activities at Relevant Designated Premises in respect of different sectors of the economy;

- (iii) provide additional assistance and consumer engagement activities that may be required by particular categories of Energy Consumers, including in particular Energy Consumers with low incomes or who may encounter additional barriers in being able to access the benefits of Smart Metering Systems due to their particular circumstances or characteristics; and
 - (d) be designed to ensure that in carrying out its activities the Central Delivery Body does not restrict, distort or prevent competition in the supply of gas or electricity or in any commercial activities connected with Smart Metering Systems.
- 39.14 The Consumer Engagement Plan must be produced by no later than 31 December 2013.
- 39.15 The Central Delivery Body must keep the Consumer Engagement Plan under review, and must:
 - (a) make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose; and
 - (b) in particular produce an amended version of the Consumer Engagement Plan which satisfies the requirements of sub-paragraph (a) within the period that commences on [the date on which this sub-paragraph (b) first comes into force] and ends on [the date which is three months later].
- 39.16 In producing, and prior to making any subsequent amendment to, the Consumer Engagement Plan, the Central Delivery Body:
 - (a) must seek the advice of, and have due regard to the advice given by, the persons with whom it has made arrangements in accordance with the provisions of paragraph 39.11; and
 - (b) may consult with, and have regard to the representations of, any other interested parties.
- 39.17 The Central Delivery Body must take such steps and do such things as are within its power:
 - (a) to implement the Consumer Engagement Plan in accordance with its terms (as amended from time to time); and
 - (b) to do so in an efficient and cost-effective manner that achieves value for money in the performance of its activities.

Annual Budget

- 39.18 The Central Delivery Body must:
 - (a) by 31 December 2013, develop and produce the first Annual Budget in respect of the calendar year commencing on 1 January 2014; and
 - (b) thereafter by 31 December in each subsequent year, develop and produce an Annual Budget in respect of the calendar year which commences immediately following that date.

- 39.19 Each Annual Budget must comprise a detailed statement of the best estimate of the Central Delivery Body, made in good faith, of all costs that it expects to incur for the purpose of undertaking its activities during the calendar year to which that Annual Budget relates.

Annual Report

- 39.20 The Central Delivery Body must:

- (a) by 31 March 2014, produce the first Annual Report in respect of the calendar year that commenced on 1 January 2013; and
- (b) thereafter by 31 March in each subsequent year, produce an Annual Report in respect of the calendar year that commenced on 1 January in the previous year.

- 39.21 Each Annual Report must in particular:

- (a) report on:
 - (i) the Central Delivery Body's performance; and
 - (ii) the extent to which, in the opinion of the Board, the steps taken by the Central Delivery Body to implement the Consumer Engagement Plan (as applicable during the period to which the Annual Report relates) have contributed to the achievement of its objectives during the period to which the Annual Report relates; and
- (b) set out the expenditure of the Central Delivery Body during that period and report on the extent to which, in the opinion of the Board, such expenditure represents value for money.

Publication

- 39.22 The Central Delivery Body must ensure that up to date copies of:

- (a) the Consumer Engagement Plan;
- (b) the Annual Budget; and
- (c) the Annual Report,

are at all times made available by it in a form that is readily accessible to most Energy Consumers.

- 39.23 In complying with paragraph 39.22 the Central Delivery Body:

- (a) must exclude from each document, so far as practicable, any information which would or might seriously prejudice the interests of any individual or body to which it relates; and
- (b) may exclude from each document any information that would, or would be likely to, prejudice the commercial interests of any person (including the Central Delivery Body itself).

Part A5. Costs of the Central Delivery Body

39.24 The licensee must:

- (a) together together with all other Relevant Suppliers, take such steps and do such things as are within its power to meet:
 - (i) the capital costs of establishing the Central Delivery Body; and
 - (ii) all costs, excluding Domestic Fixed Operating Costs, that are reasonably incurred by the Central Delivery Body in undertaking its activities in respect of Energy Consumers at Domestic Energy Premises and operating in an efficient and cost-effective manner that achieves value for money; and
- (b) together with all other Relevant Suppliers and Small Domestic Suppliers, take such steps and do such things as are within its power to meet all Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.

39.25 For the purpose of meeting the requirements of paragraph 39.24, the licensee must, together with all other Relevant Suppliers and Small Domestic Suppliers, establish a mechanism to allocate:

- (a) between Relevant Suppliers the costs of the Central Delivery Body, as referred to in paragraph 39.24(a), on the basis of their respective shares of the markets for gas and electricity supply; and
- (b) between Relevant Suppliers and Small Domestic Suppliers the costs of the Central Delivery Body as referred to in paragraph 39.24(b), on the basis of their respective shares of the markets for gas and electricity supply to Domestic Premises.

Part A6. Other Duties of Relevant Suppliers

General Duty

39.26 The licensee, together with all other Relevant Suppliers, must take such steps and do such things as are within its power to ensure that:

- (a) the Central Delivery Body achieves its objectives; and
- (b) in achieving its objectives the Central Delivery Body acts in a manner which is transparent, impartial, cost-effective and represents value for money.

The Domestic Performance Management Framework

39.27 The licensee must, together with all other Relevant Suppliers, produce and maintain a performance framework (the **Domestic Performance Management Framework**) which meets the requirements of paragraph 39.28 to 39.31.

39.28 The Domestic Performance Management Framework must:

- (a) set out the standards, including key performance indicators and targets, which have been determined by the Relevant Suppliers as standards against which they will measure the performance of the Central Delivery Body in achieving its objectives in respect of Energy Consumers at Domestic Energy Premises; and
- (b) include such provisions as will enable any person, including in particular the Relevant Suppliers, the Secretary of State and the Authority, to assess:
 - (i) the Central Delivery Body's performance against the specified standards;
 - (ii) the effectiveness of the steps taken by the Central Delivery Body for the purpose of achieving the relevant objectives; and
 - (iii) the extent to which the Central Delivery Body has, in accordance with paragraph 39.16, amended the Consumer Engagement Plan to take into account information received in respect of its performance.

39.29 The Domestic Performance Management Framework must be produced by no later than 31 December 2013.

39.30 The licensee, together with all other Relevant Suppliers must keep the Domestic Performance Management Framework under review, and must make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose.

39.31 In determining the standards to be set out, and the other provisions to be included, in the Domestic Performance Management Framework, the licensee, together with all other Relevant Suppliers, must consult with and take into account the views of, and information provided by, relevant interested parties, including in particular the Secretary of State.

Co-operation

39.32 The licensee must:

- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART B. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A DOMESTIC SUPPLIER

39.33 The licensee must, together with all Relevant Suppliers and other Small Domestic Suppliers, take such steps and do such things as are within its power to:

- (a) meet the Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money; and

- (b) establish a mechanism to allocate between Relevant Suppliers and Small Domestic Suppliers the costs referred to in sub-paragraph 39.33(a), on the basis of their respective shares of the markets for gas and electricity supply to Domestic Premises.

39.34 The licensee must:

- (a) co-operate with:
 - (i) Relevant Suppliers for the purposes of ensuring the establishment of the Central Delivery Body in accordance with Part A1 of this condition; and
 - (ii) the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART C. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A LARGE NON-DOMESTIC SUPPLIER

Costs of the Central Delivery Body

39.35 The licensee must:

- (a) together with all other Large Non-Domestic Suppliers, take such steps and do such things as are within its power to meet all costs, excluding Non-Domestic Fixed Operating Costs, that are reasonably incurred by the Central Delivery Body in undertaking its activities in respect of Energy Consumers at Relevant Designated Premises and operating in an efficient and cost-effective manner that achieves value for money; and
- (b) together with all other Large Non-Domestic Suppliers and Small Non-Domestic Suppliers, take such steps and do such things as are within its power to meet all Non-Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.

39.36 For the purpose of meeting the requirements of paragraph 39.35, the licensee must apply the mechanism specified in a direction issued by the Secretary of State for allocating:

- (a) between Large Non-Domestic Suppliers the costs of the Central Delivery Body, as referred to in paragraph 39.35(a); and
- (b) between Large Non-Domestic Suppliers and Small Non-Domestic Suppliers the costs of the Central Delivery Body as referred to in paragraph 39.35(b),

in each case on the basis of their respective shares of the markets for gas and electricity supply to Designated Energy Premises.

The Non-Domestic Performance Management Framework

- 39.37 The licensee must, together with all other Large Non-Domestic Suppliers, produce and maintain a performance framework (the Non-Domestic Performance Management Framework) which meets the requirements of paragraphs 39.38 to 39.41.
- 39.38 The Non-Domestic Performance Management Framework must:
- (a) set out the standards, including key performance indicators and targets, which have been determined by the Large Non-Domestic Suppliers as standards against which they will measure the performance of the Central Delivery Body in achieving its objectives in respect of Energy Consumers at Relevant Designated Premises; and
 - (b) include such provisions as will enable any person, including in particular the Large Non-Domestic Suppliers, the Secretary of State and the Authority, to assess:
 - (i) the Central Delivery Body's performance against the specified standards;
 - (ii) the effectiveness of the steps taken by the Central Delivery Body for the purpose of achieving the relevant objectives; and
 - (iii) the extent to which the Central Delivery Body has, in accordance with paragraph 39.16, amended the Consumer Engagement Plan to take into account information received in respect of its performance.
- 39.39 The Non-Domestic Performance Management Framework must be produced within the period that commences on [the date on which this paragraph first comes into force] and ends on [the date which is three months later].
- 39.40 The licensee, together with all other Large Non-Domestic Suppliers must keep the Non-Domestic Performance Management Framework under review, and must make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose.
- 39.41 In determining the standard to be set out, and the other provisions to be included, in the Non-Domestic Performance Management Framework, the licensee, together with all other Large Non-Domestic Suppliers, must consult with and take into account the views of, and information provided by, relevant interested parties, including in particular the Secretary of State.

Co-operation

- 39.42 The licensee must:
- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
 - (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart

Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART D. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A SMALL NON-DOMESTIC SUPPLIER

- 39.43 The licensee must, together with all Large Non-Domestic Suppliers and other Small Non-Domestic Suppliers, take such steps and do such things as are within its power to meet the Non-Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.
- 39.44 For the purpose of meeting the requirements of paragraph 39.43, the licensee must apply the mechanism specified in a direction issued by the Secretary of State for allocating between Large Non-Domestic Suppliers and Small Non-Domestic Suppliers the costs of the Central Delivery Body on the basis of their respective shares of the markets for gas and electricity supply to Designated Energy Premises.
- 39.45 The licensee must:
- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
 - (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body

PART E. INTERPRETATION AND DEFINITIONS

- 39.46 In this condition:

Designated Energy Premises

means premises which (with respect to the supply of gas) are Designated Premises, or (with respect to the supply of electricity) satisfy the definition of 'Designated Premises' at standard condition 1 of the Electricity Supply Licence.

Domestic Energy Premises

means premises which (with respect to the supply of gas) are Domestic Premises, or (with respect to the supply of electricity) satisfy the definition of 'Domestic Premises' at standard condition 6 of the Electricity Supply Licence.

Domestic Fixed Operating Costs	<p>means the costs of:</p> <ul style="list-style-type: none">(a) renting and maintaining premises;(b) staff recruitment, salaries, and benefits; and(c) purchasing and maintaining office equipment, including IT and telephony equipment, <p>insofar as those costs relate to the activities carried out by the Central Delivery Body in respect of Energy Consumers at Domestic Energy Premises.</p>
Energy Consumer	<p>means a consumer of gas or electricity (or both).</p>
Energy Customer	<p>means a person who is (with respect to the supply of gas) a Customer, or (with respect to the supply of electricity) a 'Customer' in accordance with the definition at standard condition 1 of the Electricity Supply Licence.</p>
Energy Meter Point	<p>means:</p> <ul style="list-style-type: none">(a) in relation to the supply of electricity, a Metering Point as defined in the Retail Energy Code; or(b) in relation to the supply of gas, a Supply Meter Point as defined in the Uniform Network Code.
Large Non-Domestic Supplier	<p>means a gas or electricity supplier which supplies gas, or electricity, or both to Energy Consumers at Designated Energy Premises via more than 100,000 Energy Meter Points.</p>

Micro Business Energy Consumer	<p>means an Energy Consumer that is a Micro Business Consumer in accordance with:</p> <ul style="list-style-type: none">(a) the meaning given to the term Micro Business Consumer in standard condition 7A (Supply to Micro Business Consumers); or(b) the meaning given to the term Micro Business Consumer in standard condition 7A of the Electricity Supply Licence.
Network Operator	<p>means any person holding:</p> <ul style="list-style-type: none">(c) a licence granted under section 6(1)(b) or 6(1)(c) of the Electricity Act 1989; or(d) a licence granted under section 7 of the Gas Act 1986.
Non-Domestic Fixed Operating Costs	<p>means the costs of:</p> <ul style="list-style-type: none">(a) renting and maintaining premises;(b) staff recruitment, salaries, and benefits; and(c) purchasing and maintaining office equipment, including IT and telephony equipment, <p>insofar as those costs relate to the activities carried out by the Central Delivery Body in respect of Energy Consumers at Designated Energy Premises.</p>
Non-Domestic-Only Supplier	<p>means a Non-Domestic Supplier which does not also supply gas or electricity to any Domestic Energy Premises.</p>
Non-Domestic Supplier	<p>means either a Large Non-Domestic Supplier or a Small Non-Domestic Supplier.</p>
Relevant Designated Premises	<p>means:</p> <ul style="list-style-type: none">(a) Designated Energy Premises at which the Energy Consumer is a Micro Business Energy Consumer; and(b) such additional categories of Designated Energy Premises as may be specified in a direction issued by the Secretary of State.
Relevant Supplier	<p>means a gas or electricity supplier which:</p>

- (a) is authorised by its licence to supply gas or electricity to Domestic Energy Premises; and
- (b) supplies either gas or electricity (or both) to more than 250,000 Energy Customers at Domestic Energy Premises.

Small Domestic Supplier means a gas or electricity supplier which:

- (a) is authorised by its licence to supply gas or electricity to Domestic Energy Premises; and
- (b) supplies gas or electricity to, in each case, no more than 250,000 Energy Customers at Domestic Energy Premises.

Small Non-Domestic Supplier

means a gas or electricity supplier which supplies gas or electricity (or both) to Designated Energy Premises and which is not a Large Non-Domestic Supplier.

Condition 39A. Smart Metering Consumer Engagement

Introduction

39A.1 This condition provides for holders of electricity and gas supply licences to ensure that there is at all times established and maintained a body which will carry out the role of

consumer engagement in relation to Smart Metering Systems, and to support and monitor the work of that body.

Application

39A.2 This condition shall:

- (a) apply with effect on and from 30 June 2021, or any later date up to (but not later than) 31 December 2021 that may be specified in a direction issued by the Secretary of State, save that any such direction may be issued only where:
 - (i) at the same time the Secretary of State also issues a direction under paragraph 39.2(b) of Condition 39 (Smart Metering Consumer Engagement); and
 - (ii) the date specified in each such direction is the same;
- (b) apply to the licensee only to the extent specified in paragraph 39A.3; and
- (c) cease to apply from such date as may be specified in a direction issued by the Secretary of State.

39A.3 Where the licensee is:

- (a) a Relevant Supplier, it is required to comply with Part A;
- (b) a Small Domestic Supplier, it is required to comply with Part B;
- (c) a Large Non-Domestic Supplier, it is required to comply with Part C;
- (d) a Small Non-Domestic Supplier, it is required to comply with Part D.

PART A. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A RELEVANT SUPPLIER

Duty to establish and maintain the Central Delivery Body

39A.4 The licensee, together with all other Relevant Suppliers, must take such steps and do such things as are within its power:

- (a) to ensure that there is at all times a body corporate established and maintained to carry out the role of consumer engagement in relation to Smart Metering Systems (referred to in this condition as the Central Delivery Body);
- (b) to provide that the Central Delivery Body is constituted and governed so as to ensure that it:
 - (i) has the characteristics set out at Part A1;
 - (ii) has the objectives set out at Part A2;
 - (iii) procures the advice of experts as set out at Part A3; and
 - (iv) fulfils the functions set out at Part A4;

- (c) to provide for the costs of the Central Delivery Body to be met as set out at Part A5, Part C and Part D.

Part A1. Characteristics of the Central Delivery Body

Constitution

39A.5 The articles of association of the Central Delivery Body must as a minimum provide that:

- (a) it is a not-for-profit body;
- (b) its board of directors (the **Board**) is at all times constituted so as to reflect the provisions of paragraph 39A.6;
- (c) the Secretary of State has a right of veto in respect of the appointment of any person as the Chair of the Board;
- (d) the members of the Board, other than the Chair and the Chief Executive Officer of the Central Delivery Body, shall be appointed in accordance with the provisions of paragraph 39A.10;
- (e) any person nominated by and representing;
 - (i) the Secretary of State;
 - (ii) all Network Operators;
 - (iii) Citizens Advice and Citizens Advice Scotland,is entitled to attend, but not vote at, a meeting of the Board;
- (f) the Board will exercise independent judgment and reach its decisions in accordance with the requirements of paragraph 39A.11;
- (g) its business shall be (and shall be limited to):
 - (i) achieving the objectives set out at Part A2;
 - (ii) achieving those objectives by taking such steps as are reasonably necessary and appropriate for carrying out the activities set out at Parts A3 and A4.

Composition of the Board

39A.6 The Board shall comprise:

- (a) Chair appointed by the Relevant Suppliers;

- (b) six directors representing the interests of Energy Suppliers;
 - (c) four directors representing the interests of Energy Consumers; and
 - (d) any person who is, from time to time, appointed as Chief Executive Officer of the Central Delivery Body.
- 39A.7 The Chair of the Board must be independent of any Energy Supplier and of any person or body representing the interests of Energy Consumers.
- 39A.8 All members of the Board must be persons possessing suitable skills, knowledge, experience and personal qualities with regard to the requirement for the Central Delivery Body to achieve the objectives set out at Part A2.
- 39A.9 Any person may be a director representing the interests of Energy Suppliers and where any such person is employed by an Energy Supplier they may nominate themselves to be considered for appointment to that role but otherwise they can only be nominated by an Energy Supplier for that purpose.
- 39A.10 A decision on the appointment to the Board of any director representing the interests of Energy Suppliers or of Energy Consumers shall be made, following such selection process as it may determine to be appropriate, by a committee comprised of:
- (a) the Chair of the Board;
 - (b) the Chief Executive Officer of the Central Delivery Body; and
 - (c) such other persons representing parties with relevant interests as are chosen by the Chair of the Board and Chief Executive Officer of the Central Delivery Body (acting jointly) to be members of the committee.

Decision-Making

- 39A.11 A decision made by the Board must be made in accordance with a voting procedure which provides for:
- (a) each director, other than the Chair, to exercise a single vote on each decision to be taken;
 - (b) decisions to be made by a simple majority; and
 - (c) the Chair to be able to exercise a casting vote, but only where the number of votes for and against a decision are equal.

Board Meetings

- 39A.12 The Board shall arrange for:
- (a) a record to be maintained of each meeting of the Board, to include in particular:

- (i) the date and time of, and agenda for, the meeting;
 - (ii) the name of each member of the Board in attendance at the meeting (or any part of the meeting);
 - (iii) the name of each organisation represented by any other person in attendance at the meeting (or any part of the meeting); and
 - (iv) each resolution voted on by the Board, and the outcome of that vote; and
- (b) a copy of that record to be at all times made available by it in a form that is readily accessible to most Energy Consumers.

39A.13 In complying with paragraph 39A.12(b) the Central Delivery Body:

- (a) must exclude from the record, so far as practicable, any information which would or might seriously prejudice the interests of any individual or body to which it relates; and
- (b) may exclude from the record any information that would, or would be likely to, prejudice the commercial interests of any person (including the Central Delivery Body itself).

Part A2. Objectives of the Central Delivery Body

Objectives

39A.14 The objectives of the Central Delivery Body set out in paragraph 39A.15 are, unless otherwise stated, to apply in respect of Energy Consumers at Domestic Energy Premises and at Relevant Designated Premises.

39A.15 The objectives of the Central Delivery Body are to:

- (a) increase consumer demand for and acceptance of Smart Metering Systems, including by increasing consumer confidence in their installation by gas and electricity suppliers;
- (b) in respect of Energy Consumers at Relevant Designated Premises, build consumer awareness and understanding of Smart Metering Systems and their benefits, including the benefits to be derived from the data that may be obtained through the use of Smart Metering Systems;
- (c) increase the willingness of Energy Consumers to use Smart Metering Systems to change their behaviour so as to enable them to more effectively and efficiently manage their use of energy;
- (d) in respect of Energy Consumers at Domestic Energy Premises who have low incomes or prepayment meters, or who due to their particular circumstances or characteristics may encounter additional barriers in being able to realise the benefits of Smart Metering Systems:

- (i) build their awareness and understanding of Smart Metering Systems; and
- (ii) assist them to realise the benefits of Smart Metering Systems while continuing to maintain an adequate level of warmth and meet their other energy needs; and
- (e) establish and maintain an administrative framework for facilitating the co-ordination of consumer engagement activities in respect of Smart Metering Systems that are carried on (or proposed to be carried on) by individual Energy Suppliers.

Part A3. Arrangements for Obtaining Expert Advice

39A.16 The Central Delivery Body shall establish arrangements for the purpose of ensuring that it is regularly provided with all appropriate advice that is:

- (a) concerned with the means by which it can most efficiently and effectively achieve its objectives; and
- (b) procured from such persons, as selected by it, who have widely recognised expertise in matters that are relevant to, and will assist in, the efficient and effective achievement of its objectives.

39A.17 The functions of the Central Delivery Body shall be to:

- (a) produce and maintain a management framework (the **Performance Management Framework**) which meets the requirements of paragraphs 39A.18 to 39A.21;
- (b) for the purposes of consultation and of obtaining advice in respect of the Performance Management Framework, establish and maintain two advisory groups (the **Advisory Groups**) in accordance with paragraphs 39A.22 to 39A.24;
- (c) maintain a plan for achieving its objectives (the **Consumer Engagement Plan**) which meets the requirements of paragraphs 39A.25 to 39A.27;
- (d) implement the Consumer Engagement Plan in accordance with paragraph 39A.28;
- (e) develop and produce each year an annual budget for the delivery of the Consumer Engagement Plan which meets the requirements of paragraphs 39A.29 and 39A.31 (the **Annual Budget**);
- (f) produce a report on at least an annual basis (the **Annual Report**) which meets the requirements of paragraphs 39A.32 and 45A.33; and
- (g) publish the Consumer Engagement Plan, the Annual Budget and the Annual Report in accordance with paragraphs 39A.34 and 39A.35.

The Performance Management Framework

39A.18 The Performance Management Framework must:

- (a) set out the standards, including key performance indicators and targets, which have been determined and adopted by the Board as standards against which it will measure the performance of the Central Delivery Body in achieving its objectives;
 - (b) set out separate standards, of the type described in sub-paragraph (a), in respect of each of the following:
 - (i) Energy Consumers at Domestic Energy Premises; and
 - (ii) Energy Consumers at Relevant Designated Premises; and
 - (c) include such provisions as will enable any person, including in particular Energy Suppliers, the Secretary of State and the Authority, to assess:
 - (i) the Central Delivery Body's performance against the specified standards;
 - (ii) the effectiveness of the steps taken by the Central Delivery Body for the purpose of achieving the relevant objectives; and
 - (iii) the extent to which the Central Delivery Body has, in accordance with paragraph 39A.26, amended the Consumer Engagement Plan to take into account information received in respect of its performance.
- 39A.19 The initial Performance Management Framework must be produced by the Central Delivery Body by no later than 31 December 2021.
- 39A.20 The Central Delivery Body must keep the Performance Management Framework under review, and must make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose.
- 39A.21 Prior to producing, and making any subsequent amendment to, the Performance Management Framework, the Central Delivery Body:
- (a) must seek the advice of, and have due regard to the advice given by, the persons with whom it has made arrangements in accordance with the provisions of Part A3;
 - (b) for the purpose of determining the standards to be set out, and other provisions to be included, in the Performance Management Framework, must consult with and take into account the views of, and information provided by, each of the Advisory Groups; and
 - (c) may consult with, and have regard to the representations of, any other relevant interested parties (including the Secretary of State).

The Advisory Groups

39A.22 The Advisory Groups shall have the purpose of ensuring that the Central Delivery Body is provided with appropriate information and advice on the standards to be set out, and the other provisions to be included, in the Performance Management Framework, and any other related matter as the Board may from time to time determine.

39A.23 The Advisory Groups must consist of:

(a) a **Domestic Consumer Advisory Group** which shall comprise:

- (i) a chairperson, who is also a member of the Board as a director representing the interests of Energy Suppliers, appointed by the Board; and
- (ii) such number of other persons as the Board may consider appropriate, appointed by the Board for the purpose of advising on the standards to be set out, and other provisions to be included, in the Performance Management Framework in order to measure the performance of the Central Delivery Body in achieving its objectives in respect of Energy Consumers at Domestic Energy Premises; and

(b) a **Micro Business Consumer Advisory Group** which shall comprise:

- (i) a chairperson, who is also a member of the Board as a director representing the interests of Energy Suppliers, appointed by the Board;
- (ii) such number of other persons as the Board may consider appropriate, appointed by the Board for the purpose of advising on the standards to be set out and other provisions to be included in the Performance Management Framework in order to measure the performance of the Central Delivery Body in achieving its objectives in respect of Energy Consumers at Relevant Designated Premises.

39A.24 The persons appointed by the Board to be members of each Advisory Group must be persons possessing suitable skills, knowledge, experience and personal qualities having regard to the purpose of that Advisory Group, and must (except for the chairperson) include an appropriate number of persons representing parties with relevant interests.

The Consumer Engagement Plan

39A.25 The Consumer Engagement Plan must be in writing and must:

- (a) constitute a plan which is designed to ensure that the Central Delivery Body takes all appropriate steps to achieve its objectives;
- (b) describe the activities that the Central Delivery Body proposes to carry out for that purpose;
- (c) describe how the Central Delivery Body has taken into account the need to:
 - (i) co-ordinate its consumer engagement activities with consumer engagement activities undertaken by Energy Suppliers and by any other parties in relation to Smart Metering Systems;

- (ii) undertake a co-ordinated delivery of consumer engagement activities that reflects and takes into account the need to adopt different activities for the purpose of meeting the consumer engagement requirements of any class or classes of Energy Consumer, including Energy Consumers:

- (A) paying by different payment methods;

- (B) residing in different geographical areas;

- (C) occupying different types of Domestic Energy Premises and Relevant Designated Premises; and

- (D) carrying on commercial activities at Relevant Designated Premises in respect of different sectors of the economy;

- (iii) provide additional assistance and consumer engagement activities that may be required by particular categories of:

- (A) Energy Suppliers; and

- (B) Energy Consumers, including in particular Energy Consumers who have low incomes or prepayment meters, or who due to their particular circumstances or characteristics may encounter additional barriers in being able to realise the benefits of Smart Metering Systems; and

- (d) be designed to ensure that in carrying out its activities the Central Delivery Body does not restrict, distort or prevent competition in the supply of gas or electricity or in any commercial activities connected with Smart Metering Systems.

39A.26 The Central Delivery Body must keep the Consumer Engagement Plan under review, and must:

- (a) make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose; and

- (b) in particular produce an amended version of the Consumer Engagement Plan which satisfies the requirements of sub-paragraph (a) following Commencement and by no later than 31 December 2021.

39A.27 Prior to making any amendment to the Consumer Engagement Plan, the Central Delivery Body:

- (a) must seek the advice of, and have due regard to the advice given by, the persons with whom it has made arrangements in accordance with the provisions of Part A3; and

- (b) may consult with, and have regard to the representations of, any other interested parties (including the Secretary of State).

39A.28 The Central Delivery Body must take such steps and do such things as are within its power:

- (a) to implement the Consumer Engagement Plan in accordance with its terms (as amended from time to time); and
- (b) to do so in an efficient and cost-effective manner that achieves value for money in the performance of its activities.

Annual Budget

39A.29 The Central Delivery Body must, by 31 December in each year, develop and produce an Annual Budget in respect of the calendar year which commences immediately following that date.

39A.30 In developing each Annual Budget in accordance with paragraph 39A.29, the Central Delivery Body must consult with Energy Suppliers on a draft budget, and take into account the responses received for the purposes of the Annual Budget produced in accordance with that paragraph.

39A.31 Each Annual Budget must comprise a detailed statement of the best estimate of the Central Delivery Body, made in good faith, of all costs that it expects to incur for the purpose of undertaking its activities during the calendar year to which that Annual Budget relates.

Annual Report

39A.32 The Central Delivery Body must by 31 March in each year, produce an Annual Report in respect of the calendar year that commenced on 1 January in the previous year.

39A.33 Each Annual Report must in particular:

- (a) report on:
 - (i) the Central Delivery Body's performance; and
 - (ii) the extent to which, in the opinion of the Board, the steps taken by the Central Delivery Body to implement the Consumer Engagement Plan (as applicable during the period to which the Annual Report relates) have contributed to the achievement of its objectives during the period to which the Annual Report relates; and
- (b) set out the expenditure of the Central Delivery Body during that period and report on the extent to which, in the opinion of the Board, such expenditure represents value for money.

Publication

39A.34 The Central Delivery Body must ensure that up to date copies of:

- (a) the Consumer Engagement Plan;

- (b) the Annual Budget; and
- (c) the Annual Report,

are at all times made available by it in a form that is readily accessible to most Energy Consumers.

39A.35 In complying with paragraph 39A.34 the Central Delivery Body:

- (a) must exclude from each document, so far as practicable, any information which would or might seriously prejudice the interests of any individual or body to which it relates; and
- (b) may exclude from each document any information that would, or would be likely to, prejudice the commercial interests of any person (including the Central Delivery Body itself).

Part A5. Costs of the Central Delivery Body

39A.36 The licensee must:

- (a) together with all other Relevant Suppliers, take such steps and do such things as are within its power to meet all costs, excluding Domestic Fixed Operating Costs, that are reasonably incurred by the Central Delivery Body in undertaking its activities in respect of Energy Consumers at Domestic Energy Premises and operating in an efficient and cost-effective manner that achieves value for money; and
- (b) together with all other Relevant Suppliers and Small Domestic Suppliers, take such steps and do such things as are within its power to meet all Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.

39A.37 For the purpose of meeting the requirements of paragraph 39A.36, the licensee must take such steps and do such things as are within its power, together with all other Relevant Suppliers and Small Domestic Suppliers, to maintain a mechanism (the **Domestic Funding Mechanism**) to allocate:

- (a) between Relevant Suppliers the costs of the Central Delivery Body, as referred to in paragraph 39A.36(a), on the basis of their respective shares of the markets for gas and electricity supply; and
- (b) between Relevant Suppliers and Small Domestic Suppliers the costs of the Central Delivery Body as referred to in paragraph 39A.36(b), on the basis of their respective shares of the markets for gas and electricity supply to Domestic Premises

39A.38 The licensee must take such steps and do such things as are within its power, together with all other Relevant Suppliers and Small Domestic Suppliers, to:

- (a) produce an amended version of the Domestic Funding Mechanism which is accurate, up to date and fit for purpose following Commencement, such that the amended version takes effect from 31 December 2021; and
- (b) keep the Domestic Funding Mechanism under review and make appropriate amendments to it from time to time so that it continues to be accurate, up to date, and fit for purpose.

39A.39 For the purposes of paragraphs 39A.36(a) and 39A.37(a), all references to Relevant Suppliers meeting the costs of the Central Delivery Body shall, in respect of any such costs relating to the period prior to 31 December 2021, be construed as a reference to ‘Relevant Suppliers’ as defined in standard condition 39 immediately prior to the date that standard condition 39 ceased to have effect.

Part A6. Other Duties of Relevant Suppliers

General Duty

39A.40 The licensee, together with all other Relevant Suppliers, must take such steps and do such things as are within its power to ensure that:

- (a) the Central Delivery Body achieves its objectives; and
- (b) in achieving its objectives the Central Delivery Body acts in a manner which is transparent, impartial, cost-effective and represents value for money.

Co-operation

39A.41 The licensee must:

- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART B. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A SMALL DOMESTIC SUPPLIER

Costs of the Central Delivery Body

39A.42 The licensee must take such steps and do such things as are within its power, together with all Relevant Suppliers and other Small Domestic Suppliers, to:

- (a) meet the Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money;

- (b) maintain the Domestic Funding Mechanism in accordance with the provisions of paragraph 39A.37; and
- (c) keep the Domestic Funding Mechanism under review, and amend it, in accordance with the provisions of paragraph 39A.38.

Co-operation

39A.43 The licensee must:

- (a) co-operate with:
 - (i) Relevant Suppliers for the purposes of ensuring the maintenance of the Central Delivery Body in accordance with Part A1 of this condition; and
 - (ii) the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART C. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A LARGE NON-DOMESTIC SUPPLIER

Costs of the Central Delivery Body

39A.44 The licensee must:

- (a) together with all other Large Non-Domestic Suppliers, take such steps and do such things as are within its power to meet all costs, excluding Non-Domestic Fixed Operating Costs, that are reasonably incurred by the Central Delivery Body in undertaking its activities in respect of Energy Consumers at Relevant Designated Premises and operating in an efficient and cost-effective manner that achieves value for money; and
- (b) together with all other Large Non-Domestic Suppliers and Small Non-Domestic Suppliers, take such steps and do such things as are within its power to meet all Non-Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.

39A.45 For the purpose of meeting the requirements of paragraph 39A.44, the licensee must apply the mechanism specified in a direction issued by the Secretary of State for allocating:

- (a) between Large Non-Domestic Suppliers the costs of the Central Delivery Body, as referred to in paragraph 39A.44(a); and
 - (b) between Large Non-Domestic Suppliers and Small Non-Domestic Suppliers the costs of the Central Delivery Body as referred to in paragraph 39A.44(b),
- in each case on the basis of their respective shares of the markets for gas and electricity supply to Designated Energy Premises.

Co-operation

39A.46 The licensee must:

- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART D. REQUIREMENTS APPLICABLE TO THE LICENSEE WHERE IT IS A SMALL NON-DOMESTIC SUPPLIER

Costs of the Central Delivery Body

39A.47 The licensee must, together with all Large Non-Domestic Suppliers and other Small Non-Domestic Suppliers, take such steps and do such things as are within its power to meet the Non-Domestic Fixed Operating Costs that are reasonably incurred by the Central Delivery Body operating in an efficient and cost-effective manner that achieves value for money.

39A.48 For the purpose of meeting the requirements of paragraph 39A.47, the licensee must apply the mechanism specified in a direction issued by the Secretary of State for allocating between Large Non-Domestic Suppliers and Small Non-Domestic Suppliers the costs of the Central Delivery Body on the basis of their respective shares of the markets for gas and electricity supply to Designated Energy Premises.

Co-operation

39A.49 The licensee must:

- (a) co-operate with the Central Delivery Body for the purposes of enabling the Central Delivery Body to undertake its activities; and
- (b) take all reasonable steps to ensure that in carrying out its consumer engagement activities in relation to, and communicating with Energy Consumers about, Smart Metering Systems it does not act inconsistently with the activities of the Central Delivery Body.

PART E. INTERPRETATION AND DEFINITIONS

39A.50 In this condition:

Commencement	means the point in time at which this condition first applies, as determined in accordance with paragraph 39A.2.
Designated Energy Premises	means premises which (with respect to the supply of electricity) are Designated Premises, or (with respect to the supply of gas) satisfy the definition of 'Designated Premises' at standard condition 1 of the Gas Supply Licence.
Domestic Energy Premises	means premises which (with respect to the supply of electricity) are Domestic Premises, or (with respect to the supply of gas) satisfy the definition of 'Domestic Premises' at standard condition 6 of the Gas Supply Licence.
Domestic Fixed Operating Costs	<p>means the costs of:</p> <ul style="list-style-type: none">(a) Renting and maintaining premises;(b) staff recruitment, salaries, and benefits; and(c) purchasing and maintaining office equipment, including IT and telephony equipment, <p>insofar as those costs relate to the activities carried out by the Central Delivery Body in respect of Energy Consumers at Domestic Energy Premises.</p>
Energy Consumer	means a consumer of gas or electricity (or both).
Energy Customer	<p>means a person who is (with respect to the supply of electricity) a Customer, or (with respect to the supply of gas)</p> <p>a 'Customer' in accordance with the definition at standard condition 1 of the Gas Supply Licence.</p>
Energy Meter Point	<p>means:</p> <ul style="list-style-type: none">(a) in relation to the supply of electricity, a Metering Point as defined in the Retail Energy Code; or

	(b) in relation to the supply of gas, a Supply Meter Point as defined in the Uniform Network Code.
Energy Supplier	means the holder of an Electricity Supply Licence and/or a Gas Supply Licence which supplies gas, or electricity, or both to Energy Consumers at Domestic Energy Premises or Designated Energy Premises.
Large Non-Domestic Supplier	means a gas or electricity supplier which supplies gas, or electricity, or both to Energy Consumers at Designated Energy Premises via more than 100,000 Energy Meter Points.
Micro Business Energy Consumer	<p>means an Energy Consumer that is a Micro Business Consumer in accordance with:</p> <p>(a) the meaning given to the term Micro Business Consumer in standard condition 7A (Supply to Micro Business Consumers); or</p> <p>(b) the meaning given to the term Micro Business Consumer in standard condition 7A of the Gas Supply Licence.</p>
Network Operator	<p>means any person holding:</p> <p>(a) a licence granted under section 6(1)(b) or 6(1)(c) of the Electricity Act 1989; or</p> <p>(b) a licence granted under section 7 of the Gas Act 1986.</p>
Non-Domestic Fixed Operating Costs	<p>means the costs of:</p> <p>(a) renting and maintaining premises;</p> <p>(b) staff recruitment, salaries, and benefits; and</p> <p>(c) purchasing and maintaining office equipment, including IT and telephony equipment,</p> <p>insofar as those costs relate to the activities carried out by the Central Delivery Body in respect of Energy Consumers at Designated Energy Premises.</p>
Relevant Designated Premises	means:

- (a) Designated Energy Premises at which the Energy Consumer is a Micro Business Energy Consumer; and
- (b) such additional categories of Designated Energy Premises as may be specified in a direction issued by the Secretary of State.

Relevant Supplier

means a gas or electricity supplier which:

- (a) is authorised by its licence to supply gas or electricity to Domestic Energy Premises; and
- (b) supplies either gas or electricity (or both) to more than 150,000 Energy Customers at Domestic Energy Premises.

Small Domestic Supplier

means a gas or electricity supplier which:

- (a) is authorised by its licence to supply gas or electricity to Domestic Energy Premises; and
- (b) supplies gas or electricity to, in each case, no more than 150,000 Energy Customers at Domestic Energy Premises.

Small Non-Domestic Supplier

means a gas or electricity supplier which supplies gas or electricity (or both) to Designated Energy Premises and which is not a Large Non-Domestic Supplier.

Condition 40. Security controls in relation to Smart Metering Systems

Introduction

- 40.1 This condition requires the licensee to maintain a high level of security in accordance with good industry practice in relation to all:

- (a) Smart Metering Systems installed at premises which are from time to time supplied by it with gas;
- (b) equipment used by it for the purpose of communicating with those Smart Metering Systems;
- (c) associated software and ancillary devices; and
- (d) related business processes,

excepting any Smart Metering Systems which fall within the scope of Condition 40A (Security Controls in Relation to Smart Metering Systems Enrolled with the DCC).

PART A. APPLICATION

- 40.2 This condition shall cease to have effect from any date specified by the Secretary of State in a direction issued to the licensee under this paragraph.

PART B. THE GENERAL DUTY TO ENSURE A SECURE SYSTEM

- 40.3 The licensee must take such steps and do such things as are within its power to provide that the Supplier End-to-End System is at all times Secure.
- 40.4 For the purposes of this condition, the Supplier End-to-End System comprises all of the equipment (together with any associated software and ancillary devices) which falls into one or more of the following categories:
- (a) equipment operated by or on behalf of the licensee for the purpose of enabling information to be communicated to or from Smart Metering Systems;
 - (b) equipment which is a part of any electronic communications network by means of which such communication takes place;
 - (c) equipment comprised within a Smart Metering System located at each premises that is from time to time supplied with gas by the licensee, but excluding any equipment comprised within a Smart Metering System which constitutes part of the Supplier and Enrolled Smart Metering System.
- 40.5 For the purposes of this condition, the Supplier End-to-End System is Secure if both the System and each individual element of it is designed, installed, operated and supported so as to ensure, to the Appropriate Standard, that it is not subject to the occurrence of a Security Incident.
- 40.6 For the purposes of this condition, a **Security Incident** is any event of interference with or misuse of the Supplier End-to-End System, or with any individual element of it, that (whether directly or indirectly):
- (a) causes any loss, theft or corruption of data;
 - (b) results in any other unauthorised access to data; or

- (c) gives rise to any loss or interruption of gas supply or to any other interference with the service provided to a Customer at any premises.

PART C. SPECIFIC DUTIES IN RELATION TO A SECURE SYSTEM

40.7 For the purpose of ensuring its compliance with the duty at Part B, the licensee must in particular:

- (a) comply with the following requirements of this Part C; and
- (b) retain, and produce to the Secretary of State or the Authority when requested to do so, documentary evidence sufficient to demonstrate its compliance with the duty at Part B and, in particular, the requirements of this Part C.

Compliance with Standards

40.8 The licensee must take all reasonable steps to ensure that, by no later than the Specified Date, it complies with the following standards of the International Organisation for Standards with respect to the resilience, reliability and security of the Supplier End-to-End System:

- (a) ISO 27001:2005 (entitled *Information Technology – Security Techniques – Information Security Management Systems*); and
- (b) any equivalent standard of the ISO that amends, replaces or supersedes that standard.

40.9 For the purposes of paragraph 40.8, the **Specified Date** is the date which falls 18 months after the date on which this condition comes into force.

Information Security Policy

40.10 The licensee must establish, maintain, and give effect to a policy (the **Information Security Policy**) which must:

- (a) be based on a risk assessment in relation to the security of the Supplier End-to-End System; and
- (b) set out the manner in which the licensee will operate the Supplier End-to-End System in order to ensure its compliance with the duty at Part B.

40.11 The Information Security Policy must in particular make appropriate provision for:

- (a) measures to mitigate the risk of the occurrence of any Security Incident;
- (b) restricting access to the Supplier End-to-End System, and to the data communicated over or stored on any element of it, to those who need it and are authorised to obtain it;
- (c) the effective management of any Security Incident; and
- (d) appropriate business continuity and disaster recovery procedures.

- 40.12 The licensee must keep the Information Security Policy under review so as to ensure that it remains appropriate and up to date.
- 40.13 The licensee must ensure that the Information Security Policy, and each amendment made to it, is brought to the attention of and considered by appropriate members of its senior management team.
- 40.14 The licensee must:
- (a) commit adequate levels of resource, including a sufficient number of appropriately qualified individuals; and
 - (b) establish all appropriate physical and environmental security controls,
- to ensure that it at all times implements the Information Security Policy.

Audit

- 40.15 The licensee must:
- (a) by no later than six months after the date on which this condition comes into force; and
 - (b) at least once in each subsequent period of 12 months,
- ensure that a security audit of the Supplier End-to-End System is carried out, and has been completed, by a Competent Independent Organisation.
- 40.16 The licensee must ensure that any audit carried out for the purposes of paragraph 40.15:
- (a) includes an assessment of the licensee's compliance with the requirements of Part B and the other requirements of this Part C; and
 - (b) is documented in a report which:
 - (i) is produced by the auditors and addressed to the licensee;
 - (ii) is provided by the auditors to the licensee within one month of the completion of the audit; and
 - (iii) shall include any recommendations that the auditors consider it appropriate to make as to actions that the licensee should take in order to ensure its compliance with those requirements.
- 40.17 The licensee must ensure that:
- (a) each report prepared in accordance with paragraph 40.16(b) is considered by appropriate members of its senior management team within 4 weeks of the report being provided by the auditors to the licensee; and
 - (b) it keeps a documentary record of the decisions made and actions taken by it in response to that report.

PART D. COMPLIANCE WITH DIRECTIONS

40.18 The Secretary of State may from time to time issue a direction addressed to the licensee which may require it to:

- (a) take (or refrain from taking) such steps as may be set out in the direction for the purposes of:
 - (i) establishing and maintaining a Secure Supplier End-to-End System for the purposes of any testing and trialling related to the installation or operation of Smart Metering Systems;
 - (ii) establishing and maintaining a Secure Supplier End-to-End System at all other times;
 - (iii) mitigating any known or anticipated risk to the security of the Supplier End-to-End System;
 - (iv) preventing any potential failure of security in the supplier End-to-End System;
 - (v) remedying any actual failure of security in the Supplier End-to-End System;
 - (vi) preparing to address the consequences of any potential failure, or addressing the consequences of any actual failure, in the security of the Supplier End-to-End System;
- (b) do so by such a date as may be set out in the direction;
- (c) report to the Secretary of State or the Authority on the steps that it has taken or will take to comply with the direction;
- (d) produce documentary evidence sufficient to demonstrate its compliance with the direction.

40.19 Any direction issued under this Part D may be addressed to the licensee alone or to the licensee together with any one or more other Gas or Electricity Suppliers.

40.20 The licensee must comply with any direction issued under this Part D and addressed to it.

PART E. DEFINITIONS

40.21 For the purposes of this condition:

Appropriate Standard means a high level of security that is in accordance with good industry practice within the energy industry in Great Britain, and is capable of verification as such by a Competent Independent Organisation.

Information Security Policy has the meaning given in paragraph 40.10.

Competent Independent Organisation means a body which:

- (a) is fully independent of the interests of the licensee;
- (b) is recognised as being qualified to conduct information security audits by virtue of:
 - (i) employing one or more consultants who are members of the CESG Listed Adviser Scheme (**CLAS**), or any successor to that scheme;
 - (ii) being accredited under the CESG CHECK (IT Health Check Service) Scheme, or any successor to that scheme;
 - (iii) being approved as a provider of CTAS (CESG Tailored Assurance Service) assessments or any successor to those assessments; or
 - (iv) any other membership, accreditation, approval, or similar form of validation that is substantially equivalent in its status and effect to one or more of the arrangements referred to at sub-paragraphs (i) to (iii), and
- (c) has engaged as its lead auditor, for the purposes of the security audit carried out in accordance with paragraph 40.15, an individual who is a member of CLAS or of any successor to or equivalent of that scheme.

For the purposes of this definition, **CESG** is the National Technical Authority for Information Assurance.

Secure has the meaning given in paragraph 40.5.

Security Incident has the meaning given in paragraph 40.6.

Supplier and Enrolled Smart Metering System has the meaning given in Condition 40A (Security Controls in Relation to Smart Metering Systems Enrolled with the DCC).

Supplier End-to-End System has the meaning given in paragraph 40.4.

Condition 40A. Security Controls in Relation to Smart Metering Systems

Enrolled with the DCC

The General Duty to Ensure the Security of the System

- 40A.1 This licensee must take all reasonable steps to ensure that the Supplier and Enrolled Smart Metering System is designed, developed, configured, tested, operated, maintained, decommissioned and disposed of in such a manner as to protect it from being Compromised.

Definitions

40A.2 For the purposes of this condition, the **Supplier and Enrolled Smart Metering System** shall comprise all of the equipment (together with any associated software and ancillary devices) which fall into one or more of the following categories:

- (a) the User Systems of the licensee that are used by it for the purposes of its User Role as Gas Supplier;
- (b) any other systems relied upon by the licensee for the purpose of generating, initiating or processing communications sent to or received from the DCC by such User Systems;
- (c) any equipment which is:
 - (i) comprised within a Smart Metering System located at each premises that is from time to time supplied with gas by the licensee; and
 - (ii) enrolled in accordance with the Enrolment Service,but excluding any communications hub provided by the DCC.
- (d) any PPMID located at each premises that is from time to time supplied with gas by the licensee.

40A.3 For the purposes of this condition:

Compromised	means, in relation to the Supplier and Enrolled Smart Metering System, that the intended purpose or effective operation of that system is compromised by the occurrence of any event which has an adverse effect on the confidentiality, integrity or availability of the system or of any data that are stored on or communicated by means of it.
Enrolment Service	has the meaning given to it in the Smart Energy Code.
Gas Supplier	has the meaning given to it in the Smart Energy Code.
User Role	has the meaning given to it in the Smart Energy Code.
User Systems	has the meaning given to it in the Smart Energy Code on 10 February 2016."

Condition 41. Smart Metering – Matters Relating To Obtaining and Using Consumption Data

Application

- 41.1 Part A of this condition applies only in respect of each Domestic Premises (the **relevant premises**):
- (a) to which gas is supplied through a Gas Meter which forms part of a Smart Metering System; or
 - (b) to which gas is supplied through a Remote Access Meter; and
 - (c) in respect of which the quantity of gas supplied is measured by that Gas Meter.
- 41.2 Part B of this condition applies only in respect of each Designated Premises at which the Customer is a Micro Business Consumer (the **micro business premises**):
- (a) to which gas is supplied through a Gas Meter which forms part of a Smart Metering System; or
 - (b) to which gas is supplied through a Remote Access Meter; and
 - (c) in respect of which the quantity of gas supplied is measured by that Gas Meter.

PART A. APPLICATION TO RELEVANT PREMISES

Prohibition on obtaining consumption data

- 41.3 Subject to paragraphs 41.4 and 41.7, the licensee must not, in respect of any relevant Premises, obtain any Gas Consumption Data which relates to a period of less than one month.

Exception to Prohibition – Obtaining consumption data for periods of less than one month

- 41.4 Paragraph 41.3 does not apply where:
- (a) the Gas Consumption Data that is obtained relates to a period of less than one month but not less than one day; and
 - (b) the requirements of either paragraph 41.5 or 41.6 are satisfied.
- 41.5 The requirements of this paragraph are that:
- (a) the licensee has given Notice to the Domestic Customer at the relevant premises informing the Domestic Customer:
 - (i) that the licensee intends to obtain Gas Consumption Data which relates to any one or more periods of a length referred to in paragraph 41.4(a);

- (ii) of the purposes (which purposes must not include Marketing) for which the licensee may use that Gas Consumption Data; and
 - (iii) that the Domestic Customer may at any time object to the licensee obtaining that Gas Consumption Data and of the process by which he may do so; and
- (b) the Domestic Customer has either:
 - (i) given explicit consent to the licensee obtaining that Gas Consumption Data for the purposes set out in the Notice (and such consent has not been withdrawn); or
 - (ii) after at least seven days have elapsed from the date on which the Notice was given to him, not objected to the licensee obtaining that Gas Consumption Data for the purposes set out in the Notice.

41.6 The requirements of this paragraph are that one of the following applies:

- (a) the licensee has reasonable grounds to suspect that there is an occurrence of theft of gas at the relevant premises, and it obtains Gas Consumption Data which relates to any one or more periods of a length referred to in paragraph 41.4(a) only for the purposes of investigating that suspected theft;
- (b) the licensee obtains the Gas Consumption Data which relates to a single period of a length referred to in paragraph 41.4(a) only for the purposes of:
 - (i) verifying the quantity of gas supplied to the relevant premises since the last date in respect of which the licensee obtained Gas Consumption Data that was used for the purposes of sending a Bill or a statement of account to the Domestic Customer (the **Billing Date**); and
 - (ii) calculating and sending an accurate and up to date Bill or statement of account (including a final Bill or statement of account) to the Domestic Customer in respect of the Charges for the Supply of Gas to the relevant premises since the Billing Date;
- (c) the licensee obtains the Gas Consumption Data which relates to any one or more periods of a length referred to in paragraph 41.4(a) only for the purposes of responding to an enquiry from or a complaint made by, or on behalf of, the Domestic Customer at the relevant premises and relating to the supply of gas by the licensee to the relevant premises;
- (d) the licensee obtains Gas Consumption Data which relates to any one or more periods of a length referred to in paragraph 41.4(a), only following receipt of a request of the type referred to in, and for the purposes of complying with the requirements of, paragraph 45.8(b) of standard condition 45 (Smart Metering – Customer Access to Consumption Data); or
- (e) the Gas Meter forming part of the Smart Metering System or Remote Access Meter at the relevant premises is a Prepayment Meter, and the Gas Consumption Data:

- (i) is obtained only by virtue of the Remote Access Meter or Smart Metering System registering an advance payment made by the Domestic Customer through that Prepayment Meter; and
- (ii) relates to a single period of a length referred to in paragraph 41.4(a) which corresponds to the period since the previous advance payment made by the Domestic Customer through that Prepayment Meter.

Exception to Prohibition – Obtaining consumption data for periods of less than a day

41.7 Paragraph 41.3 does not apply where:

- (a) the Gas Consumption Data that is obtained relates to a period of less than one day; and
- (b) the requirements of either paragraph 41.8 or 41.9 are satisfied.

41.8 The requirements of this paragraph are that:

- (a) the licensee has given Notice to the Domestic Customer at the relevant premises informing the Domestic Customer:
 - (i) that the licensee intends to obtain Gas Consumption Data which relates to any one or more periods of less than one day;
 - (ii) of the purposes for which the licensee may use that Gas Consumption Data;
 - (iii) that the licensee requires the Domestic Customer's consent to obtain that Gas Consumption Data; and
 - (iv) that where the Domestic Customer gives consent he may withdraw it at any time and of the process by which he may do so; and
- (b) the Domestic Customer has given his explicit consent to the licensee obtaining that Gas Consumption Data for the purposes set out in the Notice and such consent has not been withdrawn.

41.9 The requirements of this paragraph are that:

- (a) where:
 - (i) there is a Remote Access Meter and the Authority has approved the Trial; or
 - (ii) the Gas Meter forms part of a Smart Metering System and the Secretary of State has approved (the **Trial**); and
- (b) the relevant premises fall within that category;
- (c) the licensee has given at least 14 days advance Notice to the Domestic Customer at the relevant premises informing the Domestic Customer:

- (i) of the nature and purpose of the Trial;
- (ii) that he may at any time object to being included in the Trial;
- (iii) of the process by which the Domestic Customer may object; and
- (d) the Domestic Customer has not objected to being included in the Trial.

Prohibition on use of consumption data

41.10 Subject to paragraph 41.11, the licensee must not use Gas Consumption Data obtained in respect of any relevant premises other than for any of the following purposes:

- (a) calculating and sending a Bill or a statement of account to the Domestic Customer;
- (b) complying with a relevant condition or a relevant requirement;
- (c) where the requirements of paragraph 41.5 are satisfied, the purpose set out in the Notice given to the Domestic Customer under paragraph 41.5(a);
- (d) where any of the requirements of paragraph 41.6 are satisfied, the purpose for which the data was obtained in accordance with paragraph 41.6;
- (e) where the requirements of paragraph 41.8 are satisfied, the purpose set out in the Notice given to the Domestic Customer under paragraph 41.8(a);
- (f) where the requirements of paragraph 41.9 are satisfied, the purpose of the Trial.

Exception to prohibition on use of consumption data

41.11 The licensee may use Gas Consumption Data for purposes other than the purposes specified in paragraph 41.10 where:

- (a) it has given at least seven days advance Notice informing the Domestic Customer that it intends to use Gas Consumption Data for the purposes specified in the Notice; and
- (b) the requirements of paragraph 41.12 are satisfied.

41.12 The requirements of this paragraph are that:

- (a) where the Gas Consumption Data relates to any period of less than one day, the Domestic Customer has given explicit consent for that Gas Consumption Data to be used for the purposes specified in the Notice;
- (b) where the Notice given under paragraph 41.11(a) specifies that the licensee intends to use Gas Consumption Data for Marketing, the Domestic Customer has given explicit consent for the Gas Consumption Data to be used for Marketing; and
- (c) in all other cases, the Domestic Customer has not objected to the Gas Consumption Data being used for the purposes specified in the Notice.

Maintaining records and informing customers

41.13 The licensee must, in respect of each of its Domestic Customers at relevant premises, at all times maintain an accurate and up to date record of:

- (a) the date of any Notice sent to the Domestic Customer under this condition and of the information contained in it;
- (b) the nature of the Domestic Customer's response (if any) to that Notice;
- (c) the time periods (by reference to length) in relation to which the licensee obtains or may obtain Gas Consumption Data; and
- (d) where the licensee obtains Gas Consumption Data by virtue of the requirements of paragraph 41.6(a) a statement setting out the reasons why such requirements are satisfied in the circumstances of the case.

41.14 The licensee must, in accordance with paragraph 41.15, inform the Domestic Customer in Writing of:

- (a) the time periods (by reference to length) in relation to which the licensee obtains or may obtain Gas Consumption Data;
- (b) the purposes for which that Gas Consumption Data is, or may be, used by the licensee; and
- (c) where any of the time periods is of less than one month, the Domestic Customer's right, if any, to object or withdraw consent (as the case may be) to the licensee obtaining or using (as the case may be) that Gas Consumption Data.

41.15 The licensee shall inform the Domestic Customer of the matters set out in paragraph 41.14:

- (a) where it installs or arranges for the installation of the Remote Access Meter or Smart Metering System at the Domestic Premises, on, or at any time during the 14 days prior to, the date of installation or as soon as reasonably practicable after the date of installation; and
- (b) in all cases, at such intervals as are determined appropriate by the licensee for the purposes of ensuring that the Domestic Customer is regularly updated of such matters.

PART B. MICRO BUSINESS PREMISES

Prohibition on obtaining consumption data

41.16 Subject to paragraph 41.17, the licensee must not, in respect of any micro business premises, obtain any Gas Consumption Data which relates to a period of less than one month.

Exception to prohibition on obtaining consumption data

41.17 Paragraph 41.16 does not apply where the requirements of paragraphs 41.17A, 41.17B or 41.17C are satisfied.

41.17A The requirements of this paragraph are:

- (a) the licensee has given at least seven days advance Notice to the Micro Business Consumer at the micro business premises informing the Micro Business Consumer:
 - (i) that the licensee intends to obtain Gas Consumption Data which relates to any one or more periods of less than one month;
 - (ii) of the purposes for which the licensee may use that Gas Consumption Data; and
 - (iii) that the Micro Business Consumer may at any time object to the licensee obtaining that Gas Consumption Data and of the process by which he may do so; and
- (b)
 - (i) the Micro Business Consumer has not objected to the licensee obtaining that Gas Consumption Data for the purposes set out in the Notice; or
 - (ii) the Micro Business Consumer has objected to the licensee obtaining Gas Consumption data, which relates to any one or more periods of less than one month and the licensee is unable to remotely configure the Remote Access Meter to prevent that Gas Consumption Data being automatically sent to the licensee or a third party, but as soon as reasonably practicable the licensee:
 - (1) takes all reasonable steps to prevent the third party passing that Gas Consumption Data to the licensee or any other third party;
 - (2) takes all reasonable steps to ensure the third party permanently erases that Gas Consumption Data; and
 - (3) permanently erases any of that Gas Consumption Data it has obtained.

41.17B The requirements of this paragraph are that the Gas Consumption Data that is obtained relates to a period of less than one month but not less than one day, and that one of the following applies:

- (a) the licensee has reasonable grounds to suspect that there is an occurrence of theft or abstraction of gas at the micro business premises, and it obtains Gas Consumption Data which relates to any one or more periods of a length referred to in this paragraph 41.17B only for the purposes of investigating that suspected theft or abstraction;
- (b) the licensee obtains Gas Consumption Data which relates to a single period of a length referred to in this paragraph 41.17B only for the purposes of:

- (i) verifying the quantity of gas supplied to the micro business premises since the last date in respect of which the licensee obtained Gas Consumption Data that was used for the purposes of sending a Bill or a statement of account to the Micro Business Consumer (the **Billing Date**); and
- (ii) calculating and sending an accurate and up to date Bill or statement of account (including a final Bill or statement of account) to the Micro Business Consumer in respect of the Charges for the Supply of Gas to the micro business premises since the Billing Date;
- (c) the licensee obtains Gas Consumption Data which relates to any one or more periods of a length referred to in this paragraph 41.17B only for the purposes of responding to an enquiry from or a complaint made by, or on behalf of, the Micro Business Consumer at the micro business premises and relating to the supply of gas by the licensee to the micro business premises; or
- (d) the Gas Meter forming part of the Smart Metering System or Remote Access Meter at the micro business premises is a Prepayment Meter, and the Gas Consumption Data:
 - (i) is obtained only by virtue of the Remote Access Meter or Smart Metering System registering an advance payment made by the Micro Business Consumer through that Prepayment Meter; and
 - (ii) relates to a single period of a length referred to in this paragraph 41.17B which corresponds to the period since the previous advance payment made by the Micro Business Consumer through that Prepayment Meter.

41.17C The requirements of this paragraph are that the licensee obtains Gas Consumption Data which relates to any one or more periods of less than one month following receipt of a request of the type referred to in, and for the purposes of complying with the requirements of, paragraph 45.17 of standard condition 45 (Smart Metering – Customer Access to Consumption Data).

Use of consumption data

41.18 The licensee must not use Gas Consumption Data obtained in respect of any micro business premises other than for any of the following purposes:

- (a) calculating and sending a Bill or a statement of account to the Micro Business Consumer;
- (b) complying with a relevant condition or a relevant requirement;
- (c) where the requirements of paragraph 41.17A are satisfied, the purpose set out in the Notice given to the Micro Business Consumer under paragraph 41.17A(a);

- (d) where any of the requirements of paragraph 41.17B are satisfied, the purpose for which the data was obtained in accordance with paragraph 41.17B.

Interpretation and Definitions

41.19 In this condition, any reference:

- (a) to Gas Consumption Data being ‘obtained’ by the licensee shall be read as incorporating a reference to the licensee requesting any other person to obtain that Gas Consumption Data on its behalf (and references to ‘obtain’ and ‘obtaining’ shall be construed accordingly);
- (b) to the licensee obtaining Gas Consumption Data which ‘relates to’ a specified period, shall be read as incorporating a reference to the licensee obtaining any data which would allow it to calculate Gas Consumption Data in respect of that period (and references to Gas Consumption Data being ‘in relation to’ a period of time shall be construed accordingly).

41.20 For the purposes of this condition:

Gas Consumption Data means, in respect of a relevant premises or a micro business premises, the quantity of gas measured by the Gas Meter as having been supplied to the relevant premises or the micro business premises.

Marketing means:

- (a) any activities of the licensee or its Representatives which are directed at or incidental to identifying and communicating with Domestic Customers for the purpose of promoting the provision of goods or services by any person and includes entering into contracts for the provision of goods or services with such customers;
- (b) the licensee or its representatives disclosing Gas Consumption Data to any other person for the purposes of that person undertaking activities which are directed at or incidental to identifying and communicating with Domestic Customers for the purpose of promoting the provision of goods or services by any person, including the entering into contracts for the provision of goods or services with such customers,

but for these purposes ‘goods or services’ shall be taken to exclude the supply of gas by the licensee.

Micro Business Consumer has the meaning given to it in standard condition 7A (Smart Metering – Customer Access to Consumption Data).

Remote Access Meter

means a Gas Meter that, either on its own or with an ancillary device:

- (a) provides measured Gas Consumption Data for multiple time periods and is able to provide such data for periods of less than one month;
- (b) is able to provide the licensee with remote access to such data; and
- (c) is not a Smart Metering System or part of a Smart Metering System.

Trial

means proposals submitted by the licensee for obtaining Gas Consumption Data which relates to any one or more periods of less than one day, in respect of a particular category of relevant premises and for a particular purpose (in each case as specified in the proposal), on a trial basis.

Condition 42. The Smart Energy Code

Party to the Code

- 42.1 The licensee must:
- (a) by no later than the Commencement Date, be a party to the Smart Energy Code; and
 - (b) thereafter remain a party to and comply with the Smart Energy Code.

Derogation

- 42.2 The Authority, following consultation with the licensee and where appropriate any other person likely to be materially affected and after having regard to any guidance issued by it in accordance with paragraph 42.3, may give a direction (“a derogation”) to the licensee that relieves it of its obligations under the Smart Energy Code in respect of such parts of the Smart Energy Code, to such extent, for such period of time and subject to such conditions as may be specified in the direction.
- 42.3 The Authority may issue, and may from time to time revise, guidance regarding the manner in which it will exercise its powers under paragraph 42.2.
- 42.4 The guidance issued in accordance with paragraph 42.3 may, in particular, set out:
- (a) the process for requesting the Authority to grant a derogation under paragraph 42.2;
 - (b) the type of information that is likely to be required by the Authority as part of that process; and
 - (c) the criteria the Authority would have regard to in considering whether and to what extent to exercise its power to give a direction under paragraph 42.2.

DCC User – Large Energy Suppliers

- 42.5 Paragraph 42.6 applies where the licensee:
- (a) is a party to the Smart Energy Code in accordance with paragraph 42.1;
 - (b) supplies gas to Domestic Premises; and
 - (c) supplied, or together with its Affiliate Licensees jointly supplied, (whether with gas, or electricity, or both) at least 250,000 Domestic Energy Premises on 15 February 2015.
- 42.6 Where this paragraph applies, the licensee must become a DCC User by no later than 16 February 2017 (or such later date as may be specified in a direction issued by the Secretary of State under this paragraph).

DCC User – Other Energy Suppliers

42.7 Paragraph 42.8 applies where the licensee:

- (a) is a party to the Smart Energy Code in accordance with paragraph 42.1;
- (b) supplies gas to Domestic Premises or Designated Premises; and
- (c) is not subject to the requirements of paragraph 42.6.

42.8 Where this paragraph applies and either:

- (a) the licensee supplies gas to any Domestic Premises on or after 17 August 2017 (or such later date as may be specified in a direction issued by the Secretary of State under this paragraph); or
- (b) the licensee supplies gas to any Designated Premises on or after 31 August 2018 (or such later date as may be specified in a direction issued by the Secretary of State under this paragraph),

the licensee must be a DCC User, except in the circumstances described in paragraph 42.9."

42.9 The requirement in paragraph 42.8 does not apply where:

- (a) the licensee does not supply gas to any Domestic Premises; and
- (b) each of the Designated Premises supplied with gas by the licensee is a premises in respect of which:
 - (i) any one (or more) of paragraphs 33.3, 33.4, 33.5 or 33.6 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance) apply;
 - (ii) any one (or more) of paragraphs 33.10, 33.11, 33.12 or 33.13 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance) apply; or
 - (iii) on or after the date which falls immediately after the ARS Specified Date, the Gas Meter installed or arranged to be installed at the Designated Premises is a Large Gas Meter or an Advanced Meter.

Interpretation

42.10 For the purposes of this Condition the licensee's obligation to comply with the Smart Energy Code is an obligation to comply with the provisions of the Smart Energy Code so far as they are applicable to the licensee.

Definitions

42.11 In this Condition:

Advanced Meter	has the meaning given to it in standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).
Commencement Date	<p>means:</p> <ul style="list-style-type: none">(a) the date which is the SEC Designated Date; or(b) the date on which the licensee first starts to supply gas to any Domestic Premises or Designated Premises under this licence, <p>whichever is the later.</p>
DCC User	means a User in the User Role of Gas Supplier (where 'User', 'User Role' and 'Gas Supplier' all have the meanings given to them from time to time in the Smart Energy Code).
Domestic Energy Premises	<p>means premises which:</p> <ul style="list-style-type: none">(a) with respect to the supply of gas, are Domestic Premises; or(b) with respect to the supply of electricity, satisfy the definition of 'Domestic Premises' at standard condition 6 of the Electricity Supply Licence.
SEC Designated Date	means the date the Smart Energy Code is designated by the Secretary of State in a direction given for the purposes of Condition 22 of the DCC Licence.

Condition 43. Smart Metering Systems and In-Home Displays – Operational Requirements

Application of Part A

43.1 Part A of this Condition applies to the licensee in respect of any Domestic Premises and any Designated Premises of Micro-Business Consumers at which:

- (a) it is the Relevant Gas Supplier; and
- (b) there is installed a Smart Metering System,
(a relevant premises).

43.2 Part A of this Condition applies from:

- (a) the Effective Date in respect of any relevant premises where:
 - (i) the Installation Date of the Smart Metering System is a date after the Effective Date; or
 - (ii) the Installation Date of the Smart Metering System is a date on or prior to the Effective Date and the Smart Metering System is enrolled in accordance with the Enrolment Service; and
- (b) the date specified in paragraph 33.1 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance) in respect of any relevant premises which are Domestic Premises and where:
 - (i) the Installation Date of the Smart Metering System is a date on or prior to the Effective Date; and
 - (ii) the Smart Metering System is not enrolled in accordance with the Enrolment Service.

Application of Part B

43.3 Part B of this Condition applies to the licensee from the Effective Date in respect of any Domestic Premises at which:

- (a) it is the Relevant Gas Supplier;
- (b) there is installed a Smart Metering System; and
- (c) the Installation Date of the Smart Metering System is a date on or after the Effective Date,
(a relevant IHD premises).

Part A: Smart Metering Systems

Smart Metering System – Operational Requirement

- 43.4 In respect of each relevant premises, the licensee must take all reasonable steps to ensure that:
- (a) a connection is established that enables the exchange of information between the Smart Metering System at those premises and the licensee's Communications System (either directly to the licensee's Communications System or indirectly through the DCC's Communications System or another Communications System);
 - (b) where the connection established in accordance with paragraph (a) is not through the DCC's Communications System, it maintains that connection;
 - (B) is through the DCC's Communications System, it does not act in a manner that compromises the maintenance of that connection;
 - (c) the Smart Metering System is configured and where necessary the Alt HAN Services (or any other services of equivalent purpose and effect which have been acquired by the licensee) are utilised, so that:
 - (i) the HAN extends into at least one part of the relevant premises which:
 - (A) if the relevant premises is a Domestic Premises, is a part located within the main dwelling area of the premises;
 - (B) if the relevant premises is a Designated Premises of a Micro Business Consumer, is a part located within the main business area of the premises; and
 - (ii) where a connection is established in accordance with paragraph (d), the Smart Metering System", together where necessary with the Alt HAN Equipment (or other equipment of equivalent purpose and effect) which is being used by the licensee in respect of the relevant premises, enables the Customer Information referred to in paragraph (e) to be sent to the Relevant Consumer Device for the purposes referred to in paragraph (e);
 - (d) on request of the Customer at the relevant premises, it both establishes and thereafter maintains a connection through the HAN Interfaces between the Smart Metering System and each Relevant Consumer Device that is located within a part of the premises to which the HAN extends and is the subject of the request; and
 - (e) the connection established in accordance with paragraph (d) enables that Customer to access (at any time and, in the case of the Domestic Customer, free of charge) by means of each Relevant Consumer Device, the Customer Information that:

- (i) is capable of being stored in or held by the Smart Metering System (or any part of it); and
- (ii) the Smart Metering System (or any part of it) is capable of sending to the Relevant Consumer Device.

43.5 Where, in respect of any premises, the licensee uses Alt HAN Equipment or any other equipment of equivalent purpose and effect for the purposes of paragraph 43.4(c), it shall ensure that it does not seek to recover costs from a Domestic Customer in relation to the provision, installation, operation, maintenance, modification, decommissioning or replacement of that equipment except to the extent that they are borne by the licensee's Domestic Customers generally as an increment of charges for electricity or gas supplied to them.

43.6 Where, in respect of any relevant premises, the licensee does not use Alt HAN Equipment but uses other equipment of equivalent purpose and effect for the purposes of paragraph 43.4(c), it shall ensure that:

- (a) the equipment that is being used by it does not interfere with the location, operation or maintenance of any Alt HAN Equipment which has previously been installed in respect of those premises;
- (b) neither that equipment nor any arrangements under which it is provided, installed, operated or maintained interfere with effective competition between Gas Suppliers and Electricity Suppliers or between persons engaged in commercial activities that are connected with the supply of gas or electricity; and
- (c) where it (or any Representative) is installing that equipment for the first time, it takes all reasonable steps to communicate to the Customer at those premises in plain and intelligible language a statement to the effect that if that Customer changes their Gas Supplier they may not be able to receive the same services in respect of the functionality of the Smart Metering System installed at those premises without the installation of additional equipment.

43.7 The obligations in paragraph 43.4 are subject to paragraphs 43.8, 43.9, 43.12, 43.13, 43.15, 43.16, 43.17 and 43.18

Exception to SMS Operational Requirement – All Premises

Proactive Install and Leave

43.8 The obligations in paragraph 43.4 do not apply in respect of a relevant premises where:

- a) the Smart Metering System at the relevant premises:
 - (i) is installed or arranged to be installed by the licensee; and
 - (ii) meets the requirements of a Version of the GSME Technical Specification, other than a Version with a Principal Version number of 1;

- b) the Gas Meter forming part of the Smart Metering System is:
 - (i) a New Gas Meter; or
 - (ii) a Mandatory Replacement Gas Meter; and
 - c) M WAN Coverage Database indicates that the SM WAN is not (or will not be) available in respect of the relevant premises on the Installation Date of the Smart Metering System but will be available in respect of such premises on a date that is prior to 1 January 2021.
- 43.9 The exception in paragraph 43.8 applies only until the date from which the SM WAN is available in respect of the relevant premises (as indicated by the SM WAN Coverage Database).
- 43.10 Where the exception in paragraph 43.8 applies in respect of a relevant premises the licensee shall not take the steps described in paragraph 43.4(c) in respect of that relevant premises unless it ascertains, at any time during the 30 days prior to the Applicable Date, that the SM WAN Coverage Database indicates that the SM WAN is (or will be) available in respect of the relevant premises on the Applicable Date.
- 43.11 Paragraph 43.12 applies where:
- (a) pursuant to paragraph 43.10 the licensee takes, or attempts to take, the steps described in paragraph 43.4 (c) on the Applicable Date; and
 - (b) the SM WAN is not available in respect of the relevant premises on the Applicable Date.
- 43.12 Where this paragraph applies, the licensee must:
- (a) as soon as reasonably practicable, and in accordance with the relevant provisions of the Smart Energy Code, notify the DCC that the SM WAN was not available in respect of the relevant premises on the Applicable Date; and
 - (b) where it has not taken the steps described in paragraph 43.4(c) in respect of that relevant premises prior to the Notified Date, take all reasonable steps to fulfil the obligation at paragraph 49.4(c) in respect of the relevant premises as soon as reasonably practicable after the Notified Date.

Reactive Install and Leave

- 43.13 The obligations in paragraph 43.4 do not apply in respect of a relevant premises where:
- (a) the Smart Metering System at the relevant premises:
 - (i) is installed or arranged to be installed by the licensee; and
 - (ii) meets the requirements of a Version of the GSME Technical Specification, other than a Version with a Principal Version number of 1;
 - (b) the licensee ascertains, at any time during the 30 days prior to the Installation Date of the Smart Metering System, that the SM WAN Coverage Database indicates that the

SM WAN is (or will be) available in respect of the relevant premises on the Installation Date; and

(c) the SM WAN is not available in respect of the relevant premises on the Installation Date.

43.14 Where the exception in paragraph 43.13 applies in respect of a relevant premises the licensee must, as soon as reasonably practicable and in accordance with the relevant provisions of the Smart Energy Code, notify the DCC that the SM WAN was not available in respect of the relevant premises on the Installation Date of the Smart Metering System.

43.15 The exception in paragraph 43.13 applies only until the Notified Date.

43.16 Where:

(a) paragraph 43.13 applies in respect of a relevant premises; and

(b) the licensee has not taken the steps described in paragraph 43.4(c) in respect of that relevant premises prior to the Notified Date,

the licensee must take all reasonable steps to fulfil the obligation at paragraph 43.4(c) in respect of the relevant premises as soon as reasonably practicable after the Notified Date.

Exception to SMS Operational Requirement – Premises of Micro-Business Consumers

43.17 The obligations in paragraph 43.4 do not apply in respect of a Designated Premises of a Micro-Business Consumer where the Smart Metering System at the premises is not enrolled in accordance with the Enrolment Service.

Exception to SMS Operational Requirement – Domestic Premises

43.18 Subject to paragraph 43.19, the obligations in paragraph 43.4 do not apply in respect of a Domestic Premises where:

(a) the Smart Metering System at the premises was not installed or arranged to be installed by the licensee; or

(b) the licensee replaces any apparatus forming part of the Smart Metering System pursuant to paragraph 44.9 of standard condition 44 (Smart Metering – Continuation of Arrangements on Change of Supplier).

43.19 The exceptions in paragraph 43.18 apply until the earlier of:

(a) the date that the Smart Metering System installed at the premises is enrolled in accordance with the Enrolment Service; or

(b) the date specified in paragraph 33.1 of standard condition 33 Smart Metering System – Roll-out, Installation and Maintenance).

Customer Information

43.20 In this Condition Customer Information is information which provides details of or relates to:

- (a) the quantity of gas measured by the Gas Meter as having been supplied by the licensee to the customer at the relevant premises;
- (b) Charges for the Supply of Gas (including the standing charge (where applicable) and the unit rate (expressed where applicable in pence per kWh);
- (c) where the Gas Meter forming part of the Smart Metering System is a Prepayment Meter:
 - (i) the amount of credit (by reference to sums of money) that at any given time remains available for use by the customer;
 - (ii) the amount of Outstanding Charges (if any and by reference to sums of money being recovered through calibration of the Prepayment Meter), the level of such Outstanding Charges, and the period within which such Outstanding Charges are to be recovered.

Part B: In-Home Displays

In-Home Display – Operational Requirement

43.21 The licensee must:

- (a) ensure that any In-Home Display provided by it, pursuant to its obligations in standard condition 34 (Provision of an In-Home Display), to a Domestic Customer at any relevant IHD premises is during the Relevant Period configured to operate in such a manner as to comply with the requirement of paragraph 43.23;
- (b) take all reasonable steps to ensure that it both establishes and thereafter maintains a connection through the HAN between the Smart Metering System and any In-Home Display provided by it to the Domestic Customer at the relevant IHD premises that is located within a part of the premises to which the HAN extends; and
- (c) where the In-Home Display is of a type that is capable of being connected through the HAN to the Smart Metering System at the premises at the Specified Frequency Band, ensure that the connection is established and thereafter maintained at the Specified Frequency Band.";

43.22 The obligation in paragraph 43.21 is subject to paragraph 43.25.

43.23 Subject to paragraph 43.24, the requirement of this paragraph is that the Domestic Customer can, at any time during the Relevant Period and free of charge, access by means of the In-Home Display all information:

- (a) which is communicated to it from the Smart Metering System across the HAN; and
- (b) which the In-Home Display is required to be capable of displaying in accordance with the requirements of the Version of the IHD Technical Specification in accordance with which the In-Home Display is maintained pursuant to the requirements of paragraph 34.13 of standard condition 34 (Provision of an In-Home Display).

43.24 Except where the Gas Meter forming part of the Smart Metering System is a Prepayment Meter, the In-Home Display need not be configured to operate so as to enable the Domestic Customer to access information which provides details of or relates to:

- (a) the amount of credit (by reference to a sum of money) that may be, or is, available to the Domestic Customer; or
- (b) Outstanding Charges.

Exception to IHD Operational Requirement

43.25 Where the Smart Metering System at the relevant IHD premises and new sub-paragraphs (a) and (b) as follows –

- a) was not installed or arranged to be installed by the licensee, the obligation in paragraph 43.21 applies only from such date as is specified in a direction issued by the Secretary of State under this paragraph;
- b) was installed or arranged to be installed by the licensee, the obligation in paragraph 43.21 applies from the date the licensee is required to fulfil the obligations in paragraph 43.4(c).

Part C: Definitions

Definitions and Interpretation

43.26 In this Condition:

Alt HAN Equipment

means any equipment which:

- (a) satisfies the definition of 'Alt HAN Equipment' in standard condition 49 (Smart Metering – The Alt HAN Arrangements); and

is installed and maintained at premises under and in accordance with the arrangements set out at Section Z of the Smart Energy Code.

Alt HAN Services

means any services which:

- (a) satisfy the definition of 'Alt HAN Services' in standard condition 49 (Smart Metering – The Alt HAN Arrangements); and

are provided to the licensee under and in accordance with the arrangements set out at Section Z of the Smart Energy Code.

Applicable Date

means, in respect of a relevant premises, the date on which the licensee arranges to fulfil the obligation in paragraph 43.4(c).

Consumer Device

means either:

- (a) an In-Home Display located at the relevant premises; or
- (b) any other device located at those premises which:
 - (i) is capable of providing the Customer with access (whether directly or indirectly) to Customer Information; and
 - (ii) is capable of connecting through the HAN to a device forming part of the Smart Metering System, and that capability has been so enabled.

Customer Information

has the meaning given in paragraph 43.20.

Communications System

means a system (or part of it) that can generate, send, receive, store, or otherwise process electronic communications from and to the Smart Metering System.

Effective Date

means 14 July 2013.

Enrolment Service

means the service operated by the DCC pursuant to the requirements of paragraphs 17.14 and 17.15 of Part D of Condition 17 of the DCC Licence for the purposes of enrolling a Smart Metering System in accordance with the provisions of the Smart Energy Code.

Mandatory Replacement Gas Meter

means a Gas Meter that replaces a Gas Meter previously installed at the relevant premises (the 'first meter') where the replacement of the first

	meter is required for the purposes of complying with any statutory requirement or any provision (other than a provision in standard condition 33) of a Gas Supply Licence.
Micro-Business Consumer	has the meaning given to it in standard condition 7A (Supply to Micro Business Consumers).
Relevant Consumer Device	means a Consumer Device to which devices forming part of the Smart Metering System are capable of being connected by virtue of the technical capability and functionality of those devices.
New Gas Meter	has the meaning given to it in standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).
Notified Date	means, in respect of a relevant premises, the date the licensee receives confirmation from the DCC that the SM WAN is available in respect of the relevant premises.
Relevant Period	means: <ul style="list-style-type: none">(a) the period which commences on the Installation Date of the Smart Metering System at the relevant IHD premises and ends 12 months after that date; or(b) where the HAN Date is later than the Installation Date of the Smart Metering System, the period which commences on the HAN Date and ends 12 months after that date."; and

Condition 44 Smart Metering - Continuation of Arrangements on Change of Supplier

Application

- 44.1. This Condition applies in respect of any Domestic Premises at which there is, at the date of a Supplier Transfer in respect of that Domestic Premises, a Smart Metering System installed (**relevant premises**).

Part A: Obligations on Old Supplier

Notification of Meter Asset Provider

- 44.2. This paragraph applies where:
- (a) the licensee is the Old Supplier in relation to a relevant premises; and
 - (b) the New Supplier in relation to that relevant premises is not the Meter Asset Provider for all of the Relevant Apparatus at the relevant premises.
- 44.3. Where paragraph 44.2 applies the licensee must take all reasonable steps to send within 15 working days of the Supplier Transfer, or such other timescale agreed with the New Supplier or a Relevant Meter Asset Provider (as the case may be):
- (a) a Notice to the New Supplier giving:
 - (i) the name of each Relevant Meter Asset Provider;
 - (ii) except where such information is available to the New Supplier by virtue of the information sent to it in respect of the Supplier Transfer in accordance with any industry code, the contact details of each Relevant Meter Asset Provider; and
 - (iii) details of the Relevant Apparatus provided by each Relevant Meter Asset Provider,
(a **MAP Notice**);
 - (b) a Notice to each Relevant Meter Asset Provider (other than the licensee) giving, in respect of the relevant premises:
 - (i) the date of the most recent Supplier Transfer;
 - (ii) the name of the New Supplier;
 - (iii) the Meter Point Reference Number (MPRN) of each Gas Meter; and

- (iv) the serial number of, or any other information which identifies, the Relevant Apparatus provided by that Relevant Meter Asset Provider.

Part B: Obligations on New Supplier

Arrangements with the Meter Asset Provider

44.4. This paragraph applies where the licensee is the New Supplier in relation to a relevant premises, and it:

- (a) receives a MAP Notice from the Old Supplier; or
- (b) is contacted by a Relevant Meter Asset Provider about the Relevant Apparatus at the relevant premises.

44.5. Where:

- (a) paragraph 44.4 applies; and
- (b) the licensee does not have an existing agreement with the Relevant Meter Asset Provider for the provision of apparatus of the type identified in the MAP Notice, or by the Relevant Meter Asset Provider, as Relevant Apparatus,

the licensee must take all reasonable steps to ensure that by no later than 6 months from the date of the MAP Notice or being contacted by the Relevant Meter Asset Provider (whichever is the earlier):

- (i) it has entered into an agreement with the Relevant Meter Asset Provider for the provision of apparatus of the type identified in the MAP Notice, or by the Relevant Meter Asset Provider, as Relevant Apparatus; and
- (ii) the agreement includes terms in relation to the provision of the Relevant Apparatus at the relevant premises.

44.6. Where:

- (a) paragraph 44.4 applies; and
- (b) the licensee has an existing agreement with the Relevant Meter Asset Provider for the provision of apparatus of the type identified in the MAP Notice, or by the Relevant Meter Asset Provider, as Relevant Apparatus, it must take all reasonable steps to ensure that by no later than one month from the date of the MAP Notice the existing agreement includes terms in relation to the provision of the Relevant Apparatus at the relevant premises.

Return of Apparatus

- 44.7. Where pursuant to either paragraph 44.5 or 44.6 (as applicable) the licensee is not able to agree terms with the Relevant Meter Asset Provider within the Specified Period it must:
- (a) make the Relevant Apparatus available for collection by the Relevant Meter Asset Provider; and
 - (b) take all reasonable steps to do so by no later than 1 month after the expiry of the Specified Period.
- 44.8. Where paragraph 44.7 applies, the licensee must take all reasonable steps to ensure that any apparatus made available for collection in accordance with that paragraph is, at the time of its collection, in the same condition as it was when it was last used as Relevant Apparatus.

Replacement of SMS Apparatus

- 44.9. This paragraph applies where the licensee:
- (a) supplies gas to at least 250,000 Domestic Customers;
 - (b) is the New Supplier in relation to a relevant premises;
 - (c) makes, pursuant to the requirements of paragraph 44.7, apparatus available for collection by a Meter Asset Provider; and
 - (d) installs, or arranges the installation of, Replacement Apparatus.
- 44.10. Subject to paragraph 44.11, where paragraph 44.9 applies the licensee must take all reasonable steps to ensure that the Replacement Apparatus forms part of a Smart Metering System at the relevant premises at the time of its installation.
- 44.11. The requirement in paragraph 44.10 does not apply in respect of Replacement Apparatus which:
- (a) is a Gas Meter; and
 - (b) is able to operate only as a Prepayment Meter.
- 44.12. Paragraphs 44.9, 44.10 and 44.11 of this Condition cease to apply from the date specified in the direction issued by the Secretary of State to the licensee in accordance with paragraph 33.9 of standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).

Definitions

44.13. In this Condition:

Meter Asset Provider	means any person who owns, and leases to other persons, apparatus forming part of a Smart Metering System but shall not include the holder of the DCC Licence.
Relevant Apparatus	means any apparatus forming part of the Smart Metering System at the relevant premises but shall exclude any Communications Hub that forms part of that Smart Metering System.
Relevant Meter Asset Provider	means a Meter Asset Provider of Relevant Apparatus.
Replacement Apparatus	means apparatus which is to replace any apparatus made available, pursuant to the requirements of paragraph 44.7, for collection by a Meter Asset Provider.
Specified Period	means the period specified in paragraph 44.5(b) or 44.6(b) (whichever is applicable).
Supplier Transfer	has the meaning given to it in standard condition 14A (Customer transfer).

Condition 45. Smart Metering – Customer Access to Consumption Data

Application

- 45.1 Parts A and C of this Condition apply to the licensee in respect of any Domestic Premises at which:
- (a) it is the Relevant Gas Supplier; and
 - (b) there is installed a Smart Metering System,
- (the **relevant premises**).
- 45.2 Parts B1 and C of this Condition apply to the licensee in respect of any Designated Premises and (to the extent to which they are not Designated Premises) any Micro Business Premises at which:
- (a) it is the Relevant Gas Supplier; and
 - (b) there is installed a Smart Metering System,
- (the **relevant designated or micro business premises**).
- 45.3 Parts B2 and C of this Condition apply to the licensee in respect of any Non-Domestic Premises at which:
- (a) it is the Relevant Gas Supplier; and
 - (b) there is installed a Smart Metering System or an Advanced Meter,
- (the **relevant non-domestic premises**).
- 45.4 Parts B3 and C of this Condition apply to the licensee in respect of any Designated Premises at which:
- (a) it is the Relevant Gas Supplier; and
 - (b) there is installed a Smart Metering System or an Advanced Meter,
- (the **relevant designated premises**).
- 45.5 Part B1 of this Condition ceases to apply from the date Part B2 applies.
- 45.6 Part B2 of this Condition applies from 1 December 2022 or such later date as may be specified in a direction given to the licensee by the Secretary of State pursuant to this paragraph 45.6.
- 45.7 Part B3 of this Condition applies from 1 October 2024 or such later date as may be specified in a direction given to the licensee by the Secretary of State pursuant to this paragraph 45.7.

PART A – OBLIGATIONS IN RESPECT OF RELEVANT PREMISES

Access to Relevant Consumption Data

45.8 In respect of each relevant premises, the licensee must:

- (a) within a reasonable period of time after the Effective Date, notify the Domestic Customer at the premises that the licensee can, if requested, make available Relevant Consumption Data such that it can be accessed by the Domestic Customer in accordance with paragraph (b) below; and
- (b) as soon as is reasonably practicable after receiving any request to do so from the Domestic Customer at those premises, make available (free of charge and in a readily understandable format) Relevant Consumption Data such that it can be accessed, at any time, by the Domestic Customer via:
 - (i) the internet; or
 - (ii) where the licensee does not provide access via the internet, a Consumer Device provided, free of charge, by the licensee to the Domestic Customer for the purposes of meeting the Domestic Customer's request.

45.9 The requirements of paragraph 45.8 are subject to paragraph 45.12.

Retention of Consumption Data

45.10 Paragraph 45.11 applies where:

- (a) the licensee makes available Relevant Consumption Data such that it can be accessed by the Domestic Customer in accordance with paragraph 45.8(b); and
- (b) the Smart Metering System (or any part of it) at the relevant premises does not retain consumption data for the Relevant Period.

45.11 Where this paragraph applies:

- (a) the licensee must establish arrangements which enable consumption data to be retained for the Relevant Period; and
- (b) until such date as consumption data is retained for the Relevant Period, the reference to 24 months in the definition of Relevant Consumption Data shall be construed as a reference to the period for which consumption data is retained.

Exception

45.12 The requirements in paragraph 45.8 do not apply where:

- a) where:

- (i) either:
 - (A) the Smart Metering System at the relevant premises was not installed or arranged to be installed by the licensee; or
 - (B) the licensee replaces any apparatus forming part of the Smart Metering System pursuant to paragraph 44.9 of standard condition 44 (Smart Metering – Continuation of Arrangements on Change of Supplier); and
 - (ii) a connection that enables the exchange of information between the Smart Metering System and the licensee's Communications System has not at any time been established (whether directly to the licensee's Communications System or indirectly through the DCC's Communications System); or
- b) where:
- (i) the Smart Metering System at the relevant premises was installed or arranged to be installed by the licensee; and
 - (ii) the obligations in paragraph 43.4 of standard condition 43 (Smart Metering Systems and In-Home Displays – Operational Requirements) do not apply in respect of the relevant premises by virtue of the exception at either paragraph 43.8 or paragraph 43.13 of that standard condition

PART B1 – OBLIGATIONS IN RESPECT OF RELEVANT DESIGNATED OR MICRO BUSINESS PREMISES

- 45.13 In respect of each relevant designated or micro business premises, the licensee must, on request of the Customer at the premises, ensure that the Customer or that Customer's nominated agent has timely access to the hourly consumption data which is held by or stored in the Smart Metering System at such premises.
- 45.14 In the case of Smart Metering Systems at Non-Domestic Premises which are enrolled under the Smart Energy Code, the requirements of paragraph 45.13 shall only apply from the date (if any) on which the licensee becomes a DCC User (as defined in standard condition 48 (Enrolment of Smart Metering Systems)).
- 45.15 Paragraph 45.16 shall apply until the licensee becomes a DCC User (as defined in standard condition 48 (Enrolment of Smart Metering Systems)).
- 45.16 Before the licensee enters into a Non-Domestic Supply Contract, the licensee must take (and ensure that any Representative takes) all reasonable steps to:
- (a) ascertain whether a Smart Metering System enrolled under the Smart Energy Code is installed at the Non-Domestic Premises; and
 - (b) where such a Smart Metering System is installed at the premises, communicate to the Customer in plain and intelligible language an

explanation of the nature and effect of any potential variations to the services related to the functionality of such a Smart Metering System that might be to the disadvantage of the Customer and which would arise if the Customer enters into the contract.

PART B2 – OBLIGATIONS IN RESPECT OF RELEVANT NON-DOMESTIC PREMISES

Access to Consumption Data on Request

45.17 In respect of each relevant non-domestic premises, the licensee must where requested by:

- (a) the Non-Domestic Customer at those premises;
- (b) a Nominated Agent of the Non-Domestic Customer,

make available in a machine readable format Relevant Non-Domestic Consumption Data such that it can be accessed, free of charge and via the internet, by the person making the request.

Exception

45.18 The requirement in paragraph 45.17 does not apply where:

- (a) in respect of a request made before Part B3 of this Condition applies for data provided by an Advanced Meter, the licensee is unable to obtain the Relevant Non-Domestic Consumption Data except at a cost which is manifestly excessive, and the licensee has taken all such steps as were reasonable to prevent this circumstance from occurring; or
- (b) the licensee, having taken all reasonable steps, is unable to obtain the Relevant Non-Domestic Consumption Data due to material technical reasons.

Licensee's Procedures

45.19 The licensee must:

- (a) establish, maintain and give effect to clear and transparent procedures and processes by which a Non-Domestic Customer or a Nominated Agent may make a request for Relevant Non-Domestic Consumption Data;
- (b) as a minimum, set out in its procedures and processes:
 - (i) the information to be provided by the Non-Domestic Customer or the Nominated Agent (as the case may be) for the purposes of enabling the licensee to accede to the request; and
 - (ii) the methods, including contact details, by which the Non-Domestic Customer or the Nominated Agent (as the case may be) can contact the licensee in respect of any request made by it to the licensee; and

- (c) publish its processes and procedures on and make them readily available from its Website.
- 45.20 The licensee must, within 10 working days of receiving a request for access to Relevant Non-Domestic Consumption Data from a Non-Domestic Customer or a Nominated Agent, respond to that request by:
- (a) making available the requested Relevant Non-Domestic Consumption Data in accordance with paragraph 45.17; or
 - (b) informing the Non-Domestic Customer or the Nominated Agent (as the case may be) that the licensee is unable to accede to the request, together with reasons why that is the case and the further steps the Non-Domestic Customer or the Nominated Agent (as the case may be) may wish to take for the purposes of the licensee being able to accede to the request.

Customer Updates

- 45.21 The licensee must, at such intervals as are determined appropriate by the licensee for the purposes of ensuring that the Non-Domestic Customer is regularly updated of such matters, notify the Non-Domestic Customer at a relevant non-domestic premises of:
- (a) their right to make or authorise a Nominated Agent to make a request to the licensee for access to Relevant Non-Domestic Consumption Data in accordance with paragraph 45.17;
 - (b) where appropriate, the benefits of being able to have access to Relevant Non-Domestic Consumption Data.

PART B3 – OBLIGATIONS IN RESPECT OF RELEVANT DESIGNATED PREMISES

Provision of information relating to gas consumption

- 45.22 In respect of each relevant designated premises, the licensee must provide or otherwise make available (in either case free of charge and in a user-accessible format) consumption information to the Non-Domestic Customer at the relevant designated premises.
- 45.23 The consumption information provided or made available pursuant to the requirement in paragraph 45.22 must:
- (a) relate to and/or be based on Non-Domestic Consumption Data;
 - (b) be provided or made available to the Non-Domestic Customer at a level of detail and in a Form and frequency that is sufficient to enable the Non-Domestic Customer to:
 - (i) understand, assess, evaluate, and gain insights into the patterns and trends emerging over time in relation to how much gas the Non-

Domestic Customer consumes at the relevant designated premises;
and

- (ii) make informed judgments and choices as to when, and how much, gas the Non-Domestic Customer consumes, enabling them to consider ways to be more efficient and/or flexible in how and when they consume gas.

Exception

45.24 The requirement in paragraph 45.22 does not apply where the licensee, having taken all reasonable steps, is unable to obtain the Non-Domestic Consumption Data due to material technical reasons.

Customer Updates

45.25 The licensee must, at such intervals as are determined appropriate by the licensee for the purposes of ensuring that the Non-Domestic Customer is regularly updated of such matters, notify the Non-Domestic Customer at a relevant designated premises of:

- (a) the means by which the licensee provides or makes available (pursuant to the requirement in paragraph 45.22), and the Non-Domestic Customer can access, the consumption information;
- (b) where appropriate, the benefits of being able to have access to the consumption information; and
- (c) where the relevant designated premises are Relevant Micro Business Premises, the steps the Non-Domestic Customer can take in order for the licensee to provide or make available consumption information which is based on the quantity of gas supplied to the premises in each hourly (or shorter) period

PART C - DEFINITIONS

Definitions

45.26 In this Condition:

Advanced Meter	has the meaning given to it in standard condition 33 (Smart Metering System – Roll-out, Installation and Maintenance).
Applicable Date	means the date on which the licensee grants the request made by the Non-Domestic Customer or the Nominated Agent (as the case may be) for the purposes of paragraph 45.17.
Consumer Device	means any device located at the relevant premises which:

- (a) is capable of providing the Domestic Customer with access (whether directly or indirectly) to Relevant Consumption Data; and
- (b) is capable of connecting through the HAN to a device forming part of the Smart Metering System at the relevant premises.

DCC has the meaning give to it in standard condition 43 of this licence.

DCC Communications System has the meaning given to it in standard condition 43 (Smart Metering Systems and In-Home Displays — Operational Requirements)

Effective Date means:

- (a) in respect of any Domestic Premises which is a relevant premises on the date this Condition takes effect, the date this Condition takes effect;

in respect of any Domestic Premises which is a relevant premises only from a date after the date on which this Condition takes effect, the date on which that Domestic Premises first becomes a relevant premises.

Relevant Consumption Data means, in respect of any relevant premises, detailed data as to the quantity of gas supplied to the premises in each day, week, month, and year for the period:

- (a) of 24 months prior to the date on which the Domestic Customer at the premises accesses the data;
- (b) starting from the date on which the Domestic Customer became the Customer at the premises and ending on the date on which the Domestic Customer accesses the data;
- (c) starting from the date on which the licensee became the Relevant Gas

	Supplier at the relevant premises and ending on the date on which the Domestic Customer accesses the data; or
	(d) starting from the date the Smart Metering System was installed at the relevant premises and ending on the date on which the Domestic Customer accesses the data,
	whichever is the shorter period on the date on which the Domestic Customer accesses the data.
Relevant Period	means the period of 24 months prior to the date on which the Domestic Customer at the premises accesses consumption data.
Micro Business Consumer	has the meaning given to it in standard condition 7A (Supply to Micro Business Consumers).
Micro Business Premises	means premises at which the Customer is a Micro Business Consumer.
Nominated Agent	means any person acting within the scope of a valid Written consent of the Non-Domestic Customer at a relevant non-domestic premises to make a request to the licensee for access to Relevant Non-Domestic Consumption Data.
Non-Domestic Consumption Data	<p>means, in respect of any relevant designated premises, the quantity of gas supplied to the premises:</p> <p>(a) where the premises is not a Micro Business Premises, in each hourly period (or such shorter period as the licensee may determine); or</p> <p>(b) where the premises is a Micro Business Premises, in each Relevant Period of a Length,</p> <p>in respect of the period:</p>

- (c) of 12 months prior to the Relevant Date;
- (d) starting from the date on which the Non-Domestic Customer became the Customer at the relevant designated premises and ending on the Relevant Date;
- (e) starting from the date on which the licensee became the Relevant Gas Supplier at the relevant designated premises and ending on the Relevant Date; or
- (f) starting from the date the Smart Metering System or the Advanced Meter (as the case may be) was installed at the relevant designated premises and ending on the Relevant Date,

whichever is the shorter (the **relevant period**), save that:

- (g) where the Relevant Date is a date prior to 1 October 2025 or such later date as the Secretary of State may specify in a direction issued to the licensee under this paragraph, the relevant period need not be whichever is the shorter period calculated in accordance with paragraphs (c) to (f) but may be a period of up to 12 months calculated by reference to the period for which the data referred to in paragraphs (a) or (b) (as the case may be) could reasonably be considered to be available to the licensee.

Relevant Consumption Data

means, in respect of any relevant premises, detailed data as to the quantity of gas supplied to the premises in each day, week, month, and year for the period:

- (a) of 24 months prior to the date on which the Domestic Customer at the premises accesses the data;
- (b) starting from the date on which the Domestic Customer became the Customer at the premises and ending

on the date on which the Domestic Customer accesses the data;

- (c) starting from the date on which the licensee became the Relevant Gas Supplier at the relevant premises and ending on the date on which the Domestic Customer accesses the data; or
- (d) starting from the date the Smart Metering System was installed at the relevant premises and ending on the date on which the Domestic Customer accesses the data,

whichever is the shorter period on the date on which the Domestic Customer accesses the data.

Relevant Date

means:

- (a) where the licensee provides consumption information to the Non-Domestic Customer, the date on which the licensee provides that information; or
- (b) where the licensee makes available consumption information for the Non-Domestic Customer, the date on which the Non-Domestic Customer accesses that information.

Relevant Micro Business Premises

means Micro Business Premises in respect of which the licensee does not obtain gas consumption data under paragraph 41.17A of standard condition 41 which relates to any one or more periods of a length which is an hour or less.

Relevant Non-Domestic Consumption Data

means, in respect of any relevant non-domestic premises, detailed data as to the quantity of gas supplied to the premises:

- (a) where the premises is not a Micro Business Premises, in each hourly period (or such shorter period as the licensee may determine); or

- (b) where the premises is a Micro Business Premises, in each Relevant Period of Length,

for the period:

- (c) of 12 months prior to the Applicable Date;
- (d) starting from the date on which the Non-Domestic Customer became the Customer at the relevant non-domestic premises and ending on the Applicable Date;
- (e) starting from the date on which the licensee became the Relevant Gas Supplier at the relevant non-domestic premises and ending on the Applicable Date;
- (f) starting from the date the Smart Metering System or the Advanced Meter (as the case may be) was installed at the relevant non-domestic premises and ending on the Applicable Date, or
- (g) where the request is from a Nominated Agent that has previously made a request to the licensee for the data relating to the Non-Domestic Customer at the relevant non-domestic premises, starting from the date that the Nominated Agent last requested access to such data and ending on the Applicable Date,

whichever is the shorter.

Relevant Period

means the period of 24 months prior to the date on which the Domestic Customer at the premises accesses consumption data.

Relevant Period of a Length

in respect of any Micro Business Premises, means:

- (a) where the licensee is not able to obtain and use gas consumption data for a period of length which is an hour (or less) in compliance with paragraphs

41.17A or 41.17C of standard condition 41 and with data protection legislation;

- (i) a period which is not more than a month; or
- (ii) the period of a length for which the licensee is able to obtain and use gas consumption data in respect of the premises in compliance with paragraphs 41.17A or 41.17C of standard condition 41 and with data protection legislation,

whichever is the shorter;

- (b) where the licensee is able to obtain and use gas consumption data for a period of length which is an hour (or less) in compliance with paragraphs 41.17A or 41.17C of standard condition 41 and with data protection legislation, an hourly period (or such shorter period as the licensee may determine).

Condition 46: Smart Metering Systems – Requirements for Specified Optional Equipment Requirements on the Installation.

PPMID

- 46.1 This Condition applies only in respect of Prepayment Meter Interface Devices which form part of a SMETS2+ Smart Metering System.
- 46.2 Where the licensee is the Relevant Gas Supplier at any Domestic Premises or Designated Premises at which there is installed a Prepayment Meter Interface Device, it must take all reasonable steps to ensure that the Prepayment Meter Interface Device installed at the premises is maintained so that at all times, where it is connected through the HAN to a device forming part of the SMETS2+ Smart Metering System at the premises, it satisfies the requirements of a Version of the PPMID Technical Specification which is:
- a) within its Maintenance Validity Period;
 - b) the same Version in respect of all devices comprised within that Prepayment Meter Interface Device;
 - c) Compatible with the Version of the GSME Technical Specification in accordance with which that SMETS2+ Smart Metering System is maintained by the licensee; and
 - d) where the SMETS2+ Smart Metering System at the premises includes a Communications Hub, Compatible with the Version of the CH Technical Specification in accordance with which that Communications Hub is maintained by the DCC.
- 46.3 The requirement in paragraph 46.2 is subject to paragraph 46.4.
- 46.4 Where on any given date a Prepayment Meter Interface Device is maintained by the licensee such that it satisfies the requirements of a particular Version of the PPMID Technical Specification, the licensee must take all reasonable steps to ensure that the Prepayment Meter Interface Device is not subsequently maintained by the licensee so as to satisfy the requirements of an earlier Version (as indicated by a lower Principal Version number and/or a lower Sub-Version number) of the PPMID Technical Specification notwithstanding that any such earlier Version may otherwise meet the requirements of paragraph 46.2.

Condition 47 - Not used

Condition 48. Enrolment of Smart Metering Systems

Application

48.1 This condition applies where the licensee is a DCC User.

PART A: SMETS1 SMART METERING SYSTEMS

General Duty – SMETS1 Smart Metering Systems

48.2 Paragraph 48.3 applies in respect of each Domestic Premises and Designated Premises at which:

- (a) the licensee is the Relevant Gas Supplier;
- (b) there is a SMETS1 Smart Metering System that is not Enrolled;
and
- (c) the SMETS1 Smart Metering System is not Eligible for
Enrolment,

(the relevant SMETS1 premises).

48.3 Where this paragraph applies the licensee shall take all reasonable steps to facilitate the SMETS1 Smart Metering System at the relevant SMETS1 premises becoming Eligible for Enrolment as soon as is reasonably practicable.

Enrolment Duty - SMETS1 Smart Metering Systems Eligible for Enrolment

48.4 Paragraph 48.5 applies in respect of each Domestic Premises and Designated Premises at which:

- (a) the licensee is the Relevant Gas Supplier;
- (b) there is a SMETS1 Smart Metering System that is not Enrolled;
and
- (c) the SMETS1 Smart Metering System is Eligible for Enrolment,
(the **SMETS1 premises**).

48.5 Where this paragraph applies the licensee must take all reasonable steps to ensure that within 12 months (or such longer period as the Secretary of State may direct) of the Eligibility Date or the date the licensee

became the Relevant Gas Supplier for the SMETS1 premises (whichever is the later), the Gas Meter, Communications Hub Function and Gas Proxy Function that form part of the SMETS1 Smart Metering System at the SMETS1 premises are Commissioned and the SMETS1 Smart Metering System Enrolled.

Duty relating to SMETS1 Smart Metering Systems that are not Enrolled

48.6 Paragraph 48.7 applies in respect of each Domestic Premises and Designated Premises at which:

- (a) the licensee is the Relevant Gas Supplier; and
- (b) there is a SMETS1 Smart Metering System that is not Enrolled, (the **non-enrolled SMETS1 premises**).

48.7 Where this paragraph applies the licensee must take all reasonable steps to ensure that a SMETS2+ Smart Metering System is installed on or before 31 December 2021 (or such later date as the Secretary of State may specify in a direction issued to the licensee under this paragraph) at the non-enrolled SMETS1 premises.

PART B: SMETS2+ SMART METERING SYSTEMS

Enrolment Duty – SMETS2+ Smart Metering Systems

48.8 Paragraph 48.9 applies in respect of each Domestic Premises and Designated Premises at which:

- (a) the licensee is the Relevant Gas Supplier; and
- (b) there is a SMETS2+ Smart Metering System, (the **SMETS2+ premises**).

48.9 Where this paragraph applies the licensee must take all reasonable steps to ensure that the Gas Meter, the Communications Hub Function and the Gas Proxy Function that form part of the SMETS2+ Smart Metering System at the SMETS2+ premises are Commissioned and the SMETS2+ Smart Metering System Enrolled.

PART C: ENROLLED SMART METERING SYSTEMS

48.10 Paragraph 48.11 applies in respect of each Domestic Premises and Designated Premises at which:

- (a) the licensee is the Relevant Gas Supplier;
- (b) there is a Smart Metering System; and
- (c) the Smart Metering System is Enrolled,

(the **smart metering premises**).

- 48.11 Where this paragraph applies the licensee must take all reasonable steps to ensure that at all times at which it is the Relevant Gas Supplier at the smart metering premises any Gas Meter, Communications Hub Function and Gas Proxy Function forming part of a Smart Metering System at the smart metering premises are Commissioned.

Part D: Definitions

- 48.12 In this Condition:

Commissioned	has the meaning given to it from time to time in the Smart Energy Code.
Communications Hub Function	has the meaning given to it from time to time in the Smart Energy Code.
DCC User	means a User in the User Role of Gas Supplier (where 'User', 'User Role' and 'Gas Supplier' all have the meanings given to them from time to time in the Smart Energy Code).
Eligibility Date	means, in respect of a SMETS1 Smart Metering System at a SMETS1 premises, the date on which that SMETS1 Smart Metering System is first Eligible for Enrolment.
Eligible for Enrolment	means, in respect of any SMETS1 Smart Metering System, eligible to be Enrolled in accordance with the relevant provisions of the Smart Energy Code
Enrolled	means Enrolled under and as described in the Smart Energy Code.
Gas Proxy Function	has the meaning given to that expression in the CH Technical Specification.

Condition 49. Smart Metering – The Alt HAN Arrangements

Introduction

49.1 This condition provides for specified holders of electricity and gas supply licences (acting collectively) to ensure the availability of services to facilitate the installation and operation of equipment that will enable the extension of the HAN at relevant premises such that it:

- (c) extends into a relevant part of the premises; and
- (d) enables communications to be made between the parts of one or more SMETS2+ Smart Metering Systems at those premises,

where one or both of those things cannot otherwise be achieved, after taking reasonable steps to do so, by means of equipment provided by the DCC in accordance with the Smart Energy Code.

Principal Obligations

49.2 Where the licensee is a Relevant Supplier it must, in conjunction and co-operation with all other Relevant Suppliers, ensure that:

- (a) the Alt HAN Activities are carried out; and
- (b) the Alt HAN Services are made available to all Relevant Suppliers and are provided on reasonable terms to any Relevant Supplier which has elected to acquire them.

49.3 For the purposes of paragraph 49.2(a), the Alt HAN Activities may be carried out by means of one of the following (or a combination of both of them):

- (a) those activities being undertaken by or on behalf of all Relevant Suppliers; and/or
- (b) the acquisition, by or on behalf of all Relevant Suppliers, of services which comprise or form a part of those activities.

49.4 For the purposes of paragraph 49.2(b), the Alt HAN Services may be made available and provided to a Relevant Supplier by means of one of the following (or a combination of them):

- (a) the acquisition of the capability to provide those services, and their provision to that Relevant Supplier, by or on behalf of all Relevant Suppliers;
- (b) the procurement, by or on behalf of all Relevant Suppliers, of the availability of those services from a third party, and their subsequent provision by that third party to the Relevant Supplier; and/or
- (c) the entering into, by or on behalf of all Relevant Suppliers, of such arrangements for the financing of the costs of the services as are reasonably required for the purposes of ensuring the availability and provision of those services.

49.5 Where the licensee is a Relevant Supplier it must:

- (a) take all reasonable steps to ensure that the Alt HAN Activities are carried out and the Alt HAN Services provided:
 - (i) by means of its participation in the arrangements set out at Section Z of the Smart Energy Code; and
 - (ii) in a manner that is both economic and efficient; and
- (b) ensure that the costs of the Alt HAN Activities and Alt HAN Services (by whatever means they are carried out, made available and provided) are recovered by means of the provisions for their recovery set out at Section Z of the Smart Energy Code.

Alt HAN Activities

49.6 For the purposes of this condition, the Alt HAN Activities means activities which:

- (a) are designed to determine which premises or groups of premises may benefit from the installation of Alt HAN Equipment;
- (b) involve the establishment and maintenance of a database of such premises;
- (c) are designed to establish which types of Alt HAN Equipment are likely to be the most cost-effective;
- (d) comprise the development, design, design assurance, prototype production, testing and configuration of Shared Solution Alt HAN Equipment;
- (e) comprise:
 - (i) the development, design and design assurance of Point-to-Point Alt HAN Equipment; and
 - (ii) to the extent to which it is economic and efficient to do so, the prototype production, testing and configuration of Point-to-Point Alt HAN Equipment;
- (f) may, for the purposes of paragraphs (a) to (e), involve the undertaking of pilot projects in relation to Alt HAN Equipment at premises;
- (g) involve the establishment and maintenance of a database which includes data in respect of:
 - (i) Alt HAN Equipment which has been installed at premises in accordance with the arrangements set out at Section Z of the Smart Energy Code, and of the MPANs and MPRNs associated with SMETS2+ Smart Metering Systems (whether already installed or to be installed) which are capable of using such equipment;
 - (ii) all other Alt HAN Equipment which has been installed at premises, and of the MPANs and MPRNs associated with SMETS2+ Smart Metering Systems (whether already installed or to be installed) which are capable of using such equipment; and

- (iii) where Alt HAN Equipment of the type referred to in subparagraph (ii) has been installed at premises, whether, at any given time, an Energy Supplier has elected to use that equipment;
- (h) include such arrangements for the financing of the costs of any of the activities referred to in paragraphs (a) to (g) as are reasonably required for the purposes of ensuring the undertaking of, or acquiring of services which comprise or form part of, those activities; and
- (i) include the obtaining of such legal, managerial, technical, financial, risk management or other professional services as are reasonably required for the purpose of:
 - (i) undertaking, or acquiring services which comprise, any of the activities referred to in paragraphs (a) to (h); and
 - (ii) making available and providing the Alt HAN Services (including in particular the obtaining of services for the purpose of putting in place financing arrangements of the type referred to in paragraph 49.4(c)).

The Alt HAN Services

49.7 For the purposes of this condition, the Alt HAN Services means:

- (a) the manufacture, provision, installation, operation, maintenance, modification and decommissioning of Shared Solution Alt HAN Equipment;
- (b) to the extent to which it is economic and efficient to do so, the manufacture, provision, installation, operation, maintenance, modification and decommissioning of Point-to-Point Alt HAN Equipment;
- (c) the provision of information and support in relation to each of the services referred to in paragraphs (a) to (b).

The Alt HAN Equipment

49.8 For the purposes of this condition, the Alt HAN Equipment means such equipment and apparatus as would be required by a Relevant Supplier in order to ensure that, in relation to any SMETS2+ Smart Metering System at a Relevant Premises, the HAN:

- (a) extends into at least one part of that Relevant Premises as described in standard condition 43.4(c)(i) (Smart Metering System – Operational Requirement); and
- (b) permits communications to be made between the parts of one or more SMETS2+ Smart Metering Systems at that Relevant Premises,

where the Relevant Supplier would otherwise be unable, having taken all reasonable steps, to achieve either or both of those things by means of the equipment provided by the DCC in accordance with the Smart Energy Code.

Relevant Premises

49.9 For the purposes of this condition, Relevant Premises means, in respect of a Relevant Supplier, any premises:

- (a) at which it is the Relevant Electricity Supplier or Relevant Gas Supplier (as the case may be);
- (b) at which there is, or is to be, installed a SMETS2+ Smart Metering System; and
- (c) which is not Exempt Premises.

Exempt Premises

49.10 For the purposes of this condition, Exempt Premises means such premises (if any) as may be specified in, or fall within a description of premises specified in, the Exempt Premises List.

49.11 Where the licensee is a Relevant Supplier:

- (a) it may, in conjunction and co-operation with all other Relevant Suppliers, establish the Exempt Premises List in accordance with this condition; and

- (b) where the Exempt Premises List is established, it must, in conjunction and co-operation with all other Relevant Suppliers, maintain that Exempt Premises List in accordance with this condition.

49.12 For the purposes of this condition, the Exempt Premises List means a list which specifies premises or descriptions of premises in respect of which, for one of the reasons specified in paragraph 49.13, the HAN need not either:

- (a) extend into at least one part of the premises as described in standard condition 43.4(c)(i) (Smart Metering System – Operational Requirement); or
- (b) permit communications to be made between the parts of a SMETS2+ Smart Metering System, or between part of a SMETS2+ Smart Metering System and another SMETS2+ Smart Metering System at the premises.

49.13 The reasons specified in this paragraph are that the HAN need not have the specified capabilities because:

- (a) it would be technically impracticable for it to do so; or
- (b) though technically practicable, it could only be achieved at disproportionate cost,

in either case in consequence of the physical or other characteristics of, or any other relevant consideration with respect to, the specified premises.

49.14 Where the licensee is a Relevant Supplier, and where it, in conjunction and co-operation with all other Relevant Suppliers, chooses at any time to establish the Exempt Premises List, it must for that purpose:

- (a) provide a draft of the Exempt Premises List to the Secretary of State;
- (b) together with that draft, provide to the Secretary of State information as to:
 - (i) the different service levels capable of being achieved by Alt HAN Equipment of different types or qualities;

- (ii) the respective costs of manufacturing, providing, installing, operating, maintaining, modifying and decommissioning such different types or qualities of Alt HAN Equipment;
- (c) provide to the Secretary of State all such further information related to the Alt HAN Activities or Alt HAN Services as she may request;
- (d) make such changes to the draft Exempt Premises List as the Secretary of State may (following consultation with such persons as she considers appropriate) direct; and
- (e) obtain the approval of the Secretary of State to the Exempt Premises List.

49.15 The Exempt Premises List shall be treated as established for the purposes of this condition only when it has been approved by the Secretary of State.

49.15A The provisions of paragraphs 49.16 to 49.19 shall apply only where the Exempt Premises List has been established in accordance with this condition.

49.16 Where the licensee is a Relevant Supplier, it must, in conjunction and co-operation with all other Relevant Suppliers, by means of participation in the arrangements set out at Section Z of the Smart Energy Code:

- (a) review the Exempt Premises List at least once in each year following the Secretary of State's approval; and
- (b) propose to the Secretary of State such revisions of the Exempt Premises List (if any) as may be necessary or appropriate in the light of the review.

49.17 The Secretary of State may, whether after receiving proposed revisions from the Relevant Suppliers or at any other time, and following consultation with all Relevant Suppliers and such other persons as she considers appropriate, revise the Exempt Premises List in such manner, with effect from such time, and to such extent as she may specify.

49.18 The Secretary of State may, by means of a direction in accordance with this paragraph issued to the Authority and all Relevant Suppliers, provide that:

- (a) any duty of the licensee under paragraph 49.14 or 49.16 expressed to be by reference to the Secretary of State and identified in the direction; or
- (b) any function of the Secretary of State under paragraph 49.14, 49.16 or 49.17 identified in the direction,

shall, from such date as she may specify, be treated as a duty expressed by reference to, or a function exercisable by, the Authority in substitution for the Secretary of State.

49.19 The licensee must provide a copy of the Exempt Premises List to any person who requests it.

49.20 For the purposes of the approval of the Exempt Premises List or any subsequent revision of it by the Secretary of State or Authority in accordance with this condition, any question arising under paragraph 49.13 as to whether the HAN could have the specified capabilities only at disproportionate cost shall be determined by the Secretary of State or Authority (as the case may be) in such manner and by reference to such factors as she or it considers appropriate.

Definitions

49.21 In this condition:

Alt HAN Activities	has the meaning given to it in paragraph 49.6
Alt HAN Equipment	has the meaning given to it in paragraph 49.8.
Alt HAN Services	has the meaning given to it in paragraph 49.7.
Energy Supplier	means a person Authorised by an Electricity Supply Licence to supply electricity or a Gas Supply Licence to supply gas.
Exempt Premises	has the meaning given to it in paragraph 49.10.
Exempt Premises List	has the meaning given to it in paragraph 49.12.

Point-to-Point Alt HAN Equipment	means equipment which fulfils the function of Alt HAN Equipment in respect of only one Relevant Premises.
Relevant Premises	has the meaning given to it in paragraph 49.9.
Relevant Supplier	<p>means an Energy Supplier which is required in accordance with:</p> <ul style="list-style-type: none">(a) standard condition 39 of an Electricity Supply Licence or standard condition 33 of a Gas Supply Licence; or(b) standard condition 39A of an Electricity Supply Licence or standard condition 33A of a Gas Supply Licence, <p>to install a Smart Metering System or a Qualifying Metering System at any premises.</p>
Shared Solution Alt HAN Equipment	means equipment which fulfils the function of Alt HAN Equipment in respect of more than one Relevant Premises.

**Note: Consolidated conditions are not formal Public Register documents and should not be relied on.
Gas suppliers Licence: Standard Conditions – Consolidated to 1 July 2025**

Condition 50 – Database to facilitate customer engagement

Requirement to supply the Relevant Customer Data

1. Subject to paragraph 5 below, the licensee must first supply the Relevant Customer Data to the Authority (in such a manner and containing such additional information as the Authority may direct) by 1 October 2017 or at such later date as may be specified in a direction issued by the Authority.
2. Following compliance with paragraph 1, and subject to paragraph 6, the licensee must supply the Relevant Customer Data to the Authority (in such a manner and containing such additional information as the Authority may direct following consultation with Retail Energy Suppliers, where appropriate) on a monthly basis, except where there are good operational reasons for supplying the Relevant Customer Data with greater frequency than monthly, in which case such alternative frequency may be specified in a direction issued by the Authority.
3. The licensee will take all reasonable steps to ensure that at the time of complying with paragraphs 1 and 2 the Relevant Customer Data is accurate and up to date.
4. The licensee must not supply information that is not Relevant Customer Data to the Authority in its response to the Authority's direction issued pursuant to paragraph 1.

Requirement to send the First Contact Communication

5. Subject to paragraph 7, the licensee must send the First Contact Communication to each Disengaged Customer (in such a manner as the Authority may specify by publishing a notice in Writing or otherwise direct) by 31 July 2017 or at such later date as may be specified in a direction issued by the Authority.
6. Subject to paragraph 7, the licensee must send a First Contact Communication to any additional Domestic Customer or Micro Business Consumer who has become a Disengaged Customer since the licensee first complied with paragraph 1 (in such a manner as the Authority may specify by publishing a notice in Writing or otherwise direct) at least one calendar month prior to complying with paragraph 2, or within such other timeframe specified in a direction issued by the Authority.
7. The First Contact Communication must only have such contents, format and structure as may be specified from time to time by the Authority (by

publishing a notice in Writing or issuing a direction to a particular licensee), subject to having the following minimum contents:

- (a) A clear explanation of the legal requirement established by the CMA Order requiring the licensee to supply the information falling within the definition of the Relevant Customer Data to the Authority.
 - (b) A clear explanation of how the Relevant Customer Data will be stored and updated on the Secure Database.
 - (c) A clear summary of the safeguards in place to protect Disengaged Customers' interests concerning the Relevant Customer Data, which should include details of (i) who will be allowed access to the Secure Database; (ii) the limited use to which licensed energy suppliers and/or the Authority would be able to put the Relevant Customer Data concerning direct marketing by postal correspondence or by any other means specified by the Authority subject to compliance with data protection legislation, including the total number and frequency of such correspondence; (iii) the amount of time licensed energy suppliers and/or the Authority may retain the Relevant Customer Data; and (iv) the consequences of misuse or mis-selling as a consequence of having access to the Secure Database.
 - (d) Clear details of the mechanism for the Disengaged Customer to object at any point in time to their Domestic Customer Data or Micro Business Consumer Data, as applicable, being stored on the Secure Database (including by post, by email or telephone); or clear details of the opt-in mechanism for any Disengaged Customer falling within a group of Disengaged Customers that has been specified by the Authority, including customers for whom it would be necessary for the Retail Energy Supplier to supply any Sensitive Personal Data.
8. Except for sending the First Contact Communication in accordance with the Authority's direction, the licensee must not initiate any communication (whether in Writing or orally) with a Disengaged Customer supplied by the licensee about the Secure Database, including the process for opting-out (or, if applicable, for opting-in).

Access to the Secure Database

9. The licensee must comply with the terms of access and use specified by the Authority in order to access or maintain access to the Secure Database.

Reporting obligation

10. The licensee must keep a record of any oral and written opt-out and opt-in requests received from the Disengaged Customers.
11. The licensee must give the Authority any Information that it reasonably requests about the licensee's compliance with paragraphs 1 to 8 as soon as reasonably practicable after receiving a request from the Authority.
12. The licensee must give the Authority any Information that it reasonably requests to assess the impact and effectiveness of the Secure Database as soon as reasonably practicable after receiving a request from the Authority.

Definitions for condition

Annual Consumption Breakdown	means a breakdown of the Annual Consumption Details by each Consumption Window for which data is recorded.
CMA	means the Competition and Markets Authority.
CMA Order	means the Energy Market Investigation (Database) Order 2016.
Consumption Window	means each separate period within a total period of 24 hours in which gas consumption was recorded and charged at a distinct Unit Rate.
Default Tariffs	<p>means:</p> <ol style="list-style-type: none">(a) in the case of a Domestic Customer, any type or part of a Domestic Supply Contract (including an Evergreen Supply Contract) or Deemed Contract in circumstances where no part of the Tariff which currently applies to a Domestic Customer is for a fixed term period, or where a Domestic Customer has automatically become subject to one or more Domestic Supply Contracts or Deemed Contracts in the event that they do not make a choice; and(b) in the case of a Micro Business Consumer, any type or part of a Non-Domestic Supply Contract or Deemed Contract in circumstances where:<ol style="list-style-type: none">(i) none of the terms and conditions (including Charges for the Supply of Gas) which currently

apply to a Micro Business Consumer are for a fixed term period, including in any circumstances where a Micro Business Consumer automatically becomes subject to such a Non-domestic Supply Contract or Deemed Contract in the event that they do not make a choice; or

- (c) one or more of the terms and conditions (including Charges for the Supply of Gas) which currently apply to a Micro Business Consumer for a fixed term period and automatically came in to effect following the expiry or extension of the first fixed term period which applied to that Micro Business Consumer.

Disengaged Customer

means for each licensee, each Domestic Customer and each Micro Business Consumer (on any meter type) who has been supplied at the same electricity or gas supply point (as applicable) by that licensee on one or more Default Tariffs for three years or more as at the time of complying with paragraphs 6 (as applicable).

Domestic Customer Data

means a Domestic Customer's (a) full name; billing address; consumption address; current Retail Energy Supplier; Tariff Name (including identification of all Standing Charges (where charged), Unit Rates and method of payment); Annual Consumption Details; and MPRN; (b) where relevant, also includes (i) the consumption volumes to which different Unit Rates applied, (ii) the Annual Consumption Breakdown; (iii) the length of time and the hours within which consumption was recorded for each Consumption Window; and (iv) the Standing Charges and Unit Rates that apply to each Consumption Window; and (c) any additional items of information specified by the Authority that are necessary for the purposes contemplated by the CMA Order.

DPA

means the Data Protection Act 1998.

**First Contact
Communication**

means a communication, and any accompanying envelope or separate summary or explanatory information provided with such communication, that complies with paragraph 7.

GDPR	means the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data).
Micro Business Consumer Data	means (a) a Micro Business Consumer's business name; billing (or registered) address; consumption address; current Retail Energy Supplier; Tariff Name (including identification of all Standing Charges (where charged), Unit Rates and method of payment); Annual Consumption Details; and MPRN; (b) where relevant, also includes (i) the consumption volumes to which different Unit Rates applied, (ii) the Annual Consumption Breakdown; (iii) the length of time and the hours within which consumption was recorded for each Consumption Window; and (iv) the Standing Charges and Unit Rates that apply to each Consumption Window; and (c) any additional items of information specified by the Authority that are necessary for the purposes contemplated by the CMA Order.
MPRN	means the Meter Point Reference Number, as the reference number used to uniquely identify gas supply points in Great Britain.
Opted-in	means any Disengaged Customer (for whom it would be necessary for the supplier to supply any Sensitive Personal Data) that, following receipt of the First Contact Communication, has actively and voluntarily signalled, as at the date of their existing supplier complying with paragraphs 1 and 2 (as applicable), orally or in writing, to their existing supplier that they consent to their Domestic Customer Data being supplied to the Authority in the manner contemplated in this licence condition.
Opted-out	means any Disengaged Customer that, following receipt of a First Contact Communication, has actively and voluntarily signalled, as at the date of their existing supplier complying with paragraphs 1 and 2 (as applicable), orally or in writing, to their existing supplier that they object to their Domestic Customer Data or Micro Business Consumer

Data, as applicable, being supplied to the Authority in the manner contemplated in this licence condition.

Relevant Customer Data	means the Domestic Customer Data and the Micro Business Consumer Data concerning each Disengaged Customer who has not Opted-out or who has Opted-in (as applicable) as at the time of complying with paragraphs 1 or 2 (as applicable).
Secure Database	means a secure database that is controlled and maintained by the Authority for the purposes of storing the Relevant Customer Data supplied pursuant to paragraphs 1 and 2.
Sensitive Personal Data	has the meaning given to it in section 2 of the DPA and/or Article 9 of the GDPR.
Standard Settlement Configuration	means a standard metering system configuration recognised by the supplier volume allocation agent system, as defined in Annex X-2 of the Balancing and Settlement Code.
Tariff Name	has the meaning given to it in the Electricity Supply Licence or the Gas Supply Licence (as applicable).