

May 2000

**Enhancing Social Obligations
Decision Document**

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1. Introduction

Purpose of this document

- 1.1 This document sets out final details of modifications to licence conditions with respect to Codes of Practice, and certain other associated licence terms, which Ofgem is introducing under the Social Action Plan. The decisions outlined in this document have been made in light of comments received from consumer groups, suppliers, and other interested parties.
- 1.2 On 10 January 2000, Ofgem published a consultation document, "Social Action Plan: Enhancing Social Obligations. A Proposals Document", which gave notice of licence modifications designed to improve the provision of services to disadvantaged customers. In addition to the modifications, the document contained draft Guidance Notes, setting out guidance on the preparation and operation of Codes of Practice that companies must publish on their licence obligations. Ofgem sought suppliers' consent for the changes to the licences, and invited comments on the draft guidance.
- 1.3 In response to comments received, Ofgem issued an interim letter on 5 April 2000 (reproduced at Appendix 1) enclosing new copies of the licence conditions incorporating minor revisions, and a revised version of the Guidance Notes. The letter stated Ofgem's intention to proceed, once the requisite level of consents were received from suppliers. Further consents having now been submitted, Ofgem can proceed with the modifications.
- 1.4 This document therefore contains the final licence conditions (Section 5) and Guidance Notes (Section 6). Section 2 includes a brief explanation of the procedure for modifying licences and highlights the principal changes. There is a summary of comments on and our revisions to the Guidance Notes at Section 3. Section 4 outlines the next steps in the process. The document also provides a list of all respondents to the document published on 10 January (Appendix 2).

2. Modifications to Licence Conditions

Procedures for modifications to Licence Conditions

- 2.1 The licence modifications have been dealt with in accordance with the appropriate legal provisions. For electricity, under section 11 of the Electricity Act 1989, suppliers have to consent to licence modifications individually, except where the modifications concern contract terms, in which case consent is subject to collective majority voting procedures included in the licences (Condition 33 of the Public Electricity Supply Licence (Scotland, 28) and Condition 41 of the Second Tier Licence (Scotland, 42)). Gas suppliers use collective majority voting procedures set out in section 23 of the Gas Act 1986.
- 2.2 All electricity suppliers licensed to supply designated premises, and 94% of domestic gas suppliers (99% by volume) have consented to the modifications.

The principal changes resulting from the modifications

- 2.3 The most important changes resulting from the licence modifications are
- ◆ the alignment of obligations between electricity and gas;
 - ◆ the requirement that suppliers accept payment by cash or cheque on a twice monthly, fortnightly or more frequent basis;
 - ◆ the requirement that the suppliers publish Codes of Practice specifically for their prepayment meter customers, to ensure that these customers receive better information and advice about the services available to them;
 - ◆ a levelling up to best practice in the provision of energy efficiency advice, and of services to elderly, disabled or chronically sick customers. This includes the redesignation of the special services register as the “Priority Services Register”;
 - ◆ an obligation on suppliers to promote the availability of all the Codes of Practice at least annually;
 - ◆ an obligation on suppliers to consult the Electricity Consumers’ Committees, and for the first time the Gas Consumers’ Council (and subsequently the Gas and Electricity

Consumers' Council) on their Codes of Practice prior to submitting them for the Director's approval.

- 2.4 Full details of the changes and the reasons for them were contained in Ofgem's document "Social Action Plan: Enhancing Social Obligations. A Proposals Document" (January 2000).

3. Summary of comments and revisions to Guidance Notes

- 3.1 This section gives a summary of the comments received on the Draft Guidance Notes for Codes of Practice, published in Ofgem's document 'Social Action Plan: Enhancing Social Obligations' (January 2000). It attempts to draw out some common threads from all the responses and shows where we have made amendments to the Guidance Notes to take on board comments. Appendix 2 lists the organisations that sent in non-confidential responses.

Introduction to Guidance Notes

- 3.2 Consumer groups were generally satisfied with the guidance on dissemination and availability of the codes, but some were concerned that actual codes and not just summary versions should be made available in ethnic minority languages. *The Guidance Notes now ask suppliers to make the actual codes available in ethnic minority languages (2.2).*
- 3.3 Some suppliers were concerned about the requirement to send Codes of Practice to all customers who queried their accounts and to those moving house, arguing that this was onerous and unnecessary and could involve repeatedly sending out the same codes to the same customers. *The Guidance Notes now require suppliers to provide information on relevant codes at an early stage during follow-up action (4c).*

Code of Practice on use of prepayment meters

- 3.4 Consumer groups wanted suppliers to inform customers when their debt will be cleared in addition to the weekly amounts they were repaying and the size of the debt. *We have asked suppliers to include information on how long it will take to clear the debt in the statement to be left at or before installation (4e).*
- 3.5 Suppliers expressed concern about the definition of reasonable access for purchasing credit of "no more than one mile, unless this is considered to be unreasonable in particular circumstances". They argued that such a requirement would increase costs to PPM customers and was not practical in rural areas. *We have amended the wording in this paragraph to address these concerns (7).*

- 3.6 Some consumer groups wished to see reference to the procedure for exchanging PPM's to credit meters covered in the Guidance. *This has been added to the Guidance Notes (3c)*
- 3.7 One supplier argued that, to avoid confusion, emergency credit should always be based on the use of "three-day" weekends. Another supplier required clarification on whether the reference to a three-day weekend was a yearly, monthly or seasonal average. *This has been clarified in the Guidance Notes (7).*
- 3.8 There was concern amongst some suppliers about the implication of providing annual individual cost comparisons on alternative payment methods to PPM customers, given the differences in individual customers' circumstances. There was also concern about the amount of information which was to be provided to customers at time of meter installation. *These concerns have been addressed in the revised guidance (3f and 4).*
- 3.9 Some suppliers wanted to provide information on outlets by telephone. It was also suggested that information on outlets and opening times was beyond the supplier's control, where this was provided by the host provider to second-tier suppliers. *We have amended the guidance in recognition that some electricity suppliers are reliant on the host PES's prepayment infrastructure. However, we believe that customers will need information on token outlets, at or before installation, and that such a requirement should therefore remain in the guidance (4l).*
- 3.10 On repair times for prepayment meters, one supplier pointed out that the service level suggested was tougher than the current regulatory standard for gas. *We have recognised that the standards described might not all be achievable in all circumstances, but asked suppliers to describe the arrangements they are making to improve and over what timescale (7).*

Code of Practice on the payment of bills and guidance for dealing with customers in difficulty

- 3.11 One supplier had a twice-monthly cash payment scheme, and required a minor amendment to allow this scheme. *The Licence Condition (pages 24 and 36) and Guidance Notes have been amended accordingly (3.1).*

- 3.12 Some suppliers were concerned with the requirement for Codes of Practice to show the time scale for follow-up action. They suggested that publication of this information would encourage 'won't pay' customers to play the system. On a similar point, consumer groups want suppliers to explain what they will do at an early stage to identify customers in difficulty. *We have amended the wording in the Guidance Notes to address both of these points (page 65).*
- 3.13 Consumer groups wanted clearer procedures for identifying and assisting customers whose first language was not English. *This has been added to the Guidance Notes (3.4).*
- 3.14 Consumer groups suggested that the guidance should require suppliers to explain to customers that debt repayment levels were open to re-negotiation should a customer's circumstances change. They also wanted the Guidance Notes to include reference to post disconnection contacts and to any charges for debt follow up visits. *Both points have been addressed in the revised Guidance Notes (3.4 and 4).*

Codes of Practice on the provision of services for customers who are blind or deaf and services for persons who are of pensionable age or disabled or chronically sick

- 3.15 Consumer groups wanted the Code of Practice on the provision of services for customers who are blind or deaf to make it clearer that it was aimed not only at the blind or deaf, but also at the partially sighted and hard of hearing. *A sentence has been added to clarify this (2).*
- 3.16 Some suppliers were concerned with the requirement to provide services free of charge "where appropriate", preferring the test to be whether these were appropriate and relevant to the customer's disability. *We have amended the guidance so that it follows the text of the Licence Condition. This talks about 'the arrangements, where practicable and appropriate, and in each case of free of charge,' for providing certain services (3.1).*

Codes of Practice on the efficient use of electricity or gas

- 3.17 Consumer groups were concerned about the promotion of energy efficiency advice, the adoption of best practice guidelines and adequate monitoring. *These matters will be considered further in the light of research under the Social Action Plan.*

4. Next steps

Preparation and submission of Codes of Practice

- 4.1 Electricity suppliers licensed to supply designated premises, and gas suppliers licensed to supply domestic premises, should now prepare Codes of Practice following the guidance set out in the Guidance Notes at Section 5. Arrangements for consulting the Electricity Consumers' Committees (ECCs) and the Gas Consumers Council (GCC), and for submitting the Codes of Practice for the Director's approval, are being notified to suppliers separately. The Codes of Practice should be submitted to the Director by 1 September 2000.
- 4.2 The Director will be recommending to the Secretary of State for Trade and Industry that these new licence requirements be included in the revised standard licence conditions, which will need to be introduced under the terms of the Utilities Bill. The Bill provides for the establishment of a new Gas and Electricity Consumers Council (GECC), as well as the Gas and Electricity Markets Authority. Codes of Practice will need to refer to these bodies once they are in operation, in place of existing organisations.

Monitoring

- 4.3 Ofgem's proposals document contained initial proposals on monitoring the licence obligations. A large number of detailed comments have been received on Ofgem's proposals, together with offers to join the working group Ofgem has proposed. Ofgem is considering the issues which have been raised and will be notifying plans for the working group as soon as possible.

5. Final Licence Conditions

5.1 This section includes final texts for electricity and gas Licence Conditions concerning:

- ◆ Code of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulties (pages 10 and 45)
- ◆ Code of Practice on the Use of Prepayment Meters (pages 12 and 43)
- ◆ Record of and Report on Performance (pages 14 and 48)
- ◆ Provision of Services for Persons who are Blind or Deaf (pages 16 and 42)
- ◆ Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick (pages 17 and 39)
- ◆ Energy Efficiency (pages 19 and 37)
- ◆ Preparation, Review of and Compliance with Customer Service Codes (pages 21 and 35)
- ◆ Contractual Terms/Methods of Payment (pages 23 and 34)
- ◆ Security Deposits (page 25 and 31)

5.2 Also included for gas only is a revised Condition 3 concerning Standard Contractual Terms to Domestic Customers (page 27) and details of certain minor consequential changes to Standard Conditions 4 and 7 (page 33).

Code of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulty

Public Electricity Supply Licence Condition 18

Scottish Generation, Transmission and Public Electricity Supply Licence 12

Second Tier Supply Licence Condition 30

Scottish Second Tier Supply Licence 31

1. The Licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice concerning the payment of electricity bills by its Domestic Customers, including appropriate guidance for the assistance of such customers who, through misfortune or inability to cope with electricity supplied on credit terms, may have difficulty in paying such bills.
2. The code of practice shall include procedures by which the Licensee can distinguish, so far as reasonably practicable, customers in difficulty (the "relevant customers") from others in default and can:
 - (a) provide general information as to how relevant customers might reduce their bills in the future by the more efficient use of electricity;
 - (b) where such a facility is available, accept in payment for electricity supplied sums which are deducted at source from social security benefits payable to relevant customers;
 - (c) detect failures by relevant customers to comply with arrangements entered into for paying by instalments charges for electricity supplied;
 - (d) make such arrangements as to take into account the customers' ability to comply with them;
 - (e) ascertain, with the assistance of any information provided by other persons or organisations, the ability of customers to comply with such arrangements; and

- (f) provide for customers who have failed to comply with such arrangements, or procure for them the provision of, a prepayment meter (where safe and practicable to do so).
3. In formulating the procedures referred to at paragraph 2 the Licensee shall have particular regard:
- (a) to the purpose of avoiding in so far as is practicable, the disconnection of premises occupied by relevant customers otherwise than following compliance by the Licensee with such procedures; and
 - (b) to the interests of relevant customers who are of pensionable age or disabled or chronically sick and to the purpose of avoiding, in so far as is practicable, the disconnection of premises occupied by such customers during the winter months of each year,
- and the procedures shall be designed for the achievement of such purposes.
4. This condition is subject to the provisions of Condition [23A, 17A, 36 and 37].

Code of Practice on the Use of Prepayment Meters

Public Electricity Supply Licence Condition 18a

Scottish Generation, Transmission and Public Electricity Supply Licence 12a

Second Tier Supply Licence Condition 30a

Scottish Second Tier Supply Licence 31a

1. The Licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice concerning the use of prepayment meters by its Domestic Customers, including appropriate guidance for the assistance of its prepayment meter customers who wish to take a supply of electricity on other terms.
2. The code of practice shall set out the Licensee's policy on the installation of prepayment meters and shall include procedures by which the Licensee will where appropriate:
 - (a) provide general information for customers on the operation, usefulness, advantages and disadvantages of prepayment meters, including details of:
 - (i) token outlets and card or key charging facilities within the areas supplied with electricity by the Licensee;
 - (ii) the actions available to customers on the malfunction of a prepayment meter or a prepayment card or key; and
 - (iii) any standards of performance (and associated payments) applying to the Licensee in relation to premises supplied by it through prepayment meters;
 - (b) arrange for the calibration of any prepayment meter provided in accordance with sub-paragraph 2(f) of Condition [18, 12, 30, and, 31] so as to take into account, having due regard to all information available to the Licensee (including any information provided by other persons or organisations), the relevant customer's ability to pay any charges due from him under the arrangements contemplated by

that Condition in addition to the other charges lawfully being recovered through the prepayment meter;

- (c) arrange for the re-calibration of prepayment meters:
 - (i) in the case of an individual customer, at the conclusion of any such arrangements applying to that customer; and
 - (ii) generally, following changes in the price at which the Licensee supplies electricity to prepayment meter customers; and
- (d) remove prepayment meters, setting out the timescale and the conditions under which such removal might be expected to take place.

3. This Condition is subject to the provisions of Condition [23A, 17A, 36 and 37].

Record of and Report on Performance

Public Electricity Supply Licence Condition 19

Scottish Generation, Transmission and Public Electricity Supply Licence 13

Second Tier Supply Licence Condition 35

Scottish Second Tier Supply Licence 36

1. The Licensee shall keep a record of its general operation of the arrangements mentioned in Conditions [18, 18A, 19A, 20, 20A, 21, 22 and 23]* and if the Director so directs in writing, of its operation of any particular cases specified, or of a description specified, by him.
2. The Licensee shall keep a statistical record of its performance in relation to the provision of electricity supply to its Domestic Customers under the terms of contracts or in accordance with tariffs fixed under Section 18 of the Act.
3. The Licensee shall, from time to time as required by the Director, provide to the Director and to the Relevant Consumers' Committee such of the information contained in the records prepared in accordance with paragraphs 1 and 2 as the Director may request in writing.
4. As soon as is reasonably practicable after the end of each calendar year, the Licensee shall submit to the Director and the Relevant Consumers' Committee a report dealing with the matters mentioned in paragraphs 1 and 2 in relation to that year and shall:
 - (a) publish the report so submitted in such manner as will in the reasonable opinion of the Licensee secure adequate publicity for it; and
 - (b) send a copy of it free of charge to any person requesting one,

except that, in performing its obligations under sub-paragraphs (a) and (b), the Licensee shall exclude from the report such information as appears to it to be necessary or expedient to ensure

that, save where they consent, individual Domestic Customers referred to therein cannot readily be identified.

5. The report shall be presented, so far as is reasonably practicable, in a standard form designated by the Director for the purposes of this Condition.

[* **Also Conditions:** 12, 12A, 13A, 14, 14A, 15, 16, 17; 30, 30A, 30B; 31, 32, 33, 34; 31, 31A, 31B, 32, 33, 34, 35]

Provision of Services for Persons who are Blind or Deaf

Public Electricity Supply Licence Condition 19a

Scottish Generation, Transmission and Public Electricity Supply Licence 13a

Second Tier Supply Licence Condition 30b

Scottish Second Tier Supply Licence 31b

1. The Licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice detailing the special services the Licensee will make available for its Domestic Customers who are disabled by virtue of being blind or partially sighted, or deaf or hearing impaired.
2. The code of practice shall include arrangements by which the Licensee will, on request, in each case free of charge:
 - (a) make available to its blind and partially sighted customers, by telephone or other appropriate means, information concerning the details of any bill relating to the supply of electricity to them and a facility for enquiring or complaining in respect of any such bill or any service provided by the Licensee; and
 - (b) make available to its deaf and hearing impaired customers, being in possession of appropriate equipment, facilities to assist them in enquiring or complaining about any bill relating to the supply of electricity to them or any service provided by the Licensee.
3. This Condition is subject to the provisions of Condition [23A, 17A, 36, 37].

Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick

Public Electricity Supply Licence Condition 20

Scottish Generation, Transmission and Public Electricity Supply Licence 14

Second Tier Supply Licence Condition 31

Scottish Second Tier Supply Licence 32

1. The Licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice detailing the special services the Licensee will make available for Domestic Customers who are of pensionable age or disabled or chronically sick. The code of practice shall include arrangements by which the Licensee will on request of such customers, where reasonably practicable and appropriate, and in each case free of charge:
 - (a) provide special controls and adaptors for electrical appliances and meters (including prepayment meters) and reposition meters;
 - (b) provide special means of identifying persons acting on behalf of the Licensee;
 - (c) give advice on the use of electricity;
 - (d) send bills in respect of the supply of electricity to a customer to any person who is willing to be sent such bills and is nominated by that customer (without prejudice, however, to the right of the Licensee to send such bills both to the customer and to the nominated person where that appears appropriate to the Licensee); and
 - (e) provide, where neither the customer nor anyone living with him is able to read the electricity meter, for the meter to be read once in each quarter and for the customer to be informed of the readings so obtained.

2. The code of practice shall further include arrangements whereby the Licensee will:
- (a) establish a list (the "Priority Service Register") of customers who, by virtue of being of pensionable age or disabled or chronically sick, require:
 - (i) information and advice in respect of the matters set out at paragraph 1; or
 - (ii) advance notice of planned interruptions to the supply of electricity;
 - (b) notify its customers at least once each year of the existence of the Priority Service Register and of how they may be included on it; and
 - (c) maintain the Priority Service Register, comprising the relevant details of each customer who requests (or, in the case of a customer supplied by a private electricity supplier, whose supplier requests) his inclusion on it and:
 - (i) give to those of its own customers so registered, in respect of the matters set out at paragraph 1; and
 - (ii) give to all customers so registered, in respect of interruptions to the supply of electricity,
- such information and advice as may be appropriate and is of such nature as shall be set out in the code of practice.

3. This Condition is subject to the provisions of Condition [23A, 17A, 36, 37].

Efficient Use of Electricity

Public Electricity Supply Licence Condition 22

Scottish Generation, Transmission and Public Electricity Supply Licence 16

Second Tier Supply Licence Condition 33

Scottish Second Tier Supply Licence 34

1. The Licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice setting out the ways in which the Licensee will make available to customers such guidance on the efficient use of electricity, in each case given or prepared by a suitably qualified person, as will, in the opinion of the Licensee enable customers to make informed judgments on measures to improve the efficiency with which they use the electricity supplied to them.
2. The code of practice shall include, but shall not be limited to:
 - (a) the preparation and making available free of charge to any customer who requests it of a statement, in a form approved by the Director, setting out information and advice for the guidance of customers in the efficient use of electricity supplied to them;
 - (b) the making of arrangements for maintaining sources from which customers may obtain further information about the efficient use of electricity supplied to them, including the maintenance of a telephone information service; and
 - (c) the preparation and making available free of charge to any customer who requests it of a statement or statements of sources (to the extent that the Licensee is aware of the same) outside the Licensee's organisation from which customers may obtain additional information or assistance about measures to improve the efficiency with which they use the electricity supplied to them, such statement or statements to include basic information which is publicly available on financial assistance towards the costs of such measures available from

central or local Government or through bodies in receipt of financial support from Government in connection with measures to promote the efficiency of energy use.

3. Where the Director (who may have regard to the need for economy, efficiency and effectiveness before giving directions under this paragraph) gives directions to do so, the Licensee shall:
 - (a) review and prepare a revision of the code of practice;
 - (b) take steps to bring to the attention of customers information on the efficient use of electricity supplied to them; and
 - (c) send to each customer a copy of any information in relation to the efficient use of electricity published by the Director pursuant to Section 48 of the Act

in such manner and at such times as will comply with those directions.
4. This Condition is subject to the provisions of Condition [23A, 17A, 36, 37].

Preparation, Review of and Compliance with Customer Service Codes

Public Electricity Supply Licence Condition 23a

Scottish Generation, Transmission and Public Electricity Supply Licence 17a

Second Tier Supply Licence Condition 36

Scottish Second Tier Supply Licence 37

1. This Condition applies to any code of practice required to be prepared by the Licensee pursuant to Conditions [18, 18A, 19A, 20, 20A, 22 and 23]* of this Licence.
2. In first preparing such a code the Licensee shall, prior to submitting that code to the Director, consult the Relevant Consumers' Committee and shall have regard to any representations made by the committee about such code or the manner in which it is likely to be operated.
3. Where before the expiry of 30 days of the Licensee first submitting such code to the Director for his approval the Director notifies the Licensee that the Director considers the code is not sufficient for the purposes of meeting the requirements of this Licence, the Licensee shall forthwith make such changes as the Director may require.
4. The Licensee shall, whenever requested to do so by the Director, review such code and the manner in which it has been operated, with a view to determining whether any modification should be made to it or to the manner of its operation.
5. In carrying out any such review the Licensee shall consult the Relevant Consumers' Committee and shall have regard to any representations made by it about such code or the manner in which it is likely to be or (as the case may be) has been operated.
6. The Licensee shall submit any revision of such code which, after consulting the Relevant Consumers' Committee in accordance with paragraph 5, it wishes to make, to the Director for his approval and following his approval in writing shall then revise the code.

7. The Licensee shall:
 - (a) as soon as practicable following the preparation of any code or any revision made to it send to the Director and the Relevant Consumers' Committee a copy of such code or such revision (in each case in the form approved by the Director);
 - (b) at least once in each year, draw the attention of those of its customers to whom such code applies to the existence of the code and of each substantive revision of it and to the means by which they may inspect a copy of such code in its latest form; and
 - (c) give or send free of charge a copy of such code (as from time to time revised) to any person who requests it.
8. No changes may be made to any code otherwise than in accordance with the foregoing procedures.
9. The Licensee shall ensure, so far as reasonably practicable, that it complies with such arrangements or procedures (as the case may be) as are contained in or described by any code to which this condition applies and approved by the Director or any revision to such code approved by the Director.

[* **Also Conditions:** 12, 12A, 13A, 14, 14A, 16, 17; 30, 30A, 30B, 31, 32, 33, 34; 31, 31A, 31B, 32, 33, 34, 35]

Contractual Terms

Public Electricity Supply Licence Condition 35

Scottish Generation, Transmission and Public Electricity Supply Licence 30

Second Tier Supply Licence Condition 43

Scottish Second Tier Supply Licence 44

1. Where the Licensee offers to supply electricity to Domestic Premises under Designated Supply Contracts, it shall have available forms of Designated Supply Contract which provide for the payment of charges for electricity supplied to Domestic Premises:
 - (a) by prepayment through a prepayment meter;
 - (b) by different methods, including:
 - (i) by cash, at such places and to such persons as are reasonable in all the circumstances; and
 - (ii) by cheque, and
 - (c) at a reasonable range of different intervals, including:
 - (i) paying twice-monthly or fortnightly or more regularly, such sums as agreed;
 - (ii) paying monthly a predetermined sum; and
 - (iii) paying quarterly in arrears.

2. Before entering into any contract to supply electricity to Domestic Premises (other than through a prepayment meter) the Licensee shall inform the customer of and offer to enter into Designated Supply Contracts which comply with sub-paragraphs 1(b) and (c).
3. The Licensee shall process all requests for a supply of electricity to Designated Premises without undue preference or undue discrimination.
4. The Licensee shall send copies of each of the forms of Designated Supply Contract (as revised from time to time) under which it supplies or offers to supply electricity:
 - (a) on receipt of a request, to any person; and
 - (b) not later than the date on which it first offers to supply electricity under each such form of Designated Supply Contract (or revision thereof), to the Director.
5. The Licensee shall prepare, in respect of each form of Designated Supply Contract:
 - (a) a document which sets out an accurate summary of the Principal Terms of that form of Designated Supply Contract; and
 - (b) particulars of inducements offered to any person entering into such a contract which might reasonably be expected materially to influence the decision whether or not to enter into it.
6. The Licensee shall publish the documents and particulars referred to at paragraph 5 in a manner that will in the opinion of the Licensee secure adequate publicity for them, and shall send copies of them to the Director no later than the date on which they are published.

Security Deposits

Public Electricity Supply Licence Condition 37

Scottish Generation, Transmission and Public Electricity Supply Licence 32

Second Tier Supply Licence Condition 45

Scottish Second Tier Supply Licence 46

1. The Licensee shall not, in respect of the supply of electricity under any Designated Supply Contract, require a deposit:
 - (a) where the customer is prepared to be supplied through a prepayment meter and it is reasonably practicable in all the circumstances (including in particular the risk of loss or damage) for the Licensee to provide such a meter; or
 - (b) where it is otherwise unreasonable in all the circumstances to do so.
2. Any deposit required of a Designated Customer may be 1 ½ times the value of the average quarterly consumption of electricity reasonably expected at the relevant premises, or more if that is reasonable in all the circumstances.
3. Where the Licensee requires a deposit from a Designated Customer it shall at the same time inform that customer of the effect of paragraphs 5 and 7.
4. Where the Licensee holds any deposit for more than a month, it shall pay the customer simple interest on the deposit at the rate which is from time to time equivalent to the base rate of Barclays Bank Plc or, if there is no such base rate, not less than such base rate as the Director may designate for the purposes thereof.
5. Subject to paragraph 6, any deposit given by a Designated Customer shall be repaid (with interest) by the Licensee:
 - (a) within 14 days where, in the previous 12 months, the customer has paid all charges for electricity supplied within 28 days of each written demand made; or

- (b) as soon as reasonably practicable, and in any event within 1 month, where the Licensee has ceased to supply the customer and the customer has paid all charges for electricity supplied.
- 6. Sub-paragraph 5(a) shall not apply where it is reasonable in all the circumstances for the Licensee to retain the deposit.
- 7. Any dispute arising under this Condition between the Licensee and a Designated Customer may be referred by either party to the Director. The Director shall determine any such dispute, following such practice and procedure as he considers appropriate.

Gas Suppliers' Licence

Standard Condition 3: Standard Contractual Terms of Supply to Domestic Customers

1. The licensee shall-
 - (a) determine the terms on which it is prepared to enter into a contract for the supply of gas to a domestic customer and, for the purposes of this sub-paragraph -
 - (i) different terms may be determined for different cases or classes of cases, or for different areas;
 - (ii) terms as to charges may be expressed as subject to transportation adjustments within the meaning of paragraph (2) but, in such case, the licensee shall, if so requested by a potential domestic customer (within the meaning of standard condition 2), give him particulars, so far as is reasonably practicable, of the transportation adjustments (if any) likely to be made to the charges in respect of the supply of gas to premises specified in the request;
 - (iii) the terms shall include ones which correspond, as nearly as may be (save in so far as they may provide for lower charges), to those of a deemed contract under paragraph 8 of Schedule 2B to the Act, and
 - (iv) so far as the terms provide for charges related to the amount of gas supplied they shall provide that the number of kilowatt hours supplied shall be calculated in the same manner as the number of kilowatt hours conveyed to the premises falls to be calculated in pursuance of section 12(1) of the Act or, where the premises in question are secondary sub-deduct premises, in the same manner as such number would have fallen to be so calculated if the gas had been conveyed to those premises by a public gas transporter;
 - (b) send copies of each of the forms of contract (as revised from time to time) under which it supplies or offers to supply gas:
 - (i) on receipt of a request, to any person; and

- (ii) not later than the date on which it first offers to supply gas under each such form of contract (or revision thereof), to the Director and the Gas Consumers' Council;
- (c) prepare , in respect of each form of contract:
 - (i) a document which sets out an accurate summary of the principal terms of that form of contract; and
 - (ii) particulars of any inducements offered to any person entering into such a contract which might reasonably be expected materially to affect the decision whether or not to enter into it; and
- (d) publish the documents and particulars referred to at sub-paragraph (c) in a manner that will in the opinion of the licensee secure adequate publicity for them, and shall send copies of them to the Director and Gas Consumers' Council no later than the date on which they are published,

and, for the purposes of sub-paragraph (c), "principal terms" means terms as to charges (and as to whether or not they are expressed as subject to transportation adjustments within the meaning of paragraph (2)) and such other terms as might affect the reasonable evaluation of the terms determined in accordance with sub-paragraph (a).

2. The reference in paragraph (1)(a)(ii) to transportation adjustments is a reference to -
 - (a) where the relevant shipper would be required by the relevant transporter to pay supplemental charges (within the meaning of condition 6 of the Standard Conditions of Public Gas Transporters' Licences) in respect of particular premises in a designated area (within the meaning of that condition), an addition to the charges made in the case of those premises which equals those supplemental charges;
 - (b) where, in relation to particular premises, the relevant transporter is not (subject to paragraph (5)) BG plc and the aggregate of the charges made by the relevant transporter and the relevant charges made by BG plc in respect of the conveyance of the gas supplied to the premises exceeds the relevant charges made by BG plc in respect of the conveyance

of gas to comparable premises, an addition to the charges made in the case of those premises which equals that excess, and

- (c) where, in relation to particular premises, the relevant transporter is not (subject to paragraph (5)) BG plc and the relevant charges made by BG plc in respect of the conveyance of gas to comparable premises exceed the aggregate of the charges made by the relevant transporter and the relevant charges made by BG plc in respect of the conveyance of the gas supplied to the premises, a reduction in the charges made in the case of those premises which equals that excess;

and, for the purposes of sub-paragraphs (b) and (c), "relevant charges" means so much of the charges in respect of the conveyance of gas as depend upon where it is taken out of the transporter's pipe-line system and "comparable premises" means premises at which the reasonably expected consumption of gas is similar to that at the particular premises in question and which are situated in the same area of Great Britain as those premises.

- 3. The terms of contract to supply gas to a domestic customer shall be agreed between the licensee and the customer and, subject to paragraphs (4) and (5), the licensee shall ensure that those terms are in conformity with those for the time being determined under sub-paragraph (1)(a);
- 4. Where the licensee proposes, in pursuance of a single contract, to supply to a domestic customer both gas and other goods or services relating to the supply or use of gas -
 - (a) excluding -
 - (i) the provision of a meter, of any device or facilities designated by the Director for the purposes hereof as serving the like purposes as a pre-payment meter or of pre-payment facilities, and
 - (ii) any related services or services in respect of the reading of a meter, and
 - (b) including, in particular, the provision of a service pipe or the provision of goods or services designed or calculated to promote the efficient use of energy,

the licensee shall ensure that the contract identifies, separately, the charges to be made for the supply of gas, for other goods sold, for other goods provided on hire and for services.

5. If the whole or a significant part of the pipe-line system operated by BG plc on the appointed day comes to be operated by another public gas transporter ("the relevant system") and that transporter (not being the relevant transporter) conveys by means of the relevant system the gas that is subsequently conveyed to particular premises by the relevant transporter then, in relation to those premises (or to any secondary sub-deduct premises in relation to which those premises are relevant primary sub-deduct premises), any reference in sub-paragraphs (2)(b) or (c) to BG plc shall have effect as if it were a reference to that other transporter; and the Director shall determine any question arising under this paragraph as to whether a part of the pipe-line system operated by BG plc on the appointed day is a significant part thereof.

Gas Suppliers' Licence

Standard Condition 3AA: Security Deposits

1. Except where the Director otherwise consents, the Licencee shall not, in respect of the supply of gas to any domestic customer, require a deposit:
 - a) Where the customer is prepared to be supplied through a prepayment meter and it is reasonably practicable in all the circumstances (including in particular the risk of loss or damage) for the licensee to provide such a meter ; or
 - b) Where it is otherwise unreasonable in all the circumstances to do so.
2. Any deposit required of such a domestic customer may be 1^{1/2} times the value of the average quarterly consumption of gas reasonably expected at the relevant premises, or more if that is reasonable in all the circumstances.
3. Where the licensee requires a deposit of such a domestic customer it shall at the same time inform that customer of the effect of paragraphs (5) and (7).
4. Where the licensee holds any deposit for more than a month, it shall pay the customer simple interest on the deposit at the rate which is from time to time equivalent to the base rate of Barclays Bank PLC or, if there is no such base rate, not less than such base rate as the Director may designate for the purposes hereof.
5. Subject to paragraph (6), any deposit given by a domestic customer shall be repaid (with interest) by the licensee:
 - a) Within 14 days where, in the previous 12 months, the customer has paid all charges for gas supplied within 28 days of each written demand made; or
 - b) as soon as reasonably practicable, and in any event within 1 month, where the licensee has ceased to supply the customer and the customer has paid all charges for gas supplied.
6. Sub-paragraph (5(a)) shall not apply where it is reasonable in all the circumstances for the licensee to retain the deposit.

7. Any dispute arising under this condition between the licensee and a domestic customer may be referred by either party to the Director. The Director shall determine any such dispute, following such practice and procedure as he considers appropriate.
8. Paragraphs (9) and (10) shall apply where one gas supplier ("the transferor"), with the agreement of another gas supplier ("the transferee") assigns to that other supplier its rights and liabilities under contracts for the supply of gas to particular domestic customers whose contracts allow for such assignment ("an assignment" and "the transferred customers").
9. Where this paragraph applies and the licensee is the transferor, if it so elects, paragraph (6)(b) shall not have effect in relation to a deposit on the licensee ceasing to supply a transferred customer by reason of an assignment but it shall pass the deposit to the transferee, together with interest thereon calculated as provided in paragraph (6)(c).
10. Where this paragraph applies and the licensee is the transferee, paragraph (6) shall have effect, in relation to any deposit passed to it by the transferee, as if the transferee were the same person in law as the transferor.
11. For the purposes of this condition, any reference to a deposit is, except where the context otherwise requires, a reference to so much of the deposit as, from time to time, has not been applied to meet charges in respect of the supply of gas.
12. Notwithstanding the definition of the expression "deposit by way of security for the payment of charges" in standard condition 1(1), the provisions contained in this condition shall not apply in relation to a payment which is not a deposit; but, in relation to a payment of any class or description which serves the like purpose as a deposit by way of security for the payment of charges, this condition shall have effect as if they contained such provisions, if any, as are designated by the Director, for the purposes of this condition generally, as having, in the case of payments of that class or description, as nearly as may be and having regard to their nature, an effect corresponding to that of the said paragraphs in their application in relation to deposits.

Gas Suppliers' Licence

Consequential Changes to Standard Conditions 4 and 7

In paragraph 7 of Standard Condition 4 delete the words "(3)(b) and (c) and (7)" from that paragraph. That sub-paragraph now reads –

Standard condition 4(7)

"Subject to any necessary modifications, standard condition 3(1)(a)(iv) and 3AA (1) shall apply in relation to a deemed contract for the supply of gas to a domestic customer as it applies to a contract for such supply"

In sub-paragraph (2)(d) of Standard Condition 7 replace the words "standard condition 3(3)(b) and (c)" with the words "standard condition 3AA(1)". That sub-paragraph now reads -

Standard Condition 7(2)(d)

"...the licensee shall not be required by standard condition 2, to supply gas...[where]...

(d) subject to standard condition 3AA(1), and except where the licensee is required to supply gas by standard condition 5, that the licensee has requested a deposit by way of security for the payment of charges and the customer concerned has not paid this;"

Gas Suppliers' Licence

Standard Condition 10: Methods for Payment of Gas Charges

1. Where the licensee offers to supply gas to domestic customers under a contract, it shall have available forms of contract which provide for the payment of charges for gas:
 - (a) by prepayment through a prepayment meter;
 - (b) by different methods, including:
 - (i) by cash, at such places and to such persons as are reasonable in all the circumstances;
and
 - (ii) by cheque, and
 - (c) at a reasonable range of different intervals, including:
 - (i) paying twice-monthly or fortnightly or more regularly, such sums as agreed;
 - (ii) paying monthly a predetermined sum; and
 - (iii) paying quarterly in arrears.
2. Except for the terms of deemed contracts made following a last resort direction under standard condition 5, the terms contained in the licensee's scheme under paragraph 8 of Schedule 2B to the Act, shall include terms in respect of all the ways of making payments mentioned in sub-paragraph (1)(b) and the frequencies mentioned in sub-paragraph (1)(c).

Gas Suppliers' Licence

Standard Condition 15: Preparation, Review of and Compliance with Customer Service Codes

1. This condition applies to any code of practice required to be prepared by the licensee pursuant to standard conditions 16, 17, 18, 18A and 19 of this Licence.
2. In first preparing such a code the licensee shall, prior to submitting that code to the Director, consult the Gas Consumers' Council and shall have regard to any representations made by it about such code or the manner in which it is likely to be operated.
3. Where before the expiry of 30 days of the licensee first submitting such code to the Director for his approval the Director notifies the licensee that the Director considers the code is not sufficient for the purposes of meeting the requirements of this Licence the licensee shall forthwith make such changes as the Director may require.
4. The licensee shall, whenever requested to do so by the Director, review such code and the manner in which it has been operated, with a view to determining whether any modification should be made to it or to the manner of its operation.
5. In carrying out any such review the licensee shall consult the Gas Consumers' Council and shall have regard to any representations made by it about such code or the manner in which it is likely to be or (as the case may be) has been operated.
6. The licensee shall submit any revision of such code which, after consulting the Gas Consumers' Council in accordance with paragraph (5), it wishes to make, to the Director for his approval and following his approval in writing shall then revise the code.
7. The licensee shall:

- (a) as soon as practicable following the preparation of any code or any revision made to it send to the Director and the Gas Consumers' Council a copy of such code or such revision (in each case in the form approved by the Director);
 - (b) at least once in each year, draw the attention of those of its customers to whom such code applies to the existence of the code and of each substantive revision of it and to the means by which they may inspect a copy of such code in its latest form; and
 - (c) give or send free of charge a copy of such code (as from time to time revised) to any person who requests it.
8. No changes may be made to any code otherwise than in accordance with the above procedures.
9. The licensee shall ensure, so far as reasonably practicable, that in its dealings with any customer to whom any code applies it complies with such arrangements or procedures (as the case may be) as are contained in or described by any code to which this condition applies and approved by the Director or any revision to such code approved by the Director.

Gas Suppliers' Licence

Standard Condition 16: Efficient Use of Gas

1. The licensee shall, no later than 1 September 2000 , prepare and submit to the Director for his approval a code of practice setting out the ways in which the licensee will make available to its domestic customers such guidance on the efficient use of gas, in each case given or prepared by a suitably qualified person, as will, in the opinion of the licensee enable such customers to make informed judgments on measures to improve the efficiency with which they use the gas supplied to them.
2. The code of practice shall include, but shall not be limited to:
 - (a) the preparation and making available free of charge to any domestic customer who requests it of a statement, in a form approved by the Director, setting out information and advice for the guidance of customers in the efficient use of gas supplied to them;
 - (b) the making of arrangements for maintaining sources from which domestic customers may obtain further information about the efficient use of gas supplied to them, including the maintenance of a telephone information service; and
 - (c) the preparation and making available free of charge to any domestic customer who requests it of a statement or statements of sources (to the extent that the licensee is aware of the same) outside the licensee's organisation from which such customers may obtain additional information or assistance about measures to improve the efficiency with which they use the gas supplied to them, such statement or statements to include basic information which is publicly available on financial assistance towards the costs of such measures available from central or local government or through bodies in receipt of financial support from government in connection with measures to promote the efficiency of energy use.
3. Where the Director (who may have regard to the need for economy, efficiency and effectiveness before giving directions under this paragraph) gives directions to do so, the licensee shall:

- (a) review and prepare a revision of the code of practice;
- (b) take steps to bring to the attention of its domestic customers information on the efficient use of gas supplied to them; and
- (c) send to each domestic customer a copy of any information published by the Director in relation to the efficient use of gas pursuant to section 35 of the Act

in such manner and at such times as will comply with those directions.

4. This condition is subject to the provisions of standard condition 15.

Gas Suppliers' Licence

Standard Condition 17: Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick

1. The licensee shall, no later than 1 September 2000 prepare and submit to the Director for his approval a code of practice detailing the special services the licensee will make available for Domestic Customers who are of pensionable age or disabled or chronically sick. The code of practice shall include arrangements by which the licensee will, on request of such customers, and in each case free of charge:
 - (a) except in the case of a customer living with another person who is neither a pensioner nor a disabled or chronically sick person nor under 18 years of age, provide for the examination by a person possessing appropriate expertise at intervals of not less than 12 months of the safety of gas appliances and other gas fittings on the customer's side of the meter at his premises, other than a fitting for the annual inspection of which a landlord of the customer is responsible in pursuance of regulations made under the Health and Safety at Work etc. Act 1974;
 - (b) where reasonably practicable and appropriate:
 - (i) provide special controls and adaptors for gas appliances and meters (including prepayment meters) owned by the licensee or the relevant transporter;
 - (ii) reposition meters; and
 - (iii) provide for the transmission through the relevant shipper (or, if the holder of this Licence is that shipper, direct) to the relevant transporter of any request by the customer for the relevant transporter to reposition any gas meter it owns to meet such needs and (except where the holder of this Licence is the relevant shipper) for the relevant shipper to be reimbursed by the licensee any payments made by

it in respect of any reasonable expenses incurred by the relevant transporter in complying with the request);

- (iv) provide special means of identifying persons acting on behalf of the licensee;
- (v) give advice on the use of gas, gas appliances and other gas fittings;
- (vi) send bills in respect of the supply of gas to a customer to any person who is willing to be sent such bills and is nominated by that customer (without prejudice, however, to the right of the licensee to send such bills both to the customer and to the nominated person where that appears appropriate to the licensee); and
- (vii) provide, where neither the customer nor anyone living with him is able to read the gas meter, for the meter to be read once in each quarter and, without prejudice to Standard Condition 26 (2), for the customer to be informed of the readings so obtained.

2. The code of practice shall further include arrangements whereby the licensee will:

- (a) establish a list (the "Priority Service Register") of customers who, by virtue of being of pensionable age or disabled or chronically sick, require information and advice in respect of the matters set out at paragraph (1);
- (b) notify its customers at least once each year of the existence of the Priority Service Register and of how they may be included on it;
- (c) maintain the Priority Service Register, comprising the relevant details of each customer who requests his inclusion on it and where requested, give to those of its own customers so registered, in respect of the matters set out at paragraph (1), such information and advice as may be appropriate and is of such nature as shall be set out in the code of practice; and

(d) secure that the relevant transporter is provided with the information in the Priority Service Register in an appropriate form and at appropriate intervals.

3. This condition is subject to the provisions of standard condition 15.

Gas Suppliers' Licence

Standard Condition 18: Provision of Services for Persons who are Blind or Deaf

1. The licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice detailing the special services the licensee will make available for its domestic customers who are disabled by virtue of being blind or partially sighted, or deaf or hearing impaired.
2. The code of practice shall include arrangements by which the licensee will, on request, in each case free of charge:
 - (a) make available to its blind and partially sighted customers, by telephone or other appropriate means, information concerning the details of any bill relating to the supply of gas to them and a facility for enquiring or complaining in respect of any such bill or any service provided by the licensee; and
 - (b) make available to its deaf and hearing impaired customers, being in possession of appropriate equipment, facilities to assist them in enquiring or complaining about any bill relating to the supply of gas to them or any service provided by the licensee.
3. This condition is subject to the provisions of standard condition 15.

Gas Suppliers' Licence

Standard Condition 18A: Code of Practice on the use of Prepayment Meters

1. The licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice concerning the use of prepayment meters by its domestic customers, including appropriate guidance for the assistance of its prepayment meter customers who wish to take a supply of gas on other terms.

2. The code of practice shall set out the licensee's policy on the installation of prepayment meters and shall include procedures by which the licensee will where appropriate:
 - (a) provide general information for customers on the operation, usefulness, advantages and disadvantages of prepayment meters, including details of:
 - (i) token outlets and card or key charging facilities within the areas supplied with gas by the licensee;
 - (ii) the actions available to customers on the malfunction of a prepayment meter or a prepayment card or key; and
 - (iii) any standards of performance (and associated payments) applying to the licensee in relation to premises supplied by it through prepayment meters;
 - (b) arrange for the calibration of any prepayment meter provided in accordance with subparagraph (1)(f) of standard condition 19 so as to take into account, having due regard to all information available to the licensee (including any information provided by other persons or organisations), the relevant customer's ability to pay any charges due from him under the arrangements contemplated by that condition in addition to the other charges lawfully being recovered through the prepayment meter;
 - (c) arrange for the re-calibration of prepayment meters;

- (i) in the case of an individual customer, at the conclusion of any such arrangements applying to that customer; and
- (ii) generally, following changes in the price at which the licensee supplies gas to prepayment meter customers; and
- (d) remove prepayment meters, setting out the timescale and conditions under which such removal might take place.

3. This condition is subject to the provisions of standard condition 15.

Gas Suppliers' Licence

Standard Condition 19: Code of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulty

1. The licensee shall, no later than 1 September 2000, prepare and submit to the Director for his approval a code of practice concerning the payment of gas charges by its domestic customers, including appropriate guidance for the assistance of such customers who, through misfortune or inability to cope with gas supplied on credit terms, may have difficulty in paying such bills. The code of practice shall include procedures by which the licensee can distinguish, so far as is reasonably practicable, customers in difficulty (the "relevant customers") from others in default and can:
 - (a) provide general information as to how relevant customers might reduce their bills in the future by the more efficient use of gas;
 - (b) where such a facility is available, accept in payment for gas supplied sums which are deducted at source from social security benefits payable to relevant customers;
 - (c) detect failures by relevant customers to comply with arrangements entered into for paying by instalments charges for gas supplied;
 - (d) make such arrangements so as to take into account the customers' ability to comply with them;
 - (e) ascertain, with the assistance of any information provided by other persons or organisations, the ability of customers to comply with such arrangements; and
 - (f) provide for customers who have failed to comply with such arrangements, or procure for them the provision of, a prepayment meter (where safe and practicable to do so).

2. In the case of a relevant customer, the licensee shall not cut off the supply of gas at such a customer's premises for non-payment of charges otherwise than following compliance by the licensee with such procedures referred to in paragraph (1) above.
3. In formulating the procedures for the Code of Practice referred to at paragraph 1 the Licensee shall have particular regard to the interests of relevant customers who are of pensionable age (except those pensioners who fall within the description set out in Condition 20 (1) (a)) or disabled or chronically sick and to the purpose of avoiding, in so far as is practicable, the disconnection of premises occupied by such customers during the winter months of each year, and the procedures shall be designed for the achievement of such purpose.
4. This condition is subject to the provisions of standard condition 15.

Gas Suppliers' Licence

Standard Condition 20: Pensioners not to have Supply of Gas cut off in Winter

1. This condition shall apply in the case of any of the licensee's domestic customers who, to the knowledge or reasonable belief of the licensee -
 - (a) is of pensionable age and lives alone or with other persons all of whom are also of pensionable age or under 18 years of age;
 - (b) is supplied with gas which is used for domestic purposes, and
 - (c) is in default of his obligation to pay for gas so supplied through misfortune or inability to budget to meet bills for gas supplied on credit terms.

2. Notwithstanding that sub-paragraph (3) of paragraph 7 of Schedule 2B to the Act (including that sub-paragraph as extended by sub-paragraph (4) thereof) applies by virtue of sub-paragraph (1) of the said paragraph 7 (or would so apply but for the fact that the premises in question are secondary sub-deduct premises), and notwithstanding the provisions of standard condition 7(2)(f), the licensee shall not under the said sub-paragraph (3) or (in the case of secondary sub-deduct premises) in exercise of any analogous right cut off the supply of gas to such a customer's premises during any winter period, that is to say, a period beginning with 1st October in any year and ending with 31st March in the next following year.

Note: This condition is unchanged, but is included for information.

Gas Suppliers' Licence

Standard Condition 21: Record of and Report on Performance

1. The licensee shall keep a record of its general operation of the arrangements mentioned in standard conditions 16, 17, 18, 18A, 19 and its compliance with standard conditions 19(2) and 20, and if the Director so directs in writing, of its operation of any particular cases specified, or of a description specified, by him.
2. The licensee shall keep a statistical record of its performance in relation to the provision of gas supply services to its domestic customers.
3. The licensee shall, from time to time as required by the Director, provide to the Director and to the Gas Consumers' Council such of the information contained in the records prepared in accordance with paragraphs (1) and (2) as the Director may request in writing.
4. As soon as is reasonably practicable after the end of each calendar year, the licensee shall submit to the Director and the Gas Consumers' Council a report dealing with the matters mentioned in paragraphs (1) and (2) in relation to that year and shall:
 - (a) publish the report so submitted in such manner as will in the reasonable opinion of the licensee secure adequate publicity for it; and
 - (b) send a copy of it free of charge to any person requesting one,except that, in performing its obligations under sub-paragraphs (a) and (b), the licensee shall exclude from the report such information as appears to it to be necessary or expedient to ensure that, save where they consent, individual customers referred to therein cannot readily be identified.
4. The report shall be presented, so far as is reasonably practicable, in a standard form designated by the Director for the purposes of this condition.

6. Revised Guidance Notes for Codes of Practice

6.1 The following Guidance Notes are included in this section:

- ◆ Introduction to Guidance (page 50)
- ◆ Use of prepayment meters (page 55)
- ◆ Payment of bills and guidance for dealing with customers in difficulty (page 61)
- ◆ Services for persons who are blind or deaf (page 69)
- ◆ Services for persons who are of pensionable age or disabled or chronically sick (page 73)
- ◆ Efficient use of electricity or gas (page 78)

Introduction to Guidance Notes for Electricity and Gas Suppliers: Codes of Practice Relating to Social Obligations

1. Introduction

As part of Ofgem's work on the Social Action Plan, the Licence Conditions covering the social obligations that electricity and gas suppliers must meet are being amended and aligned. These guidance notes concern the steps which suppliers should follow in order to satisfy the Director General of Gas Supply and the Director General of Electricity Supply (the Director) that these Licence obligations will be met.

Electricity companies which already have in place Codes of Practice in these areas and gas suppliers which have existing arrangements for their social obligations should review and amend these to ensure they are fully compliant with the revised Licence requirements.

The attached guidance notes set out a number of detailed considerations relating to the Codes of Practice. The guidance is not exhaustive, but rather it describes a minimum level of service upon which suppliers may wish to build further. It is intended to allow for some flexibility for companies to adjust practice to local circumstances and to allow for innovation. Companies supplying both gas and electricity are encouraged to consider developing joint Codes of Practice where appropriate.

Guidance on the following Licence conditions replaces all previous guidance notes on those conditions:

- a) **Efficient use of electricity** - PES Licence Condition 22 (Scotland,16); Second Tier Supply Licence Condition 33 (Scotland, 34)
Gas Suppliers' Standard Licence Condition 16.
- b) **Provision of services for persons who are of pensionable age or disabled or chronically sick** - PES Licence Condition 20 (Scotland,14); Second Tier Supply Licence Condition 31 (Scotland,32)
Gas Suppliers' Standard Licence Condition 17.
- c) **Provision of services for persons who are blind or deaf** – PES Licence Condition 19A (Scotland, 13A); Second Tier Supply Licence Condition 30B (Scotland, 31B)

Gas Suppliers' Standard Licence Condition 18.

- d) **Code of practice on the use of prepayment meters** – PES Licence Condition 18A (Scotland, 12A); Second Tier Supply Licence Condition 30A (Scotland, 31A)
Gas Suppliers' Standard Licence Condition 18A.
- e) **Code of practice on payment of bills and guidance for dealing with customers in difficulty** – PES Licence Condition 18 (Scotland, 12); Second Tier Supply Licence Condition 30 (Scotland, 31)
Gas Suppliers' Standard Licence Condition 19.

Requirements under the following Licence Conditions are covered below in this introduction:

- a) **Record of and report on performance** - PES Licence Condition 19 (Scotland, 13);
Second Tier Supply Licence Condition 35 (Scotland, 36).
Gas Suppliers' Standard Licence Condition 21
- b) **Preparation, review and compliance with customer service codes** – PES Licence Condition 23A (Scotland, 17A); Second Tier Supply Licence Condition 36 (Scotland, 37).
Gas Suppliers' Standard Licence Condition 15.

2. General considerations in preparing the Codes

2.1 Effectiveness

The effectiveness of the Codes will depend, amongst other things, on:

- a) the way that they are written;
- b) the extent to which the services described are made available;
- c) the arrangements for publicising the existence of the Codes; and
- d) the arrangements for monitoring compliance

2.2 Content and style

Each Code should clearly specify its objectives and the target groups it is intended to reach. It should be written in plain English and set out in such a way that it is easy to

follow and understand. Copies of Codes should be available in the ethnic minority languages predominant in the suppliers' areas of business. Companies should make arrangements to take enquiries from customers whose first language is not English.

The Director encourages companies supplying in Wales to provide Welsh language services; for example: a bilingual service to customers, including bills, correspondence, telephone services, information leaflets and contracts.

The Codes should clearly state that they have been the subject of consultation with the Electricity Consumers' Committee(s) or Gas Consumers Council and have been approved by the Director as a condition of the company's Supply Licences. For electricity, the addresses and telephone numbers of the Electricity Consumers' Committee(s) and Ofgem offices in whose area(s) the Licensee is supplying should be included in the Codes for customers to contact if they have any queries or complaints about the Codes, or their implementation, which the Licensee has been unable to resolve. Codes of Practice for gas suppliers should include the addresses of the Gas Consumers Council's offices, together with telephone numbers.

2.3 Description of the services provided

Customers should receive a service which is consistent with the Codes. Failure by a supplier to ensure, so far as is reasonably practicable, that it complies with the Codes is potentially a matter for the exercise of the Director's legal enforcement powers. The Director may request a review of the Codes at that time. All representatives of the Licensee (including third-party agents) dealing directly with customers must therefore be familiar with the content of the Codes. Arrangements must be in place to ensure that appropriate training is provided, and that staff bring the Codes of Practice and any Standards of Performance, including any payments due under the Guaranteed Standards, to the attention of customers with complaints or enquiries.

3. Conditions Applying to Codes of Practice

3.1 Preparation, Review and Compliance with Customer Service Codes

Electricity Licence Condition 23a (Scotland, 17A); Second Tier Supply Licence Condition 36 (Scotland, 37) and Gas Suppliers' Standard Licence Condition 15 set out the

requirements for preparation, review and compliance with customer service Codes. Before submitting Codes to the Director, electricity Licensees are required to consult the relevant Electricity Consumers' Committees and gas Licensees are required to consult the Gas Consumers Council. Suppliers are required to have regard to any representations made by these statutory bodies about the Codes or the manner in which they are likely to be operated.

4. Disseminating the Codes

The Licensee should:

- a) draw the attention of customers at least once a year to the existence of all Codes, and to any additional information on energy efficiency measures, and make customers aware of any subsequent, substantive revisions;
- b) give or send, free of charge, copies of the Codes to any person who requests them, and as a matter of course to advice agencies and care organisations;
- c) provide information on relevant Codes to customers at an early stage during the follow-up action for non-payment of an account or for failure to keep to an agreed payment arrangement, or when there is a complaint or enquiry about payment arrangements; and
- d) refer to the availability of the Codes (together with additional information on energy efficiency measures) on the back of their bills.

In order that customers are aware of the provisions of the Codes, the Licensee should provide a copy of the Codes, or a summary version, as part of a "welcome pack" to all new customers, including customers moving home. The Licensee should make information about the Codes available to potential customers and to advice agencies and care organisations.

5. Monitoring and Reporting

PES Licence Condition 19 (Scotland, 13), Second Tier Supply Licence Condition 35 (Scotland, 36) and Gas Suppliers' Standard Licence Condition 21 ('Record of and Report on Performance') deal with monitoring and reporting arrangements.

Licencees are required to ensure, so far as is reasonably practicable, that they comply with the Codes of Practice. They should therefore be able to demonstrate that the aims and requirements of the Codes are properly reflected in operational procedures and to keep a record of the general operation of the arrangements set out in the Licence Conditions. Arrangements should be made to carry out effective internal monitoring to ensure compliance of staff or agents and to highlight any deficiencies that need to be addressed. Each Code of Practice should set out the arrangements for monitoring that Code.

Each Licensee is required to keep statistical records of its performance, to report to the Director and the Relevant Electricity Consumers' Committees or Gas Consumers Council quarterly, and to publish a report on performance annually. The Director will designate the information he wishes to be collected and published. The Director expects all companies to provide designated information quarterly or more frequently on request.

The provision of information under designation by the Director does not preclude reasonable requests for additional or more frequent information from the Electricity Consumers' Committees or the Gas Consumers Council. Suppliers should consult with these groups on the detail of the information.

Guidance Notes on the Codes of Practice on the use of prepayment meters

PES Licence Condition 18A (Scotland, 12A)

Second Tier Supply Licence Condition 30A (Scotland, 31A)

Gas Suppliers' Standard Licence Condition 18A

1. Introduction

Each Electricity and Gas Licensee is required to prepare and submit to the Director General for his approval a Code of Practice detailing the services available to customers wishing to pay by prepayment meter.

2. Statement of purpose and objectives

The Code should clearly state its objectives and purpose, as set out in the Licence Condition. It should provide customers with details of:

- a) the supplier's policy on the installation of prepayment meters, including safeguards to prevent the inappropriate installation of prepayment meters;
- b) general information on the operation, usefulness, advantages and disadvantages of prepayment meters; and
- c) its policy for the calibration of meters to recover debt and procedures for removal of such meters.

3. Specific considerations

The Code should include information about prepayment meters, including:

- a) the usefulness of such meters for budgeting purposes and as a mechanism for collecting debt, together with information about the advantages and disadvantages of prepayment meters (including disadvantages in terms of price);
- b) the Licensee's policy on when it will insist on the installation of such a meter and the grounds on which customers can challenge this;

- c) the conditions, procedure and timescale associated with the removal of such meters, including the procedure for prepayment meter exchange to credit;
- d) the policy on calibrating meters to collect any outstanding debt which must be consistent with paragraph 5 below;
- e) the policy on providing emergency credit including monetary amount of emergency credit, and procedure for meter recovering emergency credit when it is next charged;
- f) arrangements for enabling non debt customers, on a regular basis, for example annually, to make comparisons between the cost of prepayment and other payment methods; this might involve including information on a customer's bill, or writing separately to prepayment meter customers to invite them to consider changing payment method;
- g) the procedure (where appropriate) for re-calibrating meters after a price change or after a debt has been cleared, and the target timescale within which such re-calibration will take place;
- h) the arrangements for making payments to customers for failing to meet any relevant Guaranteed Standards of Performance or company targets, relating to services for prepayment meter customers;
- i) arrangements for moving meters free of charge to more suitable locations, where this is appropriate, for elderly, disabled and chronically sick customers; the policy on moving meters for other customers to enable a prepayment meter to be installed or where the present site is inconvenient;
- j) how the supplier will assess a customer's circumstances to ensure that a prepayment meter is safe and appropriate;
- k) the policy on refunding credit balances;
- l) the supplier's policy on lost cards; and

- m) the company's arrangements for ensuring that prepayment meter customers stay on supply when switching from one supplier to another or when moving into premises with an existing prepayment meter.

4. Information

The Code should state that information will be provided to prepayment meter customers, at or before installation of the meter. This information should include :

- a) an explanation of how the meter operates; including the volumetric elements and fixed elements of the charge and the fact that the meter will require credit to pay standing charges or debt even if no gas or electricity is used.
- b) details of the charges (unit price and any standing charge) and any other costs including any installation cost or call out charges;
- c) a record of the installation date;
- d) the total amount of any debt and how this has been calculated;
- e) the rate at which the meter has been calibrated to recover any debt; and how long the debt should take to be cleared;
- f) the total amount the meter is calibrated to collect each week, whether or not any electricity or gas is used, i.e. the weekly debt collection and the standing charge;
- g) the amount of emergency credit and an explanation of how it works;
- h) the telephone number(s) for advice and emergency services;
- i) circumstances in which visits to homes are free; the circumstances in which there will be a charge, including a list of such charges;

- j) circumstances in which charges will be made for replacement of lost cards or keys and the amount of such charges;
- k) the frequency and content of statements or bills which the Licensee will issue; and
- l) information on token outlets or charging facilities in the customer's area, including the location and hours generally available, and any facilities for recharging cards or keys or purchasing tokens by post ;

5. Dealing with customers in difficulty

The Code should include details of the procedures for dealing with customers in difficulty and should:

- a) indicate that information will be provided to customers on how they might reduce their bills in future by the more efficient use of electricity and gas and state how that information will be provided:
- b) state that the Licensee will take account of the customer's ability to pay when calibrating a prepayment meter, and confirm with the customer that arrangements are manageable. It should say that an appropriate rate for repayment of debt will depend on individual circumstances, but as a general guide, the debt recovery rate should not be set above the minimum Fuel Direct level where the household is in receipt of benefits¹, unless the customer offers more or there is clear evidence to suggest that a higher figure would be appropriate. Where a customer has multiple debts and information is provided in the form of an income and expenditure statement submitted by an acknowledged money advice agency, the rate of debt repayment should be on a pro rata basis with other creditors. Where information may be available from other persons or organisations to assist in agreeing the level of repayment, that information should be taken into account.
- c) refer to the help and advice that may be available from advice agencies. A number of examples should be given, such as Citizens Advice Bureaux and Money Advice Agencies or debt counselling services. Details of how to contact these agencies

should be provided to the customer. In addition, the Code should confirm that the company will offer, with the customer's written consent, to ask the appropriate agency to contact the customer.

6. **The elderly, disabled and chronically sick**

The Code should also refer to measures and provisions that relate to customers who are of pensionable age or disabled, including the blind or deaf, or chronically sick, including recognition that prepayment meters may not be suitable for such customers. The Code should explain that wherever possible alternative arrangements will be offered. Where there is no option but to fit a prepayment meter the company should give careful attention to the level of emergency credit provided and the nearest charging point.

7. **Levels of service**

Where they are not already doing so, suppliers should develop levels of service for prepayment meter customers. The areas suggested and possible levels of service are outlined below. Those suppliers that are already providing services at a level above those suggested will be expected to continue to do so. All suppliers should describe in the Code of Practice the levels of services provided to prepayment meter customers. It may not be possible to immediately adopt uniform levels of service in all areas between electricity and gas, because of differences in metering technologies, infrastructure and third-party involvement. Where this is the case, Suppliers should describe the arrangements they are making to improve service levels and over what time scale.

Distance to token vending/key charging points: customers should have convenient access to facilities. For most customers this should be, no more than 1 mile in urban areas and 2 miles in rural areas, unless this is considered to be unreasonable or inappropriate in particular circumstances. For customers who do not have access to emergency credit on their meters, facilities should be available 7 days a week.

Faulty cards/keys/tokens: provision of a freephone or local rate service to deal with malfunctions; and the facility to repair or replace faulty items.

¹ 'Passport Benefits' (include Income Support, Jobseeker's Allowance, Housing Benefit, Council Tax Benefit, Family Tax Credit, Disability Living Allowance, Disabled Persons Tax Credit)

Repair of meter: respond to prepayment meter faults within 4 Hours. (Under the Guaranteed Standards, PESs are currently required to respond within 3 hours on a weekday. We expect this level of service to continue).

Emergency credit: Where provided, provision to be sufficient to cover, as a minimum, usage over a 3 day weekend.

Self-disconnection: arrangements for contacting customers where there is concern about the pattern of charging keys/cards or purchasing tokens.

8. Further Information and Advice

The Code should state that it has been prepared in consultation with the Electricity Consumers' Committee and the Gas Consumers Council and approved by Ofgem. It should advise customers of the role of Ofgem and the Electricity Consumers' Committee / Gas Consumers' Council in dealing with disputes and providing independent advice, and should provide a contact address and telephone number for customers to contact if they have any queries about the Code or its implementation.

Guidance Notes on the Codes of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulty

PES Licence Condition 18 (Scotland, 12)

Second Tier Supply Licence Condition 30 (Scotland, 31)

Gas Suppliers' Standard Licence Condition 19

1. Introduction

Each electricity and gas Licensee is required to prepare and submit to the Director for his approval a Code of Practice for domestic customers on the payment of bills, including guidance for customers who may have difficulty in paying such bills.

The Director may require the Licensee to give him additional information about the operation of the Code, concerning the company's internal debt policies and procedures, which will not form part of the published Code of Practice. The maintenance of efficient billing systems will be important in helping to prevent debt situations arising.

2. Statement of purpose and objectives

The Code should clearly state its objectives and purpose, as set out in the Licence Condition. It should describe:

- ◆ the arrangements for ensuring that a variety of payment methods are available;
- ◆ the arrangements for identifying customers in difficulty and distinguishing such customers from others in default; and
- ◆ the procedures for dealing with customers having difficulty paying and the options available for these customers so as to avoid disconnection of supply.

The Code should also cover in sufficient detail relevant matters required under other Licence Conditions, including:

- a) **Contractual terms** - PES Licence Condition 35 (Scotland, 30); Second Tier Supply Licence Condition 43 (Scotland, 44).

Methods for Payment of Gas Charges – Gas Suppliers’ Standard Licence Condition 10.

- b) **Security deposits** - PES Licence Condition 37 (Scotland, 32); Second Tier Supply Licence Condition 45 (Scotland, 46). Gas Suppliers’ Standard Licence Condition 3AA.
- c) **Notification of terms** - PES Licence Condition 36 (Scotland, 31); Second Tier Supply Licence Condition 44 (Scotland, 45). Gas Suppliers’ Standard Licence Condition 3.
- d) **Information given to customers** - PES Licence Condition 23B (Scotland, 17B); Second Tier Supply Licence Condition 37 (Scotland, 38). Gas Suppliers’ Standard Licence Condition 26.

3. Specific provisions

The Code should include the following points:

3.1 *Payment methods*

The supplier’s Code should explain that a range of payment methods will be available for customers and explain that its tariffs and contracts (in electricity, Designated Supply Contracts and, in gas, Domestic Supply Contracts) will set out the details and draw attention to any additional charges or savings associated with each method so that customers can make an informed choice about the most suitable method.

The Code should set out the payment methods available and should include payment:

- ◆ by prepayment through a prepayment meter;
- ◆ by different methods, including:
 - i) by cash, at such places and to such persons as are reasonable in all the circumstances; and
 - ii) by cheque, and
- ◆ at a reasonable range of different intervals, including:

- i) paying twice monthly or fortnightly or more regularly, such sums as agreed²;
- ii) paying monthly a predetermined sum; and
- iii) paying quarterly in arrears.

Other means of paying, and at different intervals, provided by the Licensee should also be included, for example, payment by direct debit or standing order on a monthly or quarterly basis, or by savings stamps.

Before installing prepayment meters, companies must ensure that they are appropriate to a customer's circumstances. Where customers move into premises which already have prepayment meter, companies should describe how they will contact the customer to ensure the suitability of that method of payment.

The Code should also set out arrangements covering:

- ◆ where cash payments may be made, together with any additional commission charges if these apply ; and
- ◆ where prepayment meter keys may be recharged or tokens purchased and the means of advising customers of the opening hours of such places, including over holiday periods such as Christmas and New Year (whilst the Code need not provide a list of outlets, it should give information about how such a list might be obtained); the Code should also refer to the separate Code of Practice for prepayment meter customers.

In addition, the Code should clearly set out any charges for debt visits and warrants, the charges for disconnection and reconnection and charges for other services, such as: additional meter readings; meter testing; copy bills/statements; changing meters; and home visits to discuss bills.

3.2 Security against non-payment of future bills

The Code should contain a clear statement of the Licensee's policy on securing the payment of bills. It should also state if and how this policy differs for new and existing

² 'such sums as agreed' include the flexible payment arrangements offered by some suppliers where the sum is not predetermined.

customers and what, if any, credit vetting procedures are applied. The Code should explain that security may take the form of a requirement to pay by direct debit or standing order (monthly or quarterly), the nomination of a guarantor or a monetary deposit. The Code should also indicate the steps that a customer who is required to provide some form of security needs to take to improve his or her credit worthiness, and state what a customer must do in order for security to no longer be required.

The Code should confirm that a monetary security deposit is not required (unless the Director otherwise consents);

- ◆ where the customer is prepared to be supplied through a prepayment meter and it is reasonably practicable in all the circumstances to do so; or
- ◆ where it is otherwise unreasonable in all the circumstances to do so.

The Code should state that where a monetary deposit has been paid (unless it is otherwise reasonable in all the circumstances for the deposit to be retained) it will be repaid (with interest) by the Licensee:

- ◆ within 14 days where, in the previous 12 months, the customer has paid all charges for electricity or gas supplied within 28 days of each written demand being made; or
- ◆ as soon as reasonably practicable, and in any event within 1 month, where the Licensee has ceased to supply the customer and the customer has paid all the charges for electricity or gas supplied.

The Code should indicate:

- ◆ how the amount of a monetary deposit will be calculated. The amount may be 1½ times the value of the average quarterly consumption of electricity or gas reasonably expected at the relevant premises, or more if that is reasonable in all the circumstances; and
- ◆ that interest shall be paid, at Barclays Bank Base Rate, on every sum of 50p deposited for every 3 months during which that sum is held.

The Code should also explain how customers may challenge suppliers' requests for security deposits and their level, and the Director's role in helping to resolve such disputes. Information about this appeals mechanism should also be included in any correspondence sent to customers which requests such security deposits.

3.3 Disputed accounts

The Licensee should state clearly the steps it will take in dealing with a disputed account. The Code should: inform customers how to query or dispute an account; specify the action that will be taken by the company to resolve the dispute; and describe any Standards of Performance (Guaranteed or Overall Standards, and any internal company standards) that may apply.

3.4 Arrangements for identifying and dealing with customers in difficulty

The Licensee is required to describe the procedures for distinguishing customers in difficulty from others in default. The Code should set out:

- ◆ the proactive steps that the supplier will take at an early stage to identify customers in difficulty;
- ◆ the process for follow-up action; and
- ◆ the attempts which will be made to make appropriate contact, i.e. either by letter, telephone or visit, with customers who fall into arrears or fail to keep to agreed payment arrangements.

The Code should confirm customers with repayment difficulties who contact the Licensee will be made to feel that their case will be heard sympathetically and that offers of repayment will be carefully considered. Suppliers should be sympathetic to the welfare of the family as a whole; for example where there are young children. Accounts, requests for payment and other correspondence should encourage the customer to contact the Licensee at an early stage to discuss the options available. Staff who have telephone contact with customers and those who make visits to customers as part of follow-up action should be suitably trained and be empowered to agree payment arrangements which reflect the customer's circumstances.

The Code should describe the facilities that are available for dealing with customers in difficulty, whose first language is not English.

The Code should also set out the action that will be taken when the Licensee knows that the Benefits Agency or Social Services are involved in assisting or advising a customer in

difficulty, the steps that will be taken to liaise with such organisations or other agencies and any additional time that will be allowed in the follow-up procedure to enable such organisations to make appropriate arrangements on behalf of customers.

The Code should include details of the procedures for dealing with customers in difficulty and should:

- a) indicate that information will be provided to customers on how they might reduce their bills in future by the more efficient use of electricity or gas, including sources of financial help such as the Home Energy Efficiency Scheme (Warm Deal in Scotland) or the companies' work under the Energy Efficiency Standards of Performance, and state how that information will be provided; should also indicate that other independent sources of energy efficiency advice are available;
- b) set out and explain the payment arrangements available, which should include repayment of any debt over an agreed period of time at agreed intervals; the provision of a prepayment meter; and, in relevant cases, payments deducted at source from social security benefits (Fuel Direct);
- c) state that the Licensee will take account of the customer's ability to pay when agreeing any repayment arrangement, or calibrating a prepayment meter, and confirm with the customer that arrangements are manageable. It should also say that an appropriate rate for repayment of debt will depend on individual circumstances but, as a general guide, the debt recovery rate should not normally be set above the minimum Fuel Direct level where the household is in receipt of benefits³, unless the customer offers more or there is clear evidence to suggest that a higher figure would be appropriate. Where a customer has multiple debts and information is provided in the form of an income and expenditure statement submitted by an acknowledged money advice agency, the rate of debt repayment should be on a pro rata basis with other creditors. Where information may be available from other persons or organisations to assist in agreeing the level of repayment, that information should be taken into account;

³ 'Passport Benefits' (include Income Support, Jobseeker's Allowance, Housing Benefit, Council Tax Benefit, Family Tax Credit, Disability Living Allowance, Disabled Persons Tax Credit)

- d) state that changes in circumstances will be considered and debt payment arrangements adjusted to take account of these, where appropriate;
- e) refer to the separate Code of Practice for prepayment meter customers and summarise its purpose;
- f) refer to the help and advice that may be available from advice agencies. A number of examples should be given, such as Citizens Advice Bureaux and Money Advice Agencies or debt counselling services. Details of how to contact these agencies should be provided to the customer. In addition, the Code should confirm that the company will offer, with the customer's written consent, to ask the appropriate agency to contact the customer; and
- g) state the supplier's policy on payment allocation, where part payment of a dual fuel account is made.

Suppliers should provide a copy of this Code or a summary version to customers at an early stage during the follow-up action for non-payment of an account or for failure to keep to an agreed payment arrangement.

4. Disconnection

The Code should set out the circumstances when it will be necessary to disconnect a customer's supply and provide information about the powers of the Licensee or its agent to carry out such action and, where necessary, gain right of entry. The Code should cover the information that will be left with all disconnected customers, explaining how they may be reconnected, any costs of disconnection or reconnection, and details of any Standards of Performance that apply. It should also explain the Supplier's procedure for making subsequent contact with customers who have been disconnected for non-payment.

The Code should also cover the making of debt follow-up and collection visits, where these are necessary, and any charges which will be made. It should confirm that customers will always be notified about such charges before any such visit takes place. Electricity and Gas suppliers are required, so far as is practicable, to avoid disconnection of customers who are of pensionable age or disabled or chronically sick during winter

months. Gas suppliers cannot disconnect pensioner households during this period (refer to Gas Suppliers' Standard Licence Condition 20: 'Pensioners not to have supply of gas cut off in winter'). The Code should explain these requirements.

5. Further information and advice

The Code should state that it has been prepared in consultation with the Electricity Consumers' Committee or the Gas Consumers Council and approved by the Director. It should advise customers of the role of the Director and the Electricity Consumers' Committee/Gas Consumers Council in dealing with disputes and providing independent advice, and should provide a contact address and telephone number for customers to contact with any query about the Code or its implementation, or how they have been dealt with by the Licensee or its contractors.

Guidance Notes on the Codes of Practice on the Provision of Services for Persons who are Blind or Deaf

PES Licence Condition 19A (Scotland, 13A)

Second Tier Supply Licence Condition 30B (Scotland, 31B)

Gas Suppliers' Standard Licence Condition 18

1. Introduction

Each electricity and gas Licensee is required to prepare and submit to the Director for his approval a Code of Practice detailing the special services available for its domestic customers who are blind or deaf.

The Code should refer to the separate 'Code of Practice for Persons who are of Pensionable Age or Disabled or Chronically Sick'.

2. Statement of purpose and objectives

The Code should clearly state its objectives and purpose, as set out in the Licence Condition. It should provide customers with details of the services provided to assist customers who are blind, or partially sighted, or deaf, or hearing impaired, with information about their bills or any service provided by the Licensee.

The Code should be presented in a customer friendly style using appropriately sensitive language. The Licensee should state that it will interpret the definition of blind or deaf such that any customer who reasonably expects to be included is covered by its provisions.

3. Specific considerations

The Code should include details about services which the Licensee will make available, on request, free of charge to:

- a) its blind and partially sighted customers about electricity and gas bills, in a manner suitable for such customers (e.g., to include information in large print, Braille or on audio tape) and a suitable facility for enquiry or complaint about a supplier's bill or any service; and

- b) assist its deaf and hearing impaired customers to enquire or complain about a bill or any other services provided by the Licensee, by making available facilities such as minicom and textphone.

Companies will be aware that under the Disability Discrimination Act 1995 there is a duty on service providers to make reasonable adjustments for disabled people, such as providing extra help or making changes to the way they provide their services. The Code of Practice related to this Act indicates that providing bills in alternative formats, such as Braille or large print for customers with visual impairments, is likely to be a reasonable step for the utility company to take. Issues of non-compliance with the Disability Act are matters for the Courts, rather than Ofgem.

3.1 Other Services Available

The Code should state what other services are available for customers who are blind or deaf including the arrangements, where reasonably practicable and appropriate, and in each case free of charge, for:

- a) providing, where practicable, special controls and adapters for electrical and gas appliances and meters, including prepayment meters;
- b) repositioning a meter - so as to make it more accessible to the customer;
- c) providing special means of identifying persons acting on behalf of the Licensee, by means of special passwords, etc;
- d) providing advice on the use of electricity or gas (and, in the case of gas, gas appliances and other gas fittings). The Code should recognise that such customers may particularly benefit from energy efficiency advice if they spend a lot of time at home. Licensees should therefore state that they will take the initiative and make efforts to contact such customers (particularly those on a Priority Service Register). We would expect advice to be contained in the Code which should also indicate how further advice relating to the efficient use of electricity and gas could be obtained (home visits might be of particular benefit for these customers);

- e) redirecting bills to a nominated third party – either instead of, or as well as, sending them to the customer;
- f) providing, where neither the customer nor anyone living with him is able to read the meter, for the meter to be read once in each quarter and for the customer to be informed of the readings;
- g) limiting, on request, the hours between which meter readers will call; and
- h) arranging safety checks by gas suppliers of gas appliances and other fittings; where appliances are not considered safe for use following a safety check, the supplier should be able to advise the customer on options for repairing or renewing the appliance, including access to charitable organisations such as Care and Repair.

4. Register of customers with special needs

The Code should state that the Licensee will bring to the attention of blind and deaf customers the Priority Service Register, describe the arrangements for inclusion on the Register and provide details of the services available for customers who are included on the Register. Suppliers should seek the assistance of relevant organisations representing disabled people to publicise the Register and the services offered.

5. Other provisions

The Code should also refer to measures and provisions that may relate to customers who are blind or deaf, including:

- a) the provisions of the Codes of Practice covering site access - PES Licence Condition 20A (Scotland, 14A); Second Tier Supply Licence Condition 32 (Scotland, 33); and Gas Suppliers' Standard Licence Condition 25 - and the arrangements for joining any password scheme and making representatives of the Licensee easily recognisable;
- b) the use of prepayment meters - the Code should recognise that prepayment meters may not be suitable for such customers, especially those that are housebound. The Code should explain that, wherever possible, alternative arrangements will be offered. Where there is no option but to fit a prepayment

- meter, the Licensee should give careful attention to the level of emergency credit provided and the distance to the nearest token outlet or re-charging point;
- c) the steps that will be taken to prevent the disconnection of such customers during the winter months, as required by the Codes of Practice on payment of bills for electricity and gas, and Licence Condition 20 in gas (Persons who are of Pensionable Age not to have supply of gas cut off in winter).

The Code should be produced in large print, in Braille and on audio tape to allow for it to be readily accessed by blind and partially sighted customers. Suppliers should liaise with and provide information to the relevant advice agencies.

6. Inclusion of Information about Ofgem, the Electricity Consumers' Committees and the Gas Consumers Council

The Code should state that it has been prepared in consultation with the Electricity Consumers' Committee/Gas Consumers Council and approved by the Director. The address and telephone number for Ofgem and the Electricity Consumers' Committee/Gas Consumers Council should be provided, for customers to contact if they have any queries about the Code or its implementation, which the Licensee has been unable to resolve.

Guidance Notes on the Codes of Practice for Persons who are of Pensionable Age or Disabled or Chronically Sick

PES Licence Condition 20 (Scotland, 14)

Second Tier Supply Licence Condition 31 (Scotland, 32)

Gas Suppliers' Standard Licence Condition 17

1. Introduction

Each electricity and gas Licensee is required to prepare and submit to the Director for his approval a Code of Practice detailing the special services available for its domestic customers who are of pensionable age or disabled or chronically sick.

2. Statement of purpose and objectives

The Code should clearly state its objectives and purpose, as set out in the Licence Conditions. It should provide customers with details of:

- a) the services provided to assist customers who are of pensionable age or disabled or chronically sick, including those who are blind or deaf; and bring customers' attention to the separate Code of Practice for blind and deaf customers;
- b) the register it maintains of such customers (to be known as the 'Priority Service Register' in all publications and contact with customers); and
- c) for gas suppliers: explain the supplier's obligation to provide to eligible customers on request a free annual safety check for gas appliances and other gas fittings.

The Code should be presented in a customer friendly style using appropriately sensitive language. The Licensee should state that it will interpret the definition of pensionable age or disabled or chronically sick such that any customer who reasonably expects to be included is covered by its provisions.

3. Specific considerations

The Code should include information about:

3.1 Services available

The Code should set out the services available for customers who are of pensionable age or disabled or chronically sick. It shall include the arrangements, where reasonably practicable and appropriate, and in each case free of charge, for:

- a) providing, where practicable, special controls and adapters for electrical and gas appliances and meters, including prepayment meters;
- b) repositioning a meter - so as to make it more accessible to the customer;
- c) providing special means of identifying persons acting on behalf of the Licensee, by means of special passwords, etc;
- d) providing advice on the use of electricity or gas (and, in the case of gas, gas appliances and other gas fittings). The Code should recognise that such customers may particularly benefit from energy efficiency advice if they spend a lot of time at home. Licensees should therefore state that they will take the initiative and make efforts to contact such customers (particularly those on a Priority Service Register). Advice could be contained in the Code which should also indicate how further advice relating to the efficient use of electricity and gas could be obtained (home visits might be of particular benefit for these customers);
- e) redirecting bills to a nominated third party - either instead of, or as well as, sending them to the customer;
- f) providing, where neither the customer nor anyone living with him is able to read the meter, for the meter to be read once in each quarter and for the customer to be informed of the readings (this will not generally be necessary where the customer is on a fixed payment plan option such as direct debit); and the company's policy for

exchanging difficult-to-read meters where that would assist customers to read their own meter;

- g) limiting, on request, the hours between which, meter readers will call; and
- h) arranging safety checks by gas suppliers of gas appliances and other fittings; where appliances are not considered safe for use following a safety check, the supplier should be able to advise the customer on options for repairing or renewing the appliance, including access to charitable organisations such as Care and Repair.

Companies will be aware that under the Disability Discrimination Act 1995 there is a duty on service providers to make reasonable adjustments for disabled people, such as providing extra help or making changes to the way they provide their services. The Code of Practice related to this Act indicates that providing bills in alternative formats, such as Braille or large print for customers with visual impairments, is likely to be a reasonable step for the utility company to take. Issues of non-compliance with the Disability Discrimination Act are matters for the Courts, rather than Ofgem.

3.2 Register of customers with special needs

The Licensee should set up and maintain a Priority Service Register, to promote and provide a focus for the services available for persons who are of pensionable age or disabled or chronically sick.

The Code should describe the arrangements for inclusion on the Register, and should:

- a) draw customers' attention to the Register, particularly those who might benefit from being included or who might require advance notice of electricity supply interruptions or priority in the event of a gas or electricity supply emergency. The Licensee is required to give publicity to the Register and to notify its customers at least once a year of the existence of the Register in order to provide qualifying customers with the opportunity to register (suppliers should seek the assistance of relevant organisations representing pensioners or disabled people to publicise the Register and the services offered); and

- b) provide customers on the Register with information about the special services available.

A gas supplier must tell the relevant public gas transporter (via the relevant licensed shipper) when it has registered a site where the customer is on the Priority Service Register.

3.3 Advance notice of interruptions of electricity supply

Licensees should recognise that customers who are of pensionable age or disabled or chronically sick may be more dependent than some other groups of customers on a reliable supply of electricity, particularly where the use of special electrically operated equipment is essential. Reasonable steps should be taken to provide customers on the Register with information and advice about supply interruptions and the Code should explain how this will be done.

Where the customer has given consent, a second tier electricity supplier should provide the Public Electricity Supplier (PES) with appropriate details of such customers and special requirements, to enable the PES to give advance notice of interruptions to the supply. The Licensee should explain to customers why it is necessary for such consent to be provided.

Arrangements in electricity may involve providing more notice than that required under the Guaranteed Standards of Performance. In any event, arrangements in electricity should extend to providing information as quickly as possible to such customers in the event of unplanned outages, including the likely restoration time and any help that may be provided to the customer whilst he is without a supply.

3.4 Other provisions

The Code should also refer to measures and provisions that may relate to customers who are of pensionable age or disabled or chronically sick, including:

- a) the provisions of the Codes of Practice covering site access - PES Licence Condition 20A (Scotland, 14A); Second Tier Supply Licence Condition 32 (Scotland, 33); and

Gas Suppliers' Standard Licence Condition 25 - and the arrangements for joining any password scheme and making representatives of the Licensee easily recognisable;

- b) the use of prepayment meters - the Licensee should recognise that prepayment meters may not be suitable for such customers, especially those that are housebound. The Code should explain that, wherever possible, alternative arrangements will be offered. Where there is no option but to fit a prepayment meter, the Licensee should give careful attention to the level of emergency credit provided and the distance to the nearest token outlet or re-charging point;
- c) the steps that will be taken to prevent the disconnection of such customers during the winter months, as required by the Codes of Practice on payment of bills for electricity and gas, and Licence Condition 20 in gas (Persons who are of Pensionable Age not to have supply of gas cut off in winter); and
- d) provisions under electricity and gas Codes 19A and 18: Provision of services for persons who are blind or deaf.

Suppliers should liaise with and provide information to relevant advice agencies.

4. Inclusion of Information about Ofgem, the Electricity Consumers' Committees and the Gas Consumers Council

The Code should state that it has been prepared in consultation with the Electricity Consumers' Committee / Gas Consumers Council and approved by the Director. The address and telephone number for Ofgem and the Committees/Gas Consumers Council should be provided, for customers to contact if they have any queries about the Code or its implementation, which the Licensee has been unable to resolve.

Guidance Notes on the Codes of Practice on the Efficient Use of Electricity or Gas

PES Licence Condition 22 (Scotland 16)

Second Tier Supply Licence Condition 33 (Scotland 34)

Gas Suppliers' Standard Licence Condition 16

1. Introduction

Each Electricity and Gas Licensee is required to prepare and submit to the Director for his approval a Code of Practice setting out the ways in which it will make available to its customers guidance on how to improve the efficient use of electricity or gas.

2. Statement of purpose and objectives

The Code should clearly state its objectives and purpose, as set out in the Licence Conditions. It should provide customers with details of:

- a) information and advice, given or prepared by a suitably qualified person, on the efficient use of electricity or gas; customers should be made aware of the dangers of Carbon Monoxide poisoning if essential ventilation for appliances is compromised.
- b) arrangements, including a telephone information service, whereby customers may obtain further information;
- c) sources outside the supplier's own organisation from which customers can obtain further information and assistance: for example, Energy Efficiency Advice Centres;
- d) information on financial assistance available towards the cost of energy efficiency measures, including assistance from the supplier under the Energy Efficiency Standards of Performance programme and assistance available under the Home Energy Efficiency Scheme (Warm Deal in Scotland) .

The information provided in the Code should be technically correct and up to date, and presented in a format which will be understood by customers.

For electricity suppliers, the Codes should include information and advice for domestic and non-domestic customers. Such information can be published in two separate publications. For gas, information should be published for domestic customers, defined as those customers using less than 73,000kWh annually, even if gas is used for the purposes of trade or business.

Licensees should consult organisations with recognised expertise on energy efficiency when drawing up their Code, for example the Energy Saving Trust (EST), NEA and EA Technology.

3. Specific considerations

The Code should include the following points:

3.1 Information and advice on the efficient use of electricity or gas

The Code should include a statement containing practical information and advice for customers on:

- a) how they can use electricity or gas more efficiently. This should include specific examples of the steps which customers can take (including on a DIY basis) to achieve improvements, and the costs and energy savings of different measures. Energy efficient appliances, low energy lighting, improved insulation, and the use of controls and timers should all be covered;
- b) how they can obtain practical help with the installation and financing of energy saving measures and other measures available to help customers;
- c) information on the cost of using electrical or gas appliances and information about the energy labelling of appliances;
- d) information on switching to day/night tariffs.

The Code is not intended to provide commercial information or to support electricity or gas marketing by the Licensee. However, it can include tariff and other information on electricity or gas supply charges relevant to the efficient use of electricity or gas, such as

the availability of energy services packages combining the provision of electricity and gas with energy efficiency measures, and details of Suppliers' schemes under the Energy Efficiency Standards of Performance.

3.2 Arrangements for obtaining further information

The Code should:

- a) explain how the company will provide and maintain sources of information about the efficient use of energy, including the maintenance of a telephone advice service;
- b) describe the arrangements for providing advice on the efficient use of electricity or gas to customers who request additional advice to that contained in the Code;
- c) indicate the scope of the additional advice which it has arranged to provide and the terms on which it is available to customers. It is open to Licensees to arrange for this further information to be provided either in-house by the Licensee itself or by an external organisation, though in either case the Licensee will be responsible for ensuring compliance with the requirement that its customers should have access to further information;
- d) specify whom customers should contact for further information. The Licensee's arrangements for providing such information should include a telephone advice service either operated in-house or contracted out to another qualified organisation, such as an Energy Efficiency Advice Centre (EEAC) or the Energy Saving Trust.

Licensees should pay special attention to the way in which telephone advice lines can best be operated. Companies should take steps to ensure that they can quickly distinguish calls, where the caller wants energy efficiency advice, from other calls. This may require a telephone line dedicated to energy efficiency advice and companies should ensure that customer enquiries are not used as an opportunity for sales promotion.

Advice on energy efficiency can be particularly important for customers who are having difficulty in paying their bills. Companies should therefore ensure that staff who deal

with account queries are trained to recognise when the caller might benefit from energy efficiency advice and are able to offer to refer such cases to the advice service. Licensees have an obligation to offer energy efficiency advice to customers having difficulty paying their bills.

The potential benefits of computerised enquiry handling systems should be carefully considered for dealing with telephone enquiries. The use of a Freephone number or charging calls at local rates should be considered.

3.3 A statement of sources of further information and assistance

The Code should include:

- a) details of sources outside the Licensee's organisation from which customers can obtain further information or assistance in relation to measures to improve the efficient use of electricity or gas. To meet this requirement, the Licensee need not enter into any special arrangements with the external sources, but it needs to ensure that the statement, which it gives to customers, is kept up to date;
- b) contact details of EEACs, and of local authority and central government agencies, as well as other relevant organisations, such as NEA, the Energy Action Grants Agency (EAGA), HEES Managing Agents, the Energy Saving Trust and Energy Action Scotland;
- c) basic information, which is publicly available, on financial assistance which is available to customers from central or local government or from government funded bodies in connection with measures to promote the efficiency of energy use. This should include information on the Home Energy Efficiency Scheme (HEES) (Warm Deal in Scotland).

4. Home Visits

The Licensee should set out its policy on providing home visits, where such visits are offered for providing advice on the efficient use of electricity or gas, in particular for customers on the Priority Service Register. It should confirm whether there are any charges for such visits.

5. Training

Staff giving or preparing energy efficiency advice should have appropriate qualifications: for example, a Certificate in Energy Awareness from the City and Guilds of London Institute in conjunction with NEA or the equivalent, and have received appropriate regular refresher training. Other staff who may receive energy efficiency enquiries should be trained to recognise when advice is required and to refer such enquiries to trained staff. Licensees should include in their Code information on the qualifications of those who provide advice to customers.

6. Inclusion of Information about Ofgem, the Electricity Consumers' Committees and the Gas Consumers Council

The Code should state that it has been prepared in consultation with the Electricity Consumers' Committee/Gas Consumers Council and approved by the Director. The address and telephone number for Ofgem and the Electricity Consumers' Committee/Gas Consumers Council should be provided, for customers to contact if they have any queries about the Code or its implementation, which the Licensee has been unable to resolve.

7. Dissemination and promotion

In addition to the requirements for dissemination of the Codes outlined in the Introduction to the guidance notes, the Licensee should take appropriate steps to promote its energy efficiency advice service. It should also actively target advice at specific groups of customers likely to benefit, such as those on its Priority Service Register and those in payment difficulties. Customers moving home might particularly welcome advice on how to save energy, especially if they are undertaking work which provides the opportunity for enhancing their efficient use of energy. Specific points for promoting the advice service might therefore be:

- on the back of fuel bills
- with descriptions of tariff structures
- in all publications
- with 'welcome packs' for new customers
- when customers change address
- reminders concerning non-payment of fuel bills

- customer requests for assistance with managing debt
- meter reading

In any event, the Licensee should observe those other Licence Conditions which require it to provide general information to customers in difficulty about how they might reduce future bills by the more efficient use of electricity or gas, and to give advice on the use of electricity or gas to elderly or disabled customers or chronically sick customers.

Appendix 1 Letter from Ofgem dated 5 April to suppliers and respondents

Modifications to Licence Conditions: Social Obligations

I am writing to inform you of the position we have reached following consultation on Ofgem's document, "Social Action Plan: Enhancing Social Obligations", which was published on 10 January 2000, and to advise how further work will be taken forward.

Background

Ofgem's document included formal proposals for modifications to Licence Conditions concerning social obligations together with Guidance Notes on the preparation of revised Codes of Practice. Changes to Licence Conditions are subject to the agreement of licence holders. For electricity, under Section 11 of the Electricity Act 1989, suppliers have to consent to licence modifications individually, except where modifications concern contract terms, in which case consent is subject to collective majority voting procedures included in the licences. Gas suppliers use collective majority voting procedures set out in Section 23 of the Gas Act 1986. To date, Ofgem has still to secure all the consents necessary for the Director General to modify the licences. We are currently in discussion with, or trying to contact, a very small number of suppliers to clarify their voting intentions. Should Ofgem fail to secure the necessary consents, there is the option of referring those companies which do not consent to the licence changes to the Competition Commission. However, we wish to secure modifications by agreement if at all possible, and are hopeful of achieving this.

Revisions to Licence Conditions and Guidance Notes

Enclosed are revised copies of the Licence Conditions and Guidance Notes incorporating some detailed changes arising from the consultation (see as sidelined). In the case of the Licence conditions these are largely grammatical in nature and do not alter the content of the proposals. Subject to there being no further material points of substance, and on the assumption that the requisite level of consent is received, Ofgem proposes to finalise the package in this form. If there are any further comments, it would be helpful if you would let me know as soon as possible.

Comments received on Ofgem's proposals

The comments we have received have been largely supportive of Ofgem's proposals. However, a number of detailed points have been made by consumer groups and suppliers to which Ofgem wishes to respond in order to clarify its position. The main issues arising from the consultation are as follows:

- disappointment from consumer groups that Ofgem has not accepted their call for mandatory provision of weekly payment facilities by suppliers at no extra charge;
- concerns from consumer groups that Ofgem's proposals for controlling debt recovery levels do not go far enough;
- concerns from suppliers that if applied inflexibly, the proposals will give rise to unnecessary extra costs which may flow through to customers;
- concerns from suppliers that the Guidance Notes are over-prescriptive. Suppliers request more flexibility to adopt their Codes of Practice to local conditions;
- requests from suppliers to combine Codes of Practice covering the provision of services for people who are of pensionable age or disabled or chronically sick, with those for persons who are blind or deaf;
- concerns about the tight timetable proposed by Ofgem for preparation of the Codes of Practice and for consultation on them with the Gas Consumers Council and Electricity Consumers Committees (GCC/ECCs);
- concerns among suppliers about the level of detail and consequent costs of implementing Ofgem's proposals on monitoring returns for the Codes of Practice.

These issues are considered below.

(i) Regular payments and debt recovery rates

Ofgem set out its policy on regular payments and debt recovery levels in the Proposals document, and does not believe that any new arguments have been advanced which merit a change of view on the content of the Licence Conditions. A number of suppliers have confirmed that they provide weekly payment facilities at no extra charge. However, this continues to be an issue for some new entrant suppliers who raise concerns about the disproportionate of costs of providing weekly facilities. Ofgem will keep the position under review.

It will be noted that a minor change has been incorporated into the Licence Conditions which now refer to 'paying twice monthly or fortnightly or more regularly, such sums as agreed'.

(ii) Guidance Notes

Ofgem acknowledges suppliers' concerns about the potentially over-prescriptive nature of the Guidance Notes and the need to allow for flexibility. However, Ofgem believes that the full value of the Guidance Notes will be lost if they fail to describe the range of practical issues which arise in the delivery of the Codes of Practice. Ofgem has reviewed the Guidance Notes in the light of comments received from both consumer groups and suppliers, and incorporated amendments into the revised draft version circulated with this letter.

(iii) Special Services

Ofgem is prepared to allow suppliers some flexibility, subject to early notification of proposals for production of Codes of Practice. One possibility that has been suggested is the production of two versions of the same document, one of which is in a format designed to meet the needs of blind or partially sighted customers.

(iv) Timetable

Concerns about the challenging timetable proposed by Ofgem in its January document are accepted. The significant amount of detailed comment and practical issues with the consent process mean it will take longer than originally anticipated to complete the process. A revised timetable is included below.

(v) Monitoring

At this time, Ofgem's priority is to finalise the Licence Conditions and Guidance Notes. A large number of detailed comments have been received on Ofgem's proposals for monitoring returns, together with offers to join the working group Ofgem has proposed. Ofgem is considering the issues which have been raised and will be notifying its plans for the working group as soon as possible.

Timetable

Ofgem has been discussing arrangements for consultation on the Codes of Practice with the GCC/ECCs'. These arrangements and a programme will be notified to suppliers once

the Licence Conditions are finalised. Subject to obtaining the necessary consents on the Licence Conditions, Ofgem now envisages the following revised timetable for preparation and submission of the Codes of Practice:

- 8 May – Licence Conditions and Guidance Notes finalised and published by Ofgem
- 5 June – Companies to commence consultation with GCC/ECCs' on Codes of Practice
- 4 September – Companies to submit Codes of Practice to the Director General for approval

Where suppliers are not already doing so, they should commence preparation of Codes of Practice now.

Conclusions

Ofgem is grateful for the support which has been given to Ofgem's proposals. Ofgem's objective is now to finalise the package by the end of April and move forward to consultation and approval of the Codes of Practice.

If you have any questions please let me or Anton Draper (0171 932 6360) know.

Yours sincerely

Dave Barnes
Head of Social Issues

Appendix 2 Respondents

Age Concern
British Gas Trading
Consumers' Association
Electricity Consumers' Committee – East Midlands Region
Electricity Consumers' Committee – Merseyside & North Wales
Electricity Consumers' Committee – South East Region
Electricity Consumers' Committee – South Wales
Electricity Consumers' Committee – South West Region
Electricity Consumers' committee – Yorkshire Region
Electricity Consumers' Committee – Midlands Region
Energy Savings Trust
Gas Consumers Council
Gas Supply Company
HSBC
Independent Energy
London Electricity
Midlands Electricity
National Consumers' Council
Northern Electric & Gas
National Electricity Consumers Council
National Energy Action
Norweb Energi
Npower
Of tel
Paypoint
Post Office
Powergen
Royal National Institute for the Blind
Scottish and Southern Electricity
Scottish Power
Seeboard
Swalec
TXU Europe

Unit[e]

Yorkshire Electricity