

Note:

- 1** This document illustrates the proposed modifications to the supply licences which it is anticipated the Secretary of State will make in exercise of her powers under Chapter 1 of Part 3 of the Energy Act 2004 (save that this document does not show deleted conditions).
- 2** The text of the proposed modifications to the supply licences which it is anticipated the Secretary of State will make (“proposed designation text”) is contained in a number of annexes (the “Annexes”) which are also being published on this website today. (It is anticipated that annexes in the same form as the Annexes will form part of the direction from the Secretary of State to modify the supply licences).
- 3** The attached document, which is being made available for information purposes only, is intended to illustrate the proposed designation text in the context of the relevant licence conditions. It should not, however, be relied upon in any consideration of the proposed modifications, for which reference should be made to the proposed designation text referred to at paragraph 2 above.
- 4** There may be differences between the way the proposed modifications are illustrated in the attached documents and the way the proposed designation text is expressed in the Annexes. Any differences are unintentional and may be due to the software used to produce the attached documents.

SUPPLY LICENCE CONDITIONS

ENDURING MODIFICATIONS

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Condition 1. Definitions and Interpretation

1. In these standard conditions, unless the context otherwise requires:

the "Act"	means the Electricity Act 1989.
"affiliate"	in relation to any person means any holding company of such person, any subsidiary of such person or any subsidiary of a holding company of such person, in each case within the meaning of sections 736, 736A and 736B of the Companies Act 1985.
"alternative accounting rules"	for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.
"Application Regulations"	means the Electricity (Applications for Licences and Extensions and Restrictions of Licences) Regulations 2001.
"auditors"	means the licensee's auditors for the time being holding office in accordance with the requirements of the Companies Act 1985.
"authorised"	in relation to any business or activity means authorised by licence granted or treated as granted under section 6 or by exemption granted under section 5 of the Act.
"authorised electricity operator"	means any person (other than the licensee) who is authorised to generate, transmit participate in the transmission of , distribute, or supply electricity and shall include any person who has made an application to be so authorised which application has not been refused and any person transferring electricity to or from or across an

interconnector or ~~Scottish interconnection or~~ who has made an application for use of an interconnector ~~or Scottish interconnection~~ which has not been refused.

the "Authority"

means the Gas and Electricity Markets Authority established under section 1 of the Utilities Act 2000.

~~"bilateral agreement"~~

~~for the purposes of standard condition 9 (Compliance with CUSC) only, has the meaning given in that condition.~~

"bill"

includes an invoice, account, statement or any other instrument of the like character.

"BSC"

means the code referred to in standard condition 10 (Balancing and Settlement Code and NETA Implementation) as from time to time modified.

"BSC Framework Agreement"

for the purposes of standard condition 10 (Balancing and Settlement Code and NETA Implementation) only, has the meaning given in that condition.

"charges for the supply of electricity"

includes, in relation to the licensee and a particular customer, charges made by the licensee in respect of the provision to that customer of an electricity meter and cognate expressions shall be construed accordingly;

~~"construction agreement"~~

~~for the purposes of standard condition 9 (Compliance with CUSC) only, has the meaning given in that condition.~~

"Consumer Council"

means the Gas and Electricity Consumer Council as established by section 2 of the

Utilities Act 2000.

"contract"	does not include a deemed contract but does include a contract which by virtue of paragraph 23 of Schedule 7 to the Utilities Act 2000 is deemed to have been made and "contractual" shall be construed accordingly.
"core industry documents"	for the purposes of standard condition 9 (Compliance with CUSC) only, has the meaning given in that condition; and for the purposes of standard conditions 10 (Balancing and Settlement Code and NETA Implementation) and 11 (Change Co-ordination for NETA <u>BSC</u>) only, has the meaning given in standard condition 10.
"current cost assets"	for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.
"CUSC"	for the purposes of standard condition 9 (Compliance with CUSC) only, has the meaning given in that condition.
"CUSC Framework Agreement"	for the purposes of standard condition 9 (Compliance with CUSC) only, has the meaning given in that condition.
"customer"	means any person supplied or requiring to be supplied with electricity at any premises in Great Britain but shall not include any authorised electricity operator in its capacity as such.
"data aggregation"	means services comprising any or all of the

following:

the collation and summation of meter reading data (whether actual or estimated) and of data in respect of the consumption of electricity at premises which receive an unmetered supply, and the delivery of such data to any person for settlement purposes.

"data processing"

means services comprising any or all of the following:

the processing, validation, and estimation of meter reading data, and the creation, processing and validation of data in respect of the consumption of electricity at premises which receive an unmetered supply, and the delivery of such data to any person for the purpose of data aggregation.

"data retrieval"

means services comprising any or all of the following:

the retrieval and verification of meter reading data from electricity meters and the delivery of such data to any person for the purpose of data processing.

"data services"

means any one or more of the services of data retrieval, data processing and data aggregation.

"date of the domestic supply contract"

for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).

"deemed contract"

means a contract which by virtue of paragraph 3 of Schedule 6 to the Act is deemed to have been made but does not include a contract which by

virtue of paragraph 23 of Schedule 7 to the Utilities Act 2000 is deemed to have been made.

"deemed contract scheme"

means the scheme made by the licensee under paragraph 3 of Schedule 6 to the Act.

"deposit"

for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).

"the disapplication date"

has the meaning given in standard condition 54 (Duration of Standard Condition 53B (Requirement to Offer Terms for Top-up and Standby, Exempt Supply Services and Prepayment Meter Services)).

"Distribution Code"

means in relation to any licensed distributor the distribution code required to be prepared by such distributor and approved by the Authority as from time to time revised with the approval of the Authority.

"distribution licence"

means a distribution licence granted or treated as granted under section 6(1)(c) of the Act.

"distribution services area"

means an area determined by the Authority in a direction issued to a licensed distributor under standard condition 2 (Application of Section C (Distribution Services Obligations)) of its distribution licence.

"distribution system"

means the system consisting (wholly or mainly) of electric lines owned or operated by an authorised distributor and used for the distribution of electricity from grid supply

points or generation sets or other entry points ~~(and bulk supply points in Scotland)~~ to the points of delivery to customers or authorised electricity operators or any transmission ~~company licensee~~ within Great Britain in its capacity as operator of ~~at the licensee's~~ transmission system or the GB transmission system and includes any remote transmission assets (owned by a transmission licensee within England and Wales) operated by such distributor and any electrical plant, meters and metering equipment owned or operated by such distributor in connection with the distribution of electricity, but shall not include any part of ~~at the~~ GB transmission system.

"domestic customer"

means a customer supplied or requiring to be supplied with electricity at domestic premises (but excluding such customer in so far as he is supplied or requires to be supplied at premises other than domestic premises).

"domestic premises"

means premises at which a supply is taken wholly or mainly for domestic purposes.

"domestic supply contract"

has the meaning given in standard condition 42 (Domestic Supply Contracts).

"Domestic Supply Direction"

has the meaning given in standard condition 2 (Application of Section C (Domestic Supply Obligations)).

"effective time"

for the purposes of Section B only, has the meaning given in standard condition ~~12~~ ~~(Pooling~~ 10 (Balancing and Settlement

~~Agreement Run-off~~[Code and NETA Implementation](#)).

"electricity supplier"	means any person authorised to supply electricity.
"estimated costs"	for the purposes of standard condition 4 (Payments by the Licensee to the Authority) only, has the meaning given in that condition.
"exempt supplier"	for the purposes of Section D only, has the meaning given in standard condition 51 (Interpretation of Section D).
"exempt supply services"	for the purposes of Section D only, has the meaning given in standard condition 51 (Interpretation of Section D).
"financial year"	means, subject to standard condition 52A (Change of Financial Year) (where applicable), a period of 12 months beginning on 1 st April of each year and ending on 31 st March of the following calendar year.
"fixed term period"	for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).
"Fuel Security Code"	for the purposes of Section B only, has the meaning given in standard condition 14 (Security Arrangements).
"generation security standard GB transmission system "	for the purposes of standard condition 8B (General Security Standard) only, has the meaning given in that condition means the system consisting (wholly or mainly) of high voltage electric lines owned or operated by

transmission licensees within Great Britain and used for the transmission of electricity from one generating station to a sub-station or to another generating station or between sub-stations or to or from any interconnector and includes any electrical plant or meters owned or operated by any transmission licensee within Great Britain in connection with the transmission of electricity.

"generation set" means any plant or apparatus for the production of electricity and shall where appropriate include a generating station comprising more than one generation set.

"goods or services" includes electric lines and electric plant, and goods or services designed or calculated to promote the efficient use of electricity, but excludes meters, meter maintenance and prepayment systems, data retrieval, data processing and data aggregation.

"Grid Code" means the Grid Code which ~~each transmission company~~ the system operator is required to prepare and have approved by the Authority as from time to time revised with the approval of the Authority.

"grid supply point" means any point at which electricity is delivered from ~~at~~ the GB transmission system to any distribution system.

"the handbook" for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.

"holding company"	means a holding company within the meaning of sections 736, 736A and 736B of the Companies Act 1985.
"in-area supply business"	for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.
"industry framework document"	for the purposes of standard condition 13 (Change Co-ordination for the Utilities Act 2000) only, has the meaning given in that condition.
"information"	includes any documents, accounts, estimates, returns, records or reports and data in written, verbal or electronic form and information in any form or medium whatsoever (whether or not prepared specifically at the request of the Authority or the Consumer Council) of any description specified by the Authority.

~~"interconnection"~~

~~means:~~

~~the 275 kV and 400 kV circuits between and including the associated switchgear at Harker sub-station in Cumbria and the associated switchgear at Strathaven sub-station in Lanarkshire;~~

~~the 275kV transmission circuit between and including the associated switchgear at Cockenzie in East Lothian and the associated switchgear at Stella in Tyne and Wear; and~~

~~the 400kV transmission circuit between and including the associated switchgear at Torness~~

~~in East Lothian and the associated switchgear at Stella in Tyne and Wear~~

~~all as existing at the date on which the transmission licence comes into force as from time to time maintained, repaired or renewed, together with any alteration, modification or addition (other than maintenance, repair or renewal) which is primarily designed to effect a permanent increase in one or more particular interconnection capacities as they exist immediately prior to such alteration, modification or addition and as from time to time maintained, repaired or renewed; and~~

~~the 132kV transmission circuit between and including (and directly connecting) the associated switchgear at Chapelcross and the associated switchgear at Harker sub-station in Cumbria; and~~

~~the 132kV transmission circuit between and including (and connecting, via Junction V) the associated switchgear at Chapelcross and the associated switchgear at Harker sub-station in Cumbria~~

~~all as existing at the date on which the transmission licence comes into force and as from time to time maintained, repaired or renewed.~~

"interconnector(s)"

means the electric lines and electrical plant and meters owned or operated by a transmission ~~company~~ [licensee](#) solely for the transfer of

electricity to or from [the GB](#) transmission system into or out of ~~England and Wales~~[Great Britain](#).

"the last resort supply direction" has the meaning given in standard condition 29 (Supplier of Last Resort).

"licensed distributor" means any holder of a distribution licence.

"licensed supplier" means any holder of a supply licence.

["licensee's transmission system"](#) [means those parts of the GB transmission system which are owned or operated by a transmission licensee within its transmission area.](#)

"marketing activities" for the purposes of standard condition 48 (Marketing of Electricity to Domestic Customers) only, has the meaning given in that condition.

"Master Registration Agreement" means the agreement of that title referred to and comprising such matters as are set out in standard condition 37 (The Metering Point Administration Service and the Master Registration Agreement) of a distribution licence.

"metering equipment" includes any meter and any associated equipment which materially affects the operation of that meter.

~~"modification"~~ ~~has the meaning given in standard condition 8B (Generation Security Standard).~~

"multi-site contract" for the purposes of standard condition 22 (Domestic Premises) only, has the meaning

	given in that condition.
"new termination date"	for the purposes of standard condition 48 (Marketing of Electricity to Domestic Customers) only, has the meaning given in that condition.
"non-domestic customer"	means a customer who is not a domestic customer.
"non-half-hourly meter"	means any electricity meter other than one which is configured to record the quantity of electricity (calculated in kWh) supplied to premises during each half-hour period of supply.
"the other supplier"	has the meaning given in standard condition 29 (Supplier of Last Resort).
"out-of-area supply business"	for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.
"owned"	in relation to an electricity meter or other property includes leased and cognate expressions shall be construed accordingly.
"participating interest"	has the meaning given by section 260 of the Companies Act 1985 as amended by section 22 of the Companies Act 1989.
"Pooling and Settlement Agreement"	means the agreement of that title approved by the Secretary of State as from time to time amended.
"prepayment meter services"	has the meaning given in standard condition 53B (Requirement to Offer Terms for Top-up

and Standby, Exempt Supply Services and Prepayment Meter Services).

"previous supplier"

for the purposes of standard condition 49 (Assignment of Outstanding Charges) only, has the meaning given in that condition.

"principal terms"

means, in respect of any form of contract or deemed contract, those terms which relate to:

- (a) charges for the supply of electricity;
- (b) any requirement to pay charges for the supply of electricity by prepayment through a prepayment meter;
- (c) any requirement for a security deposit;
- (d) the duration of the contract or deemed contract; and
- (e) the rights to terminate the contract (including any obligation to pay a termination fee), or the circumstances in which a deemed contract will expire;

and such other terms as may reasonably be considered significantly to affect the evaluation by the customer of the contract to supply electricity to the customer.

"Priority Service Register"

for the purposes of standard condition 37 (Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick) only, has the meaning given in that condition.

~~"qualifying customer"~~

~~for the purposes of standard condition 8B (Generation Security Standard) only, has the meaning given in that condition.~~

"regulatory accounts"

for the purposes of standard condition 52 (Regulatory Accounts) only, has the meaning given in that condition.

"related undertaking"

in relation to any person means any undertaking in which such person has a participating interest.

~~"relevant constraints"~~

~~for the purposes of standard condition 8B (Generation Security Standard) only, has the meaning given in that condition.~~

"relevant customer"

for the purposes of Section B only, has the meaning given in standard condition 23 (Payments Received in Relation to Standards of Performance).

"relevant customers with payment difficulties"

for the purposes of standard condition 35 (Code of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulty) only, has the meaning given in that condition.

"relevant distributor"

means, in relation to any premises, the authorised distributor to whose distribution system those premises are connected.

"relevant licensed distributor"

means any licensed distributor which has been issued with a direction under standard condition 2 (Application of Section C (Distribution Services Obligations)) of its distribution licence designating a distribution services area to the licensed distributor.

"relevant metering equipment"	for the purposes of standard condition 7 (Duty to Offer Terms for Meter Provision) only, has the meaning given in that condition.
"relevant parties"	for the purposes of standard condition 50 (Modification of Provisions under Standard Conditions 46 and 49) only, has the meaning given in that condition.
"relevant payment"	for the purposes of standard condition 23 (Payments Received in Relation to Standards of Performance) only, has the meaning given in that condition.
"relevant premises"	for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).
"relevant proportion"	for the purposes of standard condition 4 (Payments by the Licensee to the Authority) only, has the meaning given in that condition.
"relevant provisions"	for the purposes of Section D only, has the meaning given in standard condition 50 (Modification of Provisions under Conditions 46 and 49).

~~"relevant purchaser" for the purposes of standard condition 8B (Generation Security Standard) only, has the meaning given in that condition.~~

"relevant year" for the purposes of standard condition 4 (Payments by the Licensee to the Authority) only, has the meaning given in that condition.

"remote transmission assets" means any electric lines, electrical plant or meters in England and Wales owned by a

transmission [companylicensee](#) ("the owner transmission [companylicensee](#)") which

- (a) are embedded in the distribution system of any authorised distributor other than the owner transmission [companylicensee](#) and are not directly connected by lines or plant owned by the owner transmission [companylicensee](#) to a sub-station owned by the owner transmission [companylicensee](#); and
- (b) are by agreement between the owner transmission [companylicensee](#) and such authorised distributor operated under the direction and control of such authorised distributor.

"representative"

for the purposes of Section C only, has the meaning given in standard condition 48 (Marketing of Electricity to Domestic Customers).

"request"

for the purposes of Section C only, has the meaning given in standard condition 32 (Duty to Supply Domestic Customers).

~~"run-off"~~

~~for the purposes of standard condition 12 (Pooling and Settlement Agreement Run-off) only, has the meaning given in that condition.~~

~~"Scottish interconnection [Section C](#) (system operator standard conditions) Direction"~~

~~means such part of the interconnection as is situated in Scotland~~ [a direction issued by the Authority or the Secretary of State, where appropriate, in accordance with standard condition A2 \(Application of Section C\) of the](#)

[standard conditions for electricity transmission licences.](#)

"security arrangements"	for the purposes of standard condition 33 (Last Resort Supply: Security for Payments) only, has the meaning given in that condition.
"separate business"	means each of the in-area supply and out-of-area supply businesses taken separately from one another and from any other business of the licensee, but so that where all or any part of such business is carried on by an affiliate or related undertaking of the licensee such part of the business as is carried on by that affiliate or related undertaking shall be consolidated with any other such business of the licensee (and of any other affiliate or related undertaking) so as to form a single separate business.
"Settlement Agreement for Scotland"	for the purposes of Section B only, has the meaning given in standard condition 8 (Settlement Agreement for Scotland).
"standby"	for the purposes of Section D only, has the meaning given in standard condition 51 (Interpretation of Section D).
"statutory accounts"	means the accounts that the licensee prepares under the Companies Act 1985.
"subsidiary"	means a subsidiary within the meaning of sections 736, 736A and 736B of the Companies Act 1985.
"supply business"	means the business of the licensee supplying electricity as authorised.

"supply licence" means a supply licence granted or treated as granted under section 6(1)(d) of the Act.

"supply services area" has the meaning given at paragraph 5(b) of standard condition 3 (Application of Section D (Supply Services Obligations)).

"Supply Services Direction" for the purposes of standard condition 3 (Application of Section D (Supply Services Obligations)) only, has the meaning given in that condition.

"system operator" means the holder for the time being of a transmission licence in relation to which licence the Authority or the Secretary of State, where appropriate, has issued a Section C (system operator standard conditions) Direction and where Section C remains in effect (whether or not subject to any terms included in the Section C (system operator standard conditions) Direction or to any subsequent variation of its terms to which the licensee may be subject).

"termination date" for the purposes of standard condition 48 (Marketing of Electricity to Domestic Customers) only, has the meaning given in that condition.

"termination fee" for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).

"top-up" for the purposes of Section D only, has the meaning given in standard condition 51 (Interpretation of Section D).

~~"Trading Code"~~

~~for the purposes of Section B only, has the meaning given in standard condition 8A (Compliance with Trading Code in Scotland).~~

~~"transmission company"~~

~~means the holder for the time being of a transmission licence.~~

"transmission licence"

means a transmission licence granted or treated as granted under section 6(1)(b) of the Act.

"transmission ~~system~~[licensee](#)"

~~means a system consisting (wholly or mainly) of high voltage electric lines owned or operated by a transmission company and used for the transmission of electricity from one generating station to a sub-station or to another generating station, or between sub-stations or to or from any interconnector or Scottish interconnection in question and in relation to Scotland including any interconnector and Scottish interconnection and includes any electrical plant and meters owned or operated by such transmission company in connection with the transmission of electricity but shall not include any remote transmission assets~~[the holder for the time being of a transmission licence.](#)

"undertaking"

has the meaning given by section 259 of the Companies Act 1985.

"unmetered supply"

means a supply of electricity to premises which is not, for the purpose of calculating the charges for electricity supplied to the customer at such premises, measured by metering equipment.

"use of system agreement"

for the purposes of Section B only, has the meaning given in standard condition 23

(Payments Received in Relation to Standards of Performance).

"valid notice of termination" for the purposes of Section C only, has the meaning given in standard condition 31 (Interpretation of Section C).

~~"value of lost load" for the purposes of standard condition 8B (Generation Security Standard) only, has the meaning given in that condition.~~

2. Any words or expressions used in the Utilities Act ~~2000~~ or 2000, Part I of the Act or the Energy Act 2004 shall, unless the contrary intention appears, have the same meaning when used in the standard conditions.
3. Except where the context otherwise requires, any reference to a numbered standard condition (with or without a letter) or Schedule is a reference to the standard condition (with or without a letter) or Schedule bearing that number in this licence, and any reference to a numbered paragraph (with or without a letter) is a reference to the paragraph bearing that number in the standard condition or Schedule in which the reference occurs, and reference to a Section is a reference to that Section in these standard conditions.
4. These standard conditions shall have effect as if, in relation to a licence holder who is a natural person, for the words "it", "its" and "which" there were substituted the words "he", "him", "his", "who" and "whom", and cognate expressions shall be construed accordingly.
5. Except where the context otherwise requires, a reference in a standard condition to a paragraph is a reference to a paragraph of that standard condition and a reference in a paragraph to a sub-paragraph is a reference to a sub-paragraph of that paragraph.
6. Any reference in these standard conditions to –
 - (a) a provision thereof;

- (b) a provision of the standard conditions of distribution licences, or
- (c) a provision of the standard conditions of generation licences, or
- (d) a provision of the standard conditions of transmission licences,

shall, if these standard conditions or the standard conditions in question come to be modified, be construed, so far as the context permits, as a reference to the corresponding provision of these standard conditions or the other standard conditions in question as modified.

7. In construing these standard conditions, the heading or title of any standard condition or paragraph shall be disregarded.
8. Any reference in a standard condition to the purposes of that condition generally is a reference to the purposes of that standard condition as incorporated in this licence and as incorporated in each other licence under section 6(1)(d) of the Act (whenever granted) which incorporates it.
9. Where any obligation in the licence is required to be performed by a specified date or time or within a specified period, and where the licensee has failed so to perform, such obligation shall continue to be binding and enforceable after the specified date or time or after the expiry of the specified period (but without prejudice to all rights and remedies available against the licensee by reason of the licensee's failure to perform by that date or time or within that period).
10. Anything required by or under these standard conditions to be done in writing may be done by facsimile transmission of the instrument in question or by other electronic means and, in such case –
 - (a) the original instrument or other confirmation in writing shall be delivered or sent by pre-paid first-class post as soon as is reasonably practicable, and
 - (b) where the means of transmission had been agreed in advance between the parties concerned, in the absence of and pending such

confirmation, there shall be a rebuttable presumption that what was received duly represented the original instrument.

11. The definitions referred to in this condition may include some definitions which are not used or not used exclusively in Sections A and B (which Sections are incorporated in all electricity suppliers licences). Where:
 - (a) any definition is not used in Sections A and B, that definition shall, for the purposes of this licence, be treated:
 - (i) as part of the standard condition or conditions (and the Section) in which it is used;
 - (ii) as not having effect in the licence until such time as the standard condition in which the definition is used has effect within the licence in pursuance of standard condition 2 (Application of Section C (Domestic Supply Obligations)) or standard condition 3 (Application of Section D (Supply Services Obligations));
 - (b) any definition which is used in Sections A and B is also used in one or more other Sections:
 - (i) that definition shall only be modifiable in accordance with the modification process applicable to each of the standard conditions in which it is used; and
 - (ii) if any such standard condition is modified so as to omit that definition, then the reference to that definition in this condition shall automatically cease to have effect.

Condition 5. Compliance with the Grid ~~Codes~~Code

1. The licensee shall comply with the provisions of ~~every~~the Grid Code in so far as applicable to it.
2. The Authority may (following consultation with ~~the~~any transmission ~~company~~ ~~responsible for the relevant Grid Code~~licensee likely to be affected) issue directions relieving the licensee of its obligation under paragraph 1 in respect of such parts of the Grid Code and to such extent and subject to such conditions as may be specified in those directions.

Condition 7. Duty to Offer Terms for Meter Provision

1. Where the licensee is the owner of any relevant metering equipment, it shall, on an application made by any person:
 - (a) offer to enter into an agreement for the provision of such relevant metering equipment whether, at the discretion of the licensee, by way of sale, hire or loan; and
 - (b) where the terms offered are acceptable to the person making the application, sell, hire or loan the relevant metering equipment in accordance with the terms offered.
2. In making an offer to enter into an agreement in accordance with paragraph 1, the licensee shall set out:
 - (a) the date by which the terms of the agreement shall be fulfilled, including the date by which the relevant metering equipment will be available for use by the applicant (time being of the essence unless otherwise agreed between the parties);
 - (b) the charges to be paid to the licensee; and
 - (c) such other detailed terms as are or may be appropriate for the purpose of the agreement.
3. The licensee shall offer terms for agreements in accordance with paragraph 1 as soon as practicable after the receipt by the licensee of an application containing all such information as it may reasonably require for the purpose of formulating the terms of the offer.
4. The licensee shall not be obliged pursuant to this condition to offer to enter or to enter into any agreement if to do so would be likely to cause the licensee to be in breach of:
 - (a) any regulations made under section 29 of the Act or of any other enactment relating to safety or standards applicable in respect of the licensee;

(b) [the Grid Code or](#) any of the applicable ~~Grid Codes or~~ Distribution Codes; or

(c) the conditions.

5. The Authority may, on the application of the licensee, issue a direction relieving the licensee of its obligations under paragraph 1 in respect of such relevant metering equipment and subject to such terms and conditions as may be specified in the direction.

6. Without prejudice to the provisions of paragraphs 1 to 5 above, the licensee, whether it is the owner of any metering equipment or not, shall not enter into any agreement (whatever the nature of the agreement):

(a) with any customer to provide metering equipment to that customer; or

(b) with any other person, to provide metering equipment to that person or to procure the provision of metering equipment to or on behalf of any customer

which in each case is intended or is likely to restrict, distort or prevent competition in the supply of electricity.

7. In this condition:

"relevant metering equipment" means metering equipment sited at any premises to which a supply of electricity is being or is required to be given by an electricity supplier other than the licensee.

Condition 9. Compliance with CUSC

1. Insofar as the licensee shall supply or offer to supply electricity to any premises situated in ~~England and Wales~~ Great Britain, the licensee shall be a party to the CUSC Framework Agreement and shall comply with the CUSC ~~and, if it is party to the agreement known as the Master Connection and Use of System Agreement ("MCUSA"), execute such other documents as shall be stated as required to be made in any direction issued by the Authority to enable MCUSA and its supplemental agreements and ancillary service agreements (as defined or referred to in MCUSA) and any associated agreements derived from MCUSA to be amended appropriately into the CUSC Framework Agreement, CUSC, bilateral agreements, construction agreements and, so far as is appropriate, associated agreements derived from CUSC so as to maintain continuity of contractual relationships.~~
2. The licensee shall take all reasonable steps to secure and implement (consistently with the procedures applicable under or in relation to the core industry documents to which it is a party (or in relation to which it holds rights in respect of amendment) as modified or replaced from time to time), and shall not take any steps to prevent or unduly delay, changes to those documents, such changes being changes which are appropriate in order to give full and timely effect to and/or in consequence of any modification which has been made to the CUSC.
3. For the avoidance of doubt, paragraph 2 is without prejudice to any rights of approval, veto or direction in respect of proposed changes to the core industry documents which the Authority may have.
4. In this condition:

~~"bilateral agreement"~~

~~means an agreement between the holder of a transmission licence in England and Wales and a CUSC user supplemental to the CUSC relating to a direct connection to that transmission system identifying the relevant~~

~~connection site and setting out other site specific details in relation to that connection to the transmission system, including provisions relating to payment of connection charges.~~

"construction agreement"

~~means an agreement between the holder of a transmission licence in England and Wales and a CUSC user in respect of construction works required on that transmission system and the associated construction works required on that transmission system and the associated construction works of the CUSC user in relation to a connection to that transmission system or in relation to a generating station connection to a distribution system in England and Wales, whether for the initial connection or a modification of the connection.~~

"core industry documents"

means those documents which have been so designated by the Secretary of State as such.

"CUSC"

means the Connection and Use of System Code required to be in place pursuant to the transmission licence granted to the ~~transmission company in England and Wales~~[system operator](#), as from time to time modified.

"CUSC Framework Agreement"

means the agreement of that title, in the form approved by the Secretary of State, by which the CUSC is made contractually binding between the parties to that agreement, as amended from time to time with the approval

of the Secretary of State.

Condition 10. Balancing and Settlement Code and NETA Implementation

1. Insofar as the licensee shall supply or offer to supply electricity to any premises in ~~England and Wales~~Great Britain, the licensee shall be a party to the BSC Framework Agreement and shall comply with the BSC.
2. The licensee shall comply with the programme implementation scheme established in accordance with paragraph 3 as modified from time to time in accordance with paragraph 5.
3. The programme implementation scheme is a scheme designated by the Secretary of State setting out the steps, including without limitation steps as to the matters referred to in paragraph 4, to be taken (or procured) by the licensee (and/or by authorised electricity operators) which are, in the Secretary of State's opinion, appropriate in order to give full and timely effect to:
 - (a) the modifications made to this licence and to the licences of authorised electricity operators by the Secretary of State pursuant to the power vested in him under section 15A of the Act;
 - (b) any conditions imposed by any exemption from the requirement to hold any such licence; and
 - (c) the matters envisaged by such modifications and conditions.
4. The programme implementation scheme may include provisions, *inter alia*:
 - (a) to secure or facilitate the amendment of any of the core industry documents;
 - (b) to secure that any systems, persons or other resources employed in the implementation of the Pooling and Settlement Agreement may be employed in the implementation of the BSC;
 - (c) for the giving of the indemnities against liabilities to which parties to the Pooling and Settlement Agreement may be exposed;
 - (d) for securing the co-ordinated and effective commencement of

implementation of and operations under the BSC, including the testing, trialling and start-up of the systems, processes and procedures employed in such implementation and employed by authorised electricity operators and others in connection with such operations;

- (e) for co-ordinating the administration and implementation of the BSC and the administration of the Pooling and Settlement Agreement;
 - (f) for the licensee to refer to the Authority for determination, whether of its own motion or as provided in the programme implementation scheme, disputes, as to matters covered by the scheme, between persons who are required (by conditions of their licences or exemptions) or who have agreed to comply with the scheme or any part of it; and
 - (g) for the Authority, in the circumstances set out in the scheme, to require that consideration be given to the making of a proposal to modify the BSC and, if so, to require the making of such proposal in the manner set out in the scheme, such power to be exercisable at any time within the period of 12 months after the effective time ~~(as defined in standard condition 12 (Pooling and Settlement Agreement Run-off))~~.
5. (a) The Secretary of State may at any time direct, in accordance with the provisions of the programme implementation scheme, that the programme implementation scheme be modified in the manner set out in the direction, in order to give (or continue to give) full and timely effect to the matters described in paragraph 3.
- (b) The Secretary of State shall serve a copy of any such direction on the licensee, and thereupon the licensee shall comply with the scheme as modified by the direction.
6. If there is any conflict between the requirements contained in the programme implementation scheme pursuant to paragraph 4(a) and/or imposed on the licensee by paragraphs 2 and 5 of this condition, and those imposed on the licensee by any other condition, the provisions of paragraphs 4(a), 2 and/or 5

(as appropriate) shall prevail.

7. Without prejudice to paragraph 2, the licensee shall use all reasonable endeavours to do such things as may be requisite and necessary in order to give full and timely effect to the modifications made to this licence as determined by the Secretary of State pursuant to the power vested in him under section 15A of the Act (and to give full and timely effect to the matters envisaged by such modifications).

8. In this condition:

"BSC" means the balancing and settlement code required to be in place, pursuant to the transmission licence granted to the ~~transmission company in England and Wales~~system operator, as from time to time modified.

"BSC Framework Agreement" means the agreement of that title, in the form approved by the Secretary of State, by which the BSC is made contractually binding between the parties to that agreement, as from time to time amended, with the consent of the Secretary of State.

"core industry documents" mean those documents which

(a) in the Secretary of State's opinion are central industry documents associated with the activities of the licensee and authorised electricity operators, the subject matter of which relates to or is connected with the BSC or the balancing and settlement arrangements, and

(b) have been so designated by the Secretary of State.

"effective time"

means the start of the first period for trading under the BSC as determined by the Secretary of State.

Condition 11. Change Co-ordination for ~~NETA~~BSC

1. Insofar as the licensee shall supply or offer to supply electricity to any premises in ~~England and Wales~~Great Britain, the licensee shall take all reasonable measures to secure and implement (consistently with the procedures applicable under or in relation to the core industry documents to which it is party (or in relation to which it holds rights in respect of amendment) as modified or replaced from time to time), and shall not take any steps to prevent or unduly delay, changes to those documents, such changes being changes which are appropriate in order to give full and timely effect to and/or in consequence of any modification which has been made to the BSC.
2. For the purposes of paragraph 1, core industry documents has the meaning given in paragraph 8 of standard condition 10 (Balancing and Settlement Code and NETA Implementation).

Condition 53B. Requirement to Offer Terms for Top-up and Standby, Exempt Supply Services and Prepayment Meter Services

1. On application made by any person the licensee shall (subject to sub-paragraphs 6(a) and (b)) offer to enter into an agreement to provide top-up or standby.
2. On application made by any exempt supplier the licensee shall (subject to paragraph 6) offer to enter into an agreement for exempt supply services within the supply services area and such offer shall make detailed provision regarding:
 - (a) the making, maintenance and termination by the licensee of registrations under and in accordance with the Master Registration Agreement in relation to premises to which the exempt supplier supplies or is required to supply electricity;
 - (b) the exchange between the licensee and exempt supplier of such information as is required for the performance of the licensee's obligations in accordance with sub-paragraph (a);
 - (c) the appointment by the exempt supplier of an appropriate provider of meters and metering equipment, meter maintenance services, and provision of data retrieval, data processing and data aggregation services in relation to premises to which it supplies electricity;
 - (d) the apportionment and settlement by the licensee of charges incurred by it by virtue of registrations under the Master Registration Agreement which are made, maintained and terminated in accordance with sub-paragraph (a);
 - (e) the reimbursement by the exempt supplier (by way of indemnity) of all charges incurred by the licensee by virtue of registrations made and maintained in accordance with sub-paragraph (a);
 - (f) the provision by the exempt supplier to the licensee of reasonable security or collateral for the performance of its obligations under the

agreement; and

- (g) the varying of the agreement, including the making of amendments necessary to give effect to any determination made by the Authority in respect of the agreement.
3. On application made by any electricity supplier the licensee shall (subject to sub-paragraph 6(a)) offer to enter into an agreement for the provision within the supply services area of access to a system which supports the supply of electricity to domestic customers with prepayment meters ("prepayment meter services"), such system providing as may be reasonably appropriate for prepayment meters which require tokens, cards or keys for their operation and comprising facilities for:
- (a) (where requested) the purchase by electricity suppliers and/or encoding with data of tokens, cards or keys;
 - (b) the use by domestic customers of local outlets for the purchase of tokens and the crediting with value of cards or keys;
 - (c) the making of payments to electricity suppliers in respect of sums received by the licensee on behalf of domestic customers; and
 - (d) where relevant, the transfer of domestic customer data to electricity suppliers.
4. In making an offer to enter into any agreement specified in paragraphs 1 to 3, the licensee shall set out:
- (a) the date by which the services required shall be provided (time being of the essence unless otherwise agreed between parties);
 - (b) the charges to be paid in respect of the services required, such charges (unless manifestly inappropriate):
 - (i) to be presented in such a way as to be referable to the statements prepared in accordance with paragraphs 1 and 2 of standard condition 53 (Basis of Charges for Top-up and

Standby, Exempt Supply Services and Prepayment Meter Services: Requirements for Transparency) or any revision thereof; and

(ii) to be set in conformity with the requirements of standard condition 53 (Basis of Charges for Top-up and Standby, Exempt Supply Services and Prepayment Meter Services: Requirements for Transparency); and

(c) such other detailed terms in respect of each of the services required as are or may be appropriate for the purpose of the agreement.

5. The licensee shall offer terms for agreements in accordance with paragraphs 1 to 3 as soon as practicable and (save where the Authority consents to a longer period) in any event not more than 28 days after receipt by the licensee (or its agent) from any person of an application containing such information as the licensee may reasonably require for the purpose of formulating the terms of the offer.

6. The licensee shall not be obliged pursuant to this condition to offer to enter or to enter into any agreement:

(a) under paragraphs 1 to 3, if to do so would be likely to involve the licensee being:

(i) in breach of its duties under section 9 of the Act;

(ii) in breach of any regulations made under section 29 of the Act;

(iii) in breach of ~~any~~the Grid Code or any Distribution Code; or

(iv) in breach of the conditions;

(b) under paragraph 1 or 2, if the person making the application does not undertake to be bound, in so far as applicable, by the terms of the applicable Distribution Code or the ~~applicable~~ Grid Code from time to time in force;

- (c) under paragraph 2, if the person making the application ceases to be an exempt supplier.
- 7. The licensee shall undertake the provision of prepayment meter services in the most efficient and economic manner practicable having regard to the alternatives available and the other requirements of this licence and of the Act in so far as they relate to the provision of those services.