

To: THE COMPANY SECRETARY, HOLDER OF A GAS SUPPLIERS LICENCE

MODIFICATION OF STANDARD CONDITIONS OF GAS SUPPLIERS LICENCES PURSUANT TO SECTION 23(1) OF GAS ACT 1986

Whereas:

1. Each of the companies to whom this direction is addressed holds a gas suppliers licence granted, or treated as granted, pursuant to section 7A(1) of the Gas Act 1986 (the "Act").
2. In accordance with sections 23(3) and (4) of the Act, on 6 January 2006 the Gas and Electricity Markets Authority (the "Authority") published a consultation document¹ which gave notice (the "Notice") that the Authority proposed to modify standard conditions of the gas suppliers licences by:
 - (a) omitting paragraph 3(c) of standard condition 48 (Marketing of Gas to Domestic Customers) ("SLC 48"); and
 - (b) making consequential changes to the definition of "marketing activities" in paragraph 13 of SLC 48.
3. In the Notice, the Authority stated that as section 23(10) of the Act applies to the proposed modifications to SLC 48 (by virtue of 23(7)(c) of the Act) it may make such modifications irrespective of any notice of objection that may be given to it.
4. In accordance with section 38A of the Act, the reasons for making the proposed modifications are set out in the consultation document. Copies of that document are available from the Ofgem Research and Information Centre, 9 Millbank, London SW1P 3GE (020 7901 7003) or the Ofgem website (www.ofgem.gov.uk).
5. Before the end of the consultation period in the Notice, the Authority received nine representations to the proposed modifications. No responses were withdrawn. All non confidential responses are available from the Ofgem Research and Information Centre or on the Ofgem website.
6. The Authority has carefully considered all representations to the proposed modifications.
7. No notice of objection to the proposed modifications was given to the Authority by a relevant licence holder.
8. The Authority has not received a direction from the Secretary of State not to make the proposed modifications.

In accordance with the powers contained in section 23(1) of the Act, the Authority hereby modifies the standard conditions of gas suppliers licences in accordance with the schedule to this modification with effect on and from a time immediately after SLC 48 is continued pursuant to paragraph 12 of that condition on 31 March 2006.

¹ "The regulation of gas and electricity sales to domestic customers: notice of the proposed modification of standard licence condition 48 (marketing conditions) and consultation on their continuation" (06/06).

This document also constitutes a notice of reasons for the decision to modify the standard conditions of gas suppliers licences under section 38A of the Act.

The Official Seal of the Gas and Electricity Markets Authority here affixed is authenticated by the signature of

Signed.....

Philip Davies
Director of Environmental Policy and Markets
duly authorised on behalf of the Authority

Dated 30 March 2006