

**To: All holders of a gas supply licence**

**MODIFICATION OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCE UNDER SECTION 23 OF THE GAS ACT 1986**

**NOTICE OF THE REASONS FOR THE DECISION TO MODIFY THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCE UNDER SECTION 38A OF THE GAS ACT 1986**

**WHEREAS:**

1. Each of the companies to whom this Modification is addressed holds a gas supply licence granted, or treated as granted, pursuant to section 7A(1) of the Gas Act 1986 (the "Act").
2. In accordance with section 23(3) and (4) of the Act, the Gas and Electricity Markets Authority (the "Authority"):
  - (a) gave notice on 1 June 2007 (the "Notice") that it proposed to modify the standard conditions of the gas supply licence;
  - (b) published the Notice in the manner it considered appropriate;
  - (c) sent a copy of the Notice to the relevant licence holders, the Secretary of State, the Health and Safety Executive and the Council.
3. The Authority did not receive a direction from the Secretary of State not to make the proposed licence modifications before the relevant date specified in the Notice.
4. The Authority received 9 representations in relation to the proposed licence modifications before the relevant time specified in the Notice. No representations were withdrawn. The Authority has carefully considered all representations made in relation to the proposed licence modifications and not withdrawn.

All non-confidential representations made in relation to the proposed licence modifications are available free of charge from the Ofgem Research and Information Centre, 9 Millbank, London SW1P 3GE or from the Ofgem website at [www.ofgem.gov.uk](http://www.ofgem.gov.uk).

5. No notice of objection to the proposed licence modifications was given to the Authority by a relevant licence holder before the relevant date specified in the Notice.
6. The reasons for the modifications have been published by the Authority in the following documents:
  - (a) *Ofgem. June (2007) Supply Licence Review – Final proposals*, Ref 128/07;
  - (b) *Ofgem. May (2007) Supplier Obligation to Use a Meter Asset Manager (MAM)*, Ref 109/07;

- (c) Ofgem. April (2007) *Location of Domestic Supply Security Standards definition - SLR consequential change*, Ref 103/07;
- (d) Ofgem. April (2007) *PPM recalibration open letter*, Ref 101/07;
- (e) Ofgem. April (2007) *Eligibility for free gas safety checks, Consultation Letter*, Ref 92/07;
- (f) Ofgem. April (2007) *Supply Licence Review: Proposed modification to Standard Licence Condition 17 of the Gas Supply Licence*, Ref 79/07;
- (g) Ofgem. February (2005) *Reviewing the gas and electricity supply standard licence conditions*, Ref 51/05;
- (h) Ofgem. August (2005) *Gas and Electricity Supply Licence Review - Way Forward*, Ref 187/05;
- (i) Ofgem. March (2006) *Implications for Vulnerable Customers - Consultation Document*, Ref 42/06;
- (j) Ofgem. July (2006) *Supply licence Review - Initial Policy Proposals*. Ref 113/06;
- (k) Ofgem. December (2006) *Supply Licence Review - Further Proposals*, Ref 217/06.

These documents are available free of charge from the Ofgem Research and Information Centre, 9 Millbank, London SW1P 3GE (0207 901 7003) or from the Ofgem website at [www.ofgem.gov.uk](http://www.ofgem.gov.uk).

#### **THEREFORE**

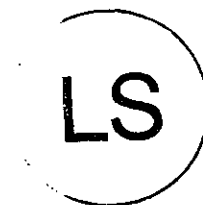
In accordance with section 23 of the Act, the Authority hereby modifies the standard conditions of the gas supply licences in accordance with Schedule 1 and 2 to this Modification, with effect on and from 00:00 hours on 1 August 2007.

This document constitutes a notice of reasons for the decision to modify the standard conditions of the gas supply 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:**



**Philip Davies**  
**Director, GB Markets**  
**Ofgem**  
**Authorised on behalf of the Authority**



**6 July 2007**

## SCHEDULE 1

### MODIFICATION OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCE UNDER SECTION 23 OF THE GAS ACT 1986

The table in this Schedule must be read in conjunction with the old standard conditions, the new standard conditions (which can be found in Schedule 2 to this Modification) (the "new SCs"), and the correlation table contained in Schedule 3 to this Modification.

The first column of the table indicates the number of each modification.

The second column sets out the modification.

MODIFICATION NUMBER	MODIFICATION (OMMISSIONS)
1.	Omit: (a) the table of contents; (b) the heading, "PART II. THE STANDARD CONDITIONS"; (c) the heading, "SECTION A. INTERPRETATION, APPLICATION AND PAYMENTS"; and (d) the heading, "Condition 1. Definitions and Interpretation".
2.	In standard condition 1, omit "1. In these standard conditions, unless the context otherwise requires-".
3.	In standard condition 1, omit the definition of "the Act".
4.	In standard condition 1, omit the definition of "additional conditions".
5.	In standard condition 1, omit the definition of "affiliate".
6.	In standard condition 1, omit the definition of "alternative accounting rules".
7.	In standard condition 1, omit the definition of "amount".
8.	In standard condition 1, omit the definition of "Application Regulations".
9.	In standard condition 1, omit the definition of "approved meter installer".
10.	In standard condition 1, omit the definition of "auditors".
11.	In standard condition 1, omit the definition of "authorised".
12.	In standard condition 1, omit the definition of "the Authority".
13.	In standard condition 1, omit the definition of "bill".
14.	In standard condition 1, omit the definition of "changed specified terms".
15.	In standard condition 1, omit the definition of "charges in question".

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
16.	In standard condition 1, omit the definition of “charges for the supply of gas”.
17.	In standard condition 1, omit the definition of “chronically sick person”.
18.	In standard condition 1, omit the definition of “comparable premises”.
19.	In standard condition 1, omit the definition of “Consumer Council”.
20.	In standard condition 1, omit the definition of “contract”.
21.	In standard condition 1, omit the definition of “the court”.
22.	In standard condition 1, omit the definition of “current cost assets”.
23.	In standard condition 1, omit the definition of “customer”.
24.	In standard condition 1, omit the definition of “daily”.
25.	In standard condition 1, omit the definition of “date of the domestic supply contract”.
26.	In standard condition 1, omit the definition of “deemed contract”.
27.	In standard condition 1, omit the definition of “deemed contract scheme”.
28.	In standard condition 1, omit the definition of “deposit”.
29.	In standard condition 1, omit the definition of “disabled person”.
30.	In standard condition 1, omit the definition of “domestic customer”.
31.	In standard condition 1, omit the definition of “domestic premises”.
32.	In standard condition 1, omit the definition of “domestic supply contract”.
33.	In standard condition 1, omit the definition of “Domestic Supply Direction”.
34.	In standard condition 1, omit the definition of “domestic supply security standards”.
35.	In standard condition 1, omit the definition of “estimated costs”.
36.	In standard condition 1, omit the definition of “excepted charges”.
37.	In standard condition 1, omit the definition of “excluded premises”.
38.	In standard condition 1, omit the definition of “financial year”.
39.	In standard condition 1, omit the definition of “fixed term period”.
40.	In standard condition 1, omit the definition of “the Gas Meter Reading and Inspection Code”.
41.	In standard condition 1, omit the definition of “goods or services”.
42.	In standard condition 1, omit the definition of “the handbook”.
43.	In standard condition 1, omit the definition of “holding company”.

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
44.	In standard condition 1, omit the definition of “information”.
45.	In standard condition 1, omit the definition of “inspection”.
46.	In standard condition 1, omit the definition of “inspection request”.
47.	In standard condition 1, omit the definition of “last resort supply direction”.
48.	In standard condition 1, omit the definition of “marketing activities”.
49.	In standard condition 1, omit the definition of “meter inspection agent”.
50.	In standard condition 1, omit the definition of “the meter reading code of practice”.
51.	In standard condition 1, omit the definition of “multi-site contract”.
52.	In standard condition 1, omit the definition of “Network Code”.
53.	In standard condition 1, omit the definition of “non-domestic customer”.
54.	In standard condition 1, omit the definition of “the other supplier”.
55.	In standard condition 1, omit the definition of “owned”.
56.	In standard condition 1, omit the definition of “participating interest”.
57.	In standard condition 1, omit the definition of “primary sub-deduct premises”.
58.	In standard condition 1, omit the definition of “principal terms”.
59.	In standard condition 1, omit the definition of “Priority Service Register”.
60.	In standard condition 1, omit the definition of “proposed supplier transfer”.
61.	In standard condition 1, omit the definition of “quantity” and “volume”.
62.	In standard condition 1, omit the definition of “regulatory accounts”.
63.	<i>In standard condition 1, omit the definition of “related undertaking”.</i>
64.	In standard condition 1, omit the definition of “relevant customer”.
65.	In standard condition 1, omit the definition of “relevant customers with payment difficulties”.
66.	In standard condition 1, omit the definition of “relevant payment”.
67.	In standard condition 1, omit the definition of “relevant premises”.
68.	In standard condition 1, omit the definition of “relevant proportion”.
69.	In standard condition 1, omit the definition of “relevant shipper”.
70.	In standard condition 1, omit the definition of “relevant supplier”.
71.	In standard condition 1, omit the definition of “relevant system”.

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
72.	In standard condition 1, omit the definition of “relevant transportation charges”.
73.	In standard condition 1, omit the definition of “relevant transporter”.
74.	In standard condition 1, omit the definition of “a relevant undertaking”.
75.	In standard condition 1, omit the definition of “relevant year”.
76.	In standard condition 1, omit the definition of “representative”.
77.	In standard condition 1, omit the definition of “request”.
78.	In standard condition 1, omit the definition of “requisite expertise”.
79.	In standard condition 1, omit the definition of “secondary sub-deduct premises”.
80.	In standard condition 1, omit the definition of “security arrangements”.
81.	In standard condition 1, omit the definition of “security standards”.
82.	In standard condition 1, omit the definition of “separate business”.
83.	In standard condition 1, omit the definition of “specified terms”.
84.	In standard condition 1, omit the definition of “statutory accounts”.
85.	In standard condition 1, omit the definition of “subsidiary”.
86.	In standard condition 1, omit the definition of “supply business”.
87.	In standard condition 1, omit the definition of “supply business transferee”.
88.	In standard condition 1, omit the definition of “supply gas”.
89.	In standard condition 1, omit the definition of “supply services area”.
90.	In standard condition 1, omit the definition of “Supply Services Direction”.
91.	In standard condition 1, omit the definition of “termination fee”.
92.	In standard condition 1, omit the definition of “Transco plc”.
93.	In standard condition 1, omit the definition of “transferee”.
94.	In standard condition 1, omit the definition of “transferor”.
95.	In standard condition 1, omit the definition of “transferred business”.
96.	In standard condition 1, omit the definition of “transferred customers”.
97.	In standard condition 1, omit the definition of “transporter’s relevant premises”.
98.	In standard condition 1, omit the definition of “undertaking”.
99.	In standard condition 1, omit the definition of “valid notice of termination”.
100.	In standard condition 1, omit the definition of “year”.
101.	Omit standard conditions 1(2) to 1(13) (Definitions and Interpretation).

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
102.	Omit standard condition 2 (Application of Section C (Domestic Supply Obligations)).
103.	Omit standard condition 3 (Application of Section D (Supply Services Obligations)).
104.	Omit standard condition 4 (Payments by the Licensee to the Authority).
105.	Omit heading, "SECTION B. GENERAL"
106.	Omit standard condition 5 (Not used).
107.	Omit standard condition 6 (Not used).
108.	Omit standard condition 7 (Not used).
109.	Omit heading, "Condition 7A. Code of Practice for Meter Reading etc".
110.	Omit standard conditions 7A(1) and (2).
111.	Omit standard conditions 7A(3) and (4).
112.	Omit standard condition 8 (Not Used).
113.	Omit standard condition 9 (Not Used).
114.	Omit standard condition 10 (Not Used).
115.	Omit standard condition 11 (Not Used).
116.	Omit standard condition 12 (Not Used).
117.	Omit standard condition 13 (Change Co-ordination for the Utilities Act 2000).
118.	Omit standard condition 14 (Security and Emergency Arrangements).
119.	Omit standard condition 15 (Safety of Supplies).
120.	Omit standard condition 16 (Exchange of Information Between Licensee and Relevant Transporter or Shipper for Operation, Development or Maintenance of Pipe-line System and Detection and Prevention of Theft).
121.	Omit standard condition 17 (Reading, Inspection and Testing of Meters).
122.	Omit standard condition 17A (Adjustment of Charges where Meter has Registered Erroneously).
123.	Omit standard condition 18 (Not Used).
124.	Omit standard condition 19 (Provision of Information to the Authority).
125.	Omit standard condition 20 (Not Used).
126.	Omit standard condition 21 (Publication of Information to Customers).
127.	Omit standard condition 22 (Domestic Premises).

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
128.	Omit standard condition 22A (Restriction or Revocation: Securing Continuity of Supply).
129.	Omit standard condition 22B (Undertaking to be Given by Licensee to a Relevant Transporter in Respect of Shipping Charges etc).
130.	Omit standard condition 23 (Payments Received in Relation to Standards of Performance).
131.	Omit standard condition 24 (Arrangements in Respect of Powers of Entry).
132.	Omit standard condition 24A (Authorisation of Officers).
133.	Omit standard condition 24B (Exercise of Powers of Entry).
134.	Omit heading, "Condition 25. Efficient Use of Gas".
135.	Omit standard conditions 25(1) and (2).
136.	Omit standard conditions 25(3) and (4).
137.	Omit standard condition 26 (Record of and Report on Performance).
138.	Omit standard condition 27 (Preparation, Review of and Compliance with Statements and Customer Service Codes).
139.	Omit heading, "Condition 28. Deemed Contracts".
140.	Omit standard condition 28(1).
141.	Omit standard conditions 28(2) and (3).
142.	Omit standard conditions 28(4) and (5).
143.	Omit standard condition 28(6).
144.	Omit standard condition 28(7).
145.	Omit standard condition 28(8).
146.	Omit standard condition 28(9).
147.	Omit standard condition 28(10).
148.	Omit standard condition 28(11).
149.	Omit standard condition 28(12).
150.	Omit standard condition 29 (Supplier of Last Resort).
151.	Omit standard condition 29A (Supplier of Last Resort Supply Payments).
152.	Omit standard condition 29B (Provision for Termination Upon a Direction).
153.	Omit standard condition 30 (Non-Domestic Transfer Blocking).
154.	Omit heading, "SECTION C. DOMESTIC SUPPLY OBLIGATIONS".

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
155.	Omit standard condition 31 (Interpretation of Section C).
156.	Omit heading, "Condition 32. Duty to Supply Domestic Customers".
157.	Omit standard condition 32(1).
158.	Omit standard condition 32(2).
159.	Omit standard condition 32(3).
160.	Omit standard condition 32(4).
161.	Omit standard condition 32A (Security of Supply – Domestic Customers).
162.	Omit standard condition 33 (Last Resort Supply: Security for Payments).
163.	Omit heading, "Condition 34. Metering Arrangements for Domestic Customers".
164.	Omit standard condition 34(1).
165.	Omit standard conditions 34(2) and (2A).
166.	Omit standard condition 34(3).
167.	Omit standard condition 34(4).
168.	Omit standard conditions 34(5) and (6).
169.	Omit standard condition 34(7).
170.	Omit condition 34A (The Supply Point Administration Agreement).
171.	Omit heading, "Condition 35. Code of Practice on Payment of Bills and Guidance for Dealing with Customers in Difficulty".
172.	Omit standard conditions 35(1) to (3).
173.	Omit standard condition 35(4).
174.	Omit standard condition 35(5).
175.	Omit heading, "Condition 36. Code of Practice on the Use of Prepayment Meters".
176.	Omit standard conditions 36(1) and 36(2).
177.	Omit standard condition 36(3).
178.	Omit heading, "Condition 37. Provision of Services for Persons who are of Pensionable Age or Disabled or Chronically Sick".
179.	Omit standard conditions 37(1) to (3).
180.	Omit standard condition 37(4).
181.	Omit standard condition 37A (Pensioners Not to Have Supply of Gas Cut Off in Winter).

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
182.	Omit heading, "Condition 38. Provision of Services for Persons who are Blind or Deaf".
183.	Omit standard conditions 38(1) and (2).
184.	Omit standard condition 38(3).
185.	Omit heading, "Condition 39. Complaint Handling Procedure".
186.	Omit standard conditions 39(1) and (2).
187.	Omit standard condition 39(3).
188.	Omit heading, "Condition 40. Information Given to Domestic Customers".
189.	Omit standard conditions 40(1) to (3).
190.	Omit standard condition 40(4).
191.	Omit standard condition 40(5).
192.	Omit standard condition 41 (Terms for Supply of Gas Incompatible with Standard Conditions).
193.	Omit heading, "Condition 42. Domestic Supply Contracts".
194.	Omit standard condition 42(1).
195.	Omit standard condition 42(2).
196.	Omit standard conditions 42(3) to (6).
197.	Omit standard condition 42(7).
198.	Omit standard condition 42(8).
199.	Omit standard conditions 42(9) and (10).
200.	Omit heading, "Condition 43. Contractual Terms – Methods of Payment".
201.	Omit standard conditions 43(1) and (3).
202.	Omit standard conditions 43(2), (4), (6) and (7).
203.	Omit standard condition 43(5).
204.	Omit heading, "Condition 44. Notification of terms".
205.	Omit standard condition 44(1).
206.	Omit standard conditions 44(2) and (3).
207.	Omit standard conditions 44(4) and (5).
208.	Omit standard conditions 44(6) and (7).
209.	Omit heading, "Condition 45. Security Deposits".

<b>MODIFICATION NUMBER</b>	<b>MODIFICATION (OMMISSIONS)</b>
210.	Omit standard condition 45(1).
211.	Omit standard condition 45(2).
212.	Omit standard conditions 45(3) to (7).
213.	Omit standard conditions 45(8) to (12).
214.	Omit heading, "Condition 46. Termination of Contracts on Notice and Domestic Transfer Blocking".
215.	Omit standard conditions 46(1) to (5)(a), (5)(d) and (6).
216.	Omit standard conditions 46(5)(b) and (c).
217.	Omit standard conditions 46(7) to (16).
218.	Omit heading, "Condition 47. Termination of Contracts in Specified Circumstances".
219.	Omit standard conditions 47(1) to (4).
220.	Omit standard condition 47(5).
221.	Omit standard condition 48 (Marketing of Gas to Domestic Customers).
222.	Omit standard condition 48A (Transfer of Domestic Customers of a Supply Business).
223.	Omit standard condition 49 (Assignment of Outstanding Charges).
224.	Omit standard condition 50 (Modification of Provisions under Standard Condition 49 (Assignment of Outstanding Charges)).
225.	Omit heading, "SECTION D. SUPPLY SERVICES OBLIGATIONS".
226.	Omit standard condition 51 (Not Used).
227.	Omit standard condition 52 (Regulatory Accounts).
228.	Omit standard condition 52A (Change of Financial Year).
229.	Omit standard condition 53 (Not Used).
230.	Omit standard condition 53A (Not Used).
231.	Omit standard condition 53B (Not Used).
232.	Omit standard condition 53C (Not Used).
233.	Omit standard condition 54 (Not Used).

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
234.	Insert table of contents for the new SCs.
235.	Insert: (a) the heading, "SECTION A: STANDARD CONDITIONS FOR ALL SUPPLIERS"; and (b) the heading, "Standard conditions 1 to 6: General arrangements".
236.	Insert: (a) the heading, "Condition 1. Definitions for standard conditions"; and (b) condition 1.1 of the new SCs.
237.	Insert: (a) the heading, "Definitions in alphabetical order"; and (b) "1.2. In this licence, unless the context otherwise requires:".
238.	Insert the definition of "Act".
239.	Insert the definition of "Amount".
240.	Insert the definition of "Applicable Customer".
241.	Insert the definition of "Application Regulations".
242.	Insert the definition of "Authority".
243.	Insert the definition of "Bill".
244.	Insert the definition of "Charges for the Supply of Gas".
245.	Insert the definition of "Competition Commission".
246.	Insert the definition of "Consumer Council".
247.	Insert the definition of "Contract".
248.	Insert the definition of "Customer".
249.	Insert the definition of "Deemed Contract".
250.	Insert the definition of "Directly Connected".
251.	Insert the definition of "Disconnect".
252.	Insert the definition of "Domestic Customer".
253.	Insert the definition of "Domestic Premises".
254.	Insert the definition of "Domestic Supply Contract".
255.	Insert the definition of "Domestic Supply Direction".
256.	Insert the definition of "Electronic Communication".

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
257.	Insert the definition of "Estimated Costs".
258.	Insert the definition of "Financial Year".
259.	Insert the definition of "Gas Interconnector Licence".
260.	Insert the definition of "Gas Meter".
261.	Insert the definition of "Gas Shipper".
262.	Insert the definition of "Gas Shipper Licence".
263.	Insert the definition of "Gas Supplier".
264.	Insert the definition of "Gas Supply Licence".
265.	Insert the definition of "Gas Transporter".
266.	Insert the definition of "Gas Transporter Licence".
267.	Insert the definition of "Holding Company".
268.	Insert the definition of "Industry Documents".
269.	Insert the definition of "Information".
270.	Insert the definition of "Last Resort Supply Direction".
271.	Insert the definition of "Last Resort Supply Payment".
272.	Insert the definition of "Marketing Activities".
273.	Insert the definition of "Meter Asset Manager".
274.	Insert the definition of "Meter Installer".
275.	Insert the definition of "Meter Point Reference Number".
276.	Insert the definition of "Multi-Site Contract".
277.	Insert the definition of "Network Code".
278.	Insert the definition of "Non-Domestic Customer".
279.	Insert the definition of "Non-Domestic Premises".
280.	Insert the definition of "Non-Domestic Supply Contract".
281.	Insert the definition of "Notice".
282.	Insert the definition of "Participating Interest".
283.	Insert the definition of "Pensionable Age".
284.	Insert the definition of "Principal Terms".
285.	Insert the definition of "Priority Services Register".
286.	Insert the definition of "Proposed Supplier Transfer".

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
287.	Insert the definition of "Protocol".
288.	Insert the definition of "Public Electronic Communications Network".
289.	Insert the definition of "Relevant Gas Shipper".
290.	Insert the definition of "Relevant Gas Supplier".
291.	Insert the definition of "Relevant Gas Transporter".
292.	Insert the definition of "Relevant Gas Transporter's Enquiry Service".
293.	Insert the definition of "Relevant Payment".
294.	Insert the definition of "Relevant Primary Premises".
295.	Insert the definition of "Relevant Proportion".
296.	Insert the definition of "Representative".
297.	Insert the definition of "Secondary Premises".
298.	Insert the definition of "Section B".
299.	Insert the definition of "Security Deposit".
300.	Insert the definition of "Subsidiary".
301.	Insert the definition of "Supply Point Administration Agreement".
302.	Insert the definition of "Temperature and Pressure Conversion Factor".
303.	Insert the definition of "Termination Fee".
304.	Insert the definition of "Transportation Services Area".
305.	Insert the definition of "Undertaking".
306.	Insert the definition of "Website".
307.	Insert the definition of "Winter".
308.	Insert the definition of "Working Day".
309.	Insert the definition of "Writing".
310.	Insert condition 2 (Interpretation of standard conditions) of the new SCs.
311.	Insert condition 3 (Application of Section B of standard conditions) of the new SCs.
312.	Insert condition 4 (Licensee's payments to Authority) of the new SCs.
313.	Insert condition 5 (Provision of Information to Authority) of the new SCs.
314.	Insert condition 6 (Classification of premises) of the new SCs.
315.	Insert heading, "Standard conditions 7 to 10: Continuity of supply".

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
316.	Insert heading, "Condition 7. Terms of Contracts and Deemed Contracts".
317.	Insert conditions 7.1 and 7.2 (Termination of Contracts and Deemed Contracts); and condition 7.5 (Continuity and termination of Deemed Contracts) of the new SCs.
318.	Insert conditions 7.3 and 7.4 (Terms of Deemed Contracts must not be unduly onerous) of the new SCs.
319.	Insert condition 7.6 of the new SCs.
320.	Insert conditions 7.7 and 7.8 (Information for Customers about Deemed Contracts) of the new SCs.
321.	Insert condition 7.9 (Calculation of consumption under Deemed Contracts) of the new SCs.
322.	Insert condition 7.10 (Effect of Last Resort Supply Direction on Deemed Contracts) of the new SCs.
323.	Insert condition 8 (Obligations under Last Resort Supply Direction) of the new SCs.
324.	Insert condition 9 (Claims for Last Resort Supply Payment) of the new SCs.
325.	Insert condition 10 (Restriction or revocation of licence) of the new SCs.
326.	Insert heading, "Standard conditions 11 to 19: Industry activities and procedures".
327.	Insert condition 11 (Not used) of the new SCs.
328.	Insert heading, "Condition 12. Matters relating to Gas Meters".
329.	Insert conditions 12.1 to 12.4 (Connection of Gas Meter to service pipe) of the new SCs.
330.	Insert conditions 12.5 to 12.7 (Examination of Gas Meters) of the new SCs.
331.	Insert conditions 12.8 to 12.16 (Inspection of Gas Meters) of the new SCs.
332.	Insert condition 12.17 (Application of provisions of Act) of the new SCs.
333.	Insert condition 12.18 (Use of approved Meter Asset Manager) of the new SCs.
334.	Insert condition 12.19 (Approval by Authority) of the new SCs.
335.	Insert condition 13 (Arrangements for site access) of the new SCs.
336.	Insert: <ul style="list-style-type: none"> <li>(a) the heading, "Condition 14. Customer transfer blocking";</li> <li>(b) condition 14.1 (General prohibition) of the new SCs;</li> <li>(c) conditions 14.2 and 14.3 (Non-Domestic Customer transfer blocking) of the new SCs;</li> </ul>

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
	(d) conditions 14.4 to 14.5(a) and 14.6 to 14.8 (Domestic Customer transfer blocking) of the new SCs.
337.	Insert condition 14.5(b) of the new SCs.
338.	Insert condition 15 (Not used) of the new SCs.
339.	Insert condition 16 (Security and emergency arrangements) of the new SCs.
340.	Insert condition 17 (Mandatory exchange of information) of the new SCs.
341.	<i>Insert condition 18 (Undertakings to Relevant Gas Transporters) of the new SCs.</i>
342.	Insert condition 19 (Payments to Customers) of the new SCs.
343.	Insert heading, "Standard conditions 20 and 21: Information for all Customers".
344.	Insert heading, "Condition 20. Safety of gas supplies and Meter Point Reference Number".
345.	Insert conditions 20.1 to 20.4 (Emergency and enquiry services) of the new SCs.
346.	Insert condition 20.5 (Meter Point Reference Number) of the new SCs.
347.	Insert condition 21 (Not used) of the new SCs.
348.	Insert: (a) the heading, "SECTION B: STANDARD CONDITIONS FOR DOMESTIC SUPPLIERS"; and (b) the heading, "Standard conditions 22 to 24: Regulation of Domestic Supply Contracts".
349.	Insert heading, "Condition 22. Duty to offer and supply under Domestic Supply Contract".
350.	Insert conditions 22.1 to 22.4 (Licensee's obligations) of the new SCs.
351.	Insert condition 22.5 (Exceptions to licensee's obligations) of the new SCs.
352.	Insert condition 22.6 (Calculation of kilowatt hours) of the new SCs.
353.	Insert condition 22.7 (Provision of Domestic Supply Contracts) of the new SCs.
354.	Insert heading, "Condition 23. Notification of Domestic Supply Contract terms".
355.	Insert condition 23.1 (Notification of Principal Terms) of the new SCs.
356.	Insert condition 23.2 (Notification before Domestic Supply Contract ends) of the new SCs.
357.	Insert conditions 23.3 to 23.7 (Notification of unilateral variation) of the new SCs.
358.	Insert heading, "Condition 24. Termination of Domestic Supply Contracts".

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
359.	Insert conditions 24.1 and 24.2 (End of ownership or occupation) of the new SCs.
360.	Insert conditions 24.3 and 24.4. (Termination Fees) of the new SCs.
361.	Insert condition 24.5 (Application of this condition) of the new SCs.
362.	Insert the heading, "Standard conditions 25 to 30: Domestic Customer protection".
363.	Insert condition 25 (Marketing gas to Domestic Customers) of the new SCs.
364.	Insert condition 26 (Services for specific Domestic Customer groups) of the new SCs.
365.	Insert heading, "Condition 27. Payments, Security Deposits and Disconnections".
366.	Insert conditions 27.1 and 27.2 (Payment methods under Domestic Supply Contract) of the new SCs.
367.	Insert condition 27.3 (Security Deposits) of the new SCs.
368.	Insert condition 27.4 of the new SCs.
369.	Insert conditions 27.5 to 27.8 (Customers in payment difficulty); conditions 27.9 to 27.11 (Disconnection for unpaid charges); and condition 27.12 (Provision of information) of the new SCs.
370.	Insert heading, "Condition 28. Prepayment meters".
371.	Insert conditions 28.1 (Information about prepayment meters); and 28.3 (Provision of information) of the new SCs.
372.	Insert condition 28.2 (Resetting of prepayment meters) of the new SCs.
373.	Insert heading, "Condition 29. Gas safety".
374.	Insert conditions 29.1 to 29.3 (Arrangements for gas safety checks); and condition 29.6 (Provision of information) of the new SCs.
375.	Insert conditions 29.4 and 29.5 (Provision of gas safety information) of the new SCs.
376.	Insert condition 30 (Supply Point Administration Agreement) of the new SCs.
377.	Insert heading, "Standard conditions 31 and 32: Domestic Customer information".
378.	Insert heading, "Condition 31 (General information for Domestic Customers)".
379.	Insert condition 31.1 (Information about Consumer Council) of the new SCs.
380.	Insert conditions 31.2 and 31.3 (Information about efficient use of gas) of the new SCs.
381.	Insert condition 31.4 (Information about amount of gas supplied) of the new SCs.

MODIFICATION NUMBER	MODIFICATION (INSERTIONS)
382.	Insert conditions 31.5 and 31.6 (Procedure to deal with complaints) of the new SCs.
383.	Insert condition 32 (Reporting on performance) of the new SCs.

**SCHEDULE 2**

**Gas and Electricity Markets Authority**

**GAS ACT 1986**

**Standard conditions of  
gas supply licence**

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**SECTION A: STANDARD CONDITIONS  
FOR ALL SUPPLIERS**

**Standard conditions 1 to 6:  
General arrangements**

## **Condition 1. Definitions for standard conditions**

1.1 This condition sets out defined words and expressions used in the standard conditions of this licence (all of which begin with capital letters) and gives their definitions next to them.

### **Definitions in alphabetical order**

1.2 In this licence, unless the context otherwise requires:

<b>Act</b>	means the Gas Act 1986;
<b>Amount</b>	in relation to gas, means its energy content expressed in kilowatt hours;
<b>Applicable Customer</b>	means, in relation to an application made by the licensee to the Authority in accordance with standard condition 10 (Restriction or revocation of licence), a Customer if:  (a) immediately before the restriction or revocation takes effect, his premises are being supplied with gas by the licensee; and  (b) in the case of a restriction, his premises will be excluded by it from this licence;
<b>Application Regulations</b>	means regulations made under section 7B of the Act that set out the form and manner in which applications for a Gas Supply Licence or an extension or restriction of such a licence are to be made;
<b>Authority</b>	means the Gas and Electricity Markets Authority established under section 1 of the Utilities Act 2000;
<b>Bill</b>	means an invoice or a demand for payment or any other instrument of the same or similar character and purpose;
<b>Charges for the Supply of Gas</b>	means, as between the licensee and a Customer, charges made by the licensee in respect of the supply of gas to that Customer's premises, including any charges made for the provision of a Gas Meter;
<b>Competition Commission</b>	means the body of that name established by section 45 of the Competition Act 1998;
<b>Consumer Council</b>	means the Gas and Electricity Consumer Council established under section 2 of the Utilities Act 2000;

<b>Contract</b>	includes, as between the licensee and a Customer, a contract deemed to have been made because of paragraph 19(2) of Schedule 5 to the Gas Act 1995 but does not include a Deemed Contract and related expressions must be read accordingly;
<b>Customer</b>	means any person supplied or requiring to be supplied with gas at any premises in <i>Great Britain</i> ;
<b>Deemed Contract</b>	means, as between the licensee and a Customer, a contract deemed to have been made because of paragraph 8 of Schedule 2B to the Act but does not include a contract deemed to have been made because of paragraph 19(2) of Schedule 5 to the Gas Act 1995;
<b>Directly Connected</b>	in relation to any premises, means so connected to a Gas Transporter's pipeline system that the final connection to the premises is from that system;
<b>Disconnect</b>	in relation to the supply of gas only, means to stop that supply to a Domestic Premises and related expressions must be read accordingly;
<b>Domestic Customer</b>	means a Customer supplied or requiring to be supplied with gas at Domestic Premises but excludes such Customer insofar as he is supplied or requires to be supplied at premises other than Domestic Premises;
<b>Domestic Premises</b>	has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);
<b>Domestic Supply Contract</b>	means a Contract for the supply of gas to Domestic Premises;
<b>Domestic Supply Direction</b>	means a direction issued by the Authority under paragraph 3 of standard condition 3 ( <i>Application of Section B of standard conditions</i> ) to give effect to Section B of the standard conditions;
<b>Electronic Communication</b>	means a message comprising text or an image of text that: <ul style="list-style-type: none"> <li>(a) is sent over a Public Electronic Communications Network;</li> <li>(b) can be stored in that network or in the recipient's terminal equipment until it is collected by the recipient; and</li> </ul>

- (c) is in a particular form and is used for a particular purpose and the recipient of it has expressed a willingness, to the sender, to receive it in that form and for that purpose;

<b>Estimated Costs</b>	means costs estimated by the Authority as likely to have been the costs incurred by the Competition Commission in connection with references to it in respect of this licence or any other licence granted under the Act or the Electricity Act 1989, such estimate having regard to any views of the Competition Commission;
<b>Financial Year</b>	means a period of 12 months beginning on 1 April each year and ending on 31 March of the next calendar year;
<b>Gas Interconnector Licence</b>	means a gas interconnector licence granted or treated as granted under section 7ZA(1) of the Act;
<b>Gas Meter</b>	means a meter which conforms to the requirements of section 17(1) of the Act and is of an appropriate type for registering the quantity of gas supplied;
<b>Gas Shipper</b>	means any person who holds a Gas Shipper Licence;
<b>Gas Shipper Licence</b>	means a gas shipper licence granted or treated as granted under section 7A(2) of the Act;
<b>Gas Supplier</b>	means any person who holds a Gas Supply Licence;
<b>Gas Supply Licence</b>	means a gas supply licence granted or treated as granted under section 7A(1) of the Act;
<b>Gas Transporter</b>	means any person who holds a Gas Transporter Licence;
<b>Gas Transporter Licence</b>	means a gas transporter licence granted or treated as granted under section 7(2) of the Act;
<b>Holding Company</b>	means a holding company within the meaning of sections 736, 736A and 736B of the Companies Act 1985;
<b>Industry Documents</b>	includes the Supply Point Administration Agreement;
<b>Information</b>	means information (other than information subject to legal privilege) in any form or medium and of any description specified by the Authority and includes any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Authority;

<b>Last Resort Supply Direction</b>	means a direction given by the Authority to the licensee that specifies or describes the premises to be supplied with gas in accordance with standard condition 8 (Obligations under Last Resort Supply Direction);
<b>Last Resort Supply Payment</b>	means a sum of money payable to the licensee to compensate for any additional costs it incurs in complying with a Last Resort Supply Direction;
<b>Marketing Activities</b>	means any activities of the licensee, except communicating with Domestic Customers by telephone, that are directed at or incidental to identifying and communicating with Domestic Customers for the purpose of promoting the licensee's Domestic Supply Contracts to them and includes entering into such contracts with such customers except during a telephone conversation;
<b>Meter Asset Manager</b>	means a person or a class or description of persons possessing the expertise satisfactorily to design, install, commission, inspect, repair, alter, reposition, remove, renew and maintain the whole or part of the Supply Meter Installation as defined in Section M, paragraph 1.2 of the Network Code as at 1 August 2007; or a person whose staff have such expertise;
<b>Meter Installer</b>	in relation to any Gas Meter, means: <ul style="list-style-type: none"> <li>(a) a person a class or description of persons possessing the expertise to connect that meter satisfactorily so that the gas supplied through it is duly registered; or</li> <li>(b) a person whose staff have such expertise;</li> </ul>
<b>Meter Point Reference Number</b>	means a number relevant to the registration of a Customer that is prescribed by the Network Code;
<b>Multi-Site Contract</b>	has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);
<b>Network Code</b>	has the meaning given in and is to be interpreted in accordance with standard condition 9 (Network Code) of the Gas Transporter Licence;
<b>Non-Domestic Customer</b>	means a Customer who is not a Domestic Customer;

<b>Non-Domestic Premises</b>	has the meaning given in and is to be interpreted in accordance with standard condition 6 (Classification of premises);
<b>Non-Domestic Supply Contract</b>	means a Contract for the supply of gas to Non-Domestic Premises, as varied from time to time;
<b>Notice</b>	means notice given directly to a person in Writing;
<b>Participating Interest</b>	has the meaning given by section 260 of the Companies Act 1985;
<b>Pensionable Age</b>	means, in relation to any person, pensionable age within the meaning given by section 48(2B) of the Act;
<b>Principal Terms</b>	<p>means, in respect of any form of Contract or Deemed Contract, the terms that relate to:</p> <ul style="list-style-type: none"> <li>(a) Charges for the Supply of Gas;</li> <li>(b) any requirement to pay Charges for the Supply of Gas through a prepayment meter;</li> <li>(c) any requirement for a Security Deposit;</li> <li>(d) the duration of the Contract or Deemed Contract;</li> <li>(e) the rights to end the Contract (including any obligation to pay a Termination Fee) or the circumstances in which a Deemed Contract will end,</li> </ul> <p>and any other term that may reasonably be considered to significantly affect the evaluation by the Customer of the Contract under which gas may be supplied to his premises;</p>
<b>Priority Services Register</b>	means the register of certain of its Domestic Customers established and maintained by the licensee in accordance with standard condition 26 (Services for specific Domestic Customer groups);
<b>Proposed Supplier Transfer</b>	in relation to any premises at which a Gas Supplier is supplying gas, means the proposed transfer of responsibility for that supply from that Gas Supplier to any other Gas Supplier;

<b>Protocol</b>	means the arrangements in force under the Supply Point Administration Agreement by which Charges for the Supply of Gas owed to a Gas Supplier by a Domestic Customer to whom gas is supplied through a prepayment meter may be assigned to any other Gas Supplier;
<b>Public Electronic Communications Network</b>	has the meaning given in section 151 of the Communications Act 2003;
<b>Relevant Gas Shipper</b>	means a Gas Shipper that has made arrangements under which gas is conveyed: <ul style="list-style-type: none"> <li>(a) to premises to which the licensee supplies gas; or</li> <li>(b) where the licensee supplies gas to Secondary Premises, to the Relevant Primary Premises;</li> </ul>
<b>Relevant Gas Supplier</b>	in relation to any premises, means the Gas Supplier that is supplying gas to the premises;
<b>Relevant Gas Transporter</b>	in relation to any premises to which gas is supplied by the licensee, means: <ul style="list-style-type: none"> <li>(a) the Gas Transporter that conveys gas to those premises and to whose pipeline system those premises are <i>Directly Connected</i>; or</li> <li>(b) where those premises are Secondary Premises, the Gas Transporter that conveys gas to the Relevant Primary Premises and to whose pipeline system the Relevant Primary Premises are <i>Directly Connected</i>;</li> </ul>
<b>Relevant Gas Transporter's Enquiry Service</b>	means the service established and operated by the Relevant Gas Transporter under standard condition 31 (Supply Point Information Service) or standard special condition A31 (Supply Point Information Service) of the Gas Transporter Licence for the provision to a Customer of information in respect of the supply of gas to premises which are, or are about to be, owned or occupied by that customer;
<b>Relevant Payment</b>	means compensation payable to a Customer under standard condition 15 (Payments received in relation to standards of performance) of the Gas Shipper Licence or under any provision of regulations made under section 33AA of the Act;

<b>Relevant Primary Premises</b>	means, in relation to any Secondary Premises, the premises to which gas is conveyed by a Gas Transporter before being conveyed to the Secondary Premises;
<b>Relevant Proportion</b>	means the proportion of the costs attributable to either the Authority or the licensee in accordance with any direction issued by the Competition Commission under section 177(3) of the Energy Act 2004 or, in the absence of such direction, zero;
<b>Representative</b>	in relation to the licensee, means any person directly or indirectly authorised to represent the licensee in its dealings with Customers;
<b>Secondary Premises</b>	means any premises to which gas is conveyed under an exemption from section 5(1)(a) of the Act, granted under section 6A of the Act, for supply by the licensee;
<b>Section B</b>	means the section of the standard conditions of that name which is given effect in this licence in accordance with standard condition 3 (Application of Section B of standard conditions) and, if it has effect, allows the licensee to supply gas to Domestic Premises;
<b>Security Deposit</b>	means a deposit of money as security for the payment of Charges for the Supply of Gas;
<b>Subsidiary</b>	means a subsidiary within the meaning of sections 736, 736A and 736B of the Companies Act 1985;
<b>Supply Point Administration Agreement</b>	means the Supply Point Administration Agreement designated by the Authority in accordance with standard condition 34A (The Supply Point Administration Agreement) of the licensee's Gas Supply Licence in the form in which that licence was in force at 31 July 2007;
<b>Temperature and Pressure Conversion Factor</b>	has the meaning given in the Gas (Calculation of Thermal Energy) Regulations 1996 made under section 12(1) of the Act;
<b>Termination Fee</b>	means any sum of money or other compensation (whether financial or not) which might be demanded of a Customer solely because his Domestic Supply Contract or Deemed Contract has ended;
<b>Transportation Services Area</b>	has the meaning given in and is to be interpreted in accordance with standard condition 2 (Application of Section C (Transportation Services Obligations)) of the Gas

	Transporter Licence;
<b>Undertaking</b>	has the meaning given in section 259 of the Companies Act 1985;
<b>Website</b>	means a website controlled and used by the licensee to communicate with a Customer for reasons relating to the supply of gas;
<b>Winter</b>	means the months of October, November, December, January, February and March;
<b>Working Day</b>	means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day that is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971;
<b>Writing</b>	includes writing sent or received by Electronic Communication.

## **Condition 2. Interpretation of standard conditions**

### **General rules of interpretation**

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

### **Performance of obligations**

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

## **Specific application of powers**

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

## **Date to be specified**

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

## **Continuing effect**

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

### **Condition 3. Application of Section B of standard conditions**

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

## **Condition 4. Licensee's payments to Authority**

- 4.1 In respect of each Financial Year at the beginning of which the licensee holds this licence, the licensee must pay to the Authority the total of:
- (a) an amount which is the Relevant Proportion of the Estimated Costs incurred by the Competition Commission in the previous Financial Year in connection with any reference made to it in respect of this licence or any other licence granted under the Act or the Electricity Act 1989; and
  - (b) an amount which is the Relevant Proportion of the difference (being a positive or negative amount), if any, between:
    - (i) any costs estimated by the Authority in the previous Financial Year under sub-paragraph 4.1(a); and
    - (ii) the actual costs of the Competition Commission in connection with references of the type referred to in sub-paragraph 4.1(a) for the Financial Year before the previous Financial Year.
- 4.2 The amount determined in accordance with paragraph 4.1 must be paid by the licensee to the Authority in one instalment:
- (a) by 31 October in each year, if the Authority gives the licensee Notice of the amount of that instalment by 1 October in the year; or
  - (b) if the Authority does not give the licensee Notice of the amount of that instalment by 1 October in the year, within 30 days after the date on which the Authority gives that Notice to the licensee.
- 4.3 If the licensee does not pay the amount determined in accordance with paragraph 4.1 within 30 days after the relevant payment date referred to in paragraph 4.2, it must with effect from that date pay simple interest on the amount:
- (a) at the rate which is from time to time equivalent to the base rate of NatWest Bank plc; or
  - (b) if there is no rate equivalent to the base rate of NatWest Bank plc, the base rate of an equivalent institution designated by the Authority for this purpose.

## **Condition 5. Provision of Information to Authority**

- 5.1 After receiving a request from the Authority for Information that it may reasonably require or that it considers may be necessary to enable it to perform any functions given or transferred to it by or under any legislation, the licensee must give that Information to the Authority when and in the form requested.
- 5.2 The licensee is not required to comply with paragraph 5.1 if:
- (a) the Information is required by the Authority to enable it to perform its functions under section 34 of the Act; or
  - (b) the licensee could not be compelled to produce or give the Information in evidence in civil proceedings before a court.
- 5.3 After receiving a request from the Authority for reasoned comments on the accuracy and text of any Information relating to the licensee's activities under or pursuant to this licence which the Authority proposes to publish under section 35 of the Act, the licensee must give such comments to the Authority when and in the form requested.
- 5.4 The Authority's power to request Information under this condition is additional to its power to call for information under or pursuant to any other condition of this licence.

## **Condition 6. Classification of premises**

### **Domestic Premises**

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

### **Non-Domestic Premises**

6.2 Unless the context otherwise requires, a Non-Domestic Premises is a premises, that is not a Domestic Premises, at which a supply of gas is taken and includes:

- (a) a premises where:
  - (i) the person who has entered into a Contract with the licensee for the supply of gas to the premises is a person who has entered or will enter into an agreement with any other person for the provision of a residential or any other accommodation service at the premises; and
  - (ii) the terms of the agreement referred to in sub-paragraph 6.2(a)(i) are commercial in nature and include a charge for the supply of gas to the premises (whether such charge is express or implied); and
- (b) any other premises that is to be treated as a Non-Domestic Premises under paragraph 6.4 or 6.6.

### **Changes in use of gas**

6.3 This paragraph applies if:

- (a) after the licensee enters into a Non-Domestic Supply Contract with a Customer; or
- (b) after a Deemed Contract for a Non-Domestic Premises begins,

the Customer begins using the gas supplied to his premises under that contract or deemed contract wholly or mainly for a domestic purpose.

6.4 If paragraph 6.3 applies, the Customer's premises will be treated as a Non-Domestic Premises for the purposes of this licence until the Non-Domestic Supply Contract or the Deemed Contract, as appropriate, ends.

### **Multi-Site Contracts**

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

- (a) one or more Non-Domestic Premises; and

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

where all of those premises are owned or occupied by:

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

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

**Standard conditions 7 to 10:  
Continuity of supply**

## **Condition 7. Terms of Contracts and Deemed Contracts**

### **Termination of Contracts and Deemed Contracts**

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

### **Terms of Deemed Contracts must not be unduly onerous**

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

### **Continuity and termination of Deemed Contracts**

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

- (c) provide that, where a Customer intends his premises to be supplied with gas under a Contract with the licensee or any other Gas Supplier, the Deemed Contract will continue to have effect until the licensee or the other Gas Supplier, as appropriate, begins to supply gas to the premises under a Contract; and
- (d) if the Customer is a Domestic Customer, include a term to give effect (under the Deemed Contract) to the requirements of paragraph 1 of standard condition 24 (Termination of Domestic Supply Contracts) (which relates to the termination arrangements that apply when there is a change in the ownership or occupation of Domestic Premises).

7.6 If the licensee supplies gas to a Customer's premises under a Deemed Contract, the licensee must not charge the Customer a Termination Fee.

#### **Information for Customers about Deemed Contracts**

7.7 If the licensee supplies gas to a Customer's premises under a Deemed Contract, it must take all reasonable steps to provide that Customer with:

- (a) the Principal Terms of the Deemed Contract; and
- (b) Notice that Contracts, with terms that may be different from the terms of Deemed Contracts, may be available and of how information about such Contracts may be obtained.

7.8 If a person requests a copy of a Deemed Contract that the licensee has available, the licensee must provide it to that person within a reasonable period of time after receiving the request.

#### **Calculation of consumption under Deemed Contracts**

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

#### **Effect of Last Resort Supply Direction on Deemed Contracts**

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

## **Condition 8. Obligations under Last Resort Supply Direction**

### **Last Resort Supply Direction**

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

### **Licensee’s obligations**

- 8.3 The licensee must comply with a Last Resort Supply Direction.
- 8.4 But the licensee is not required to comply with a Last Resort Supply Direction in respect of premises to which it would not be required to supply gas because of any of the exceptions set out in sub-paragraphs 5(a) to (c) of standard condition 22 (Duty to offer and supply under Domestic Supply Contract).
- 8.5 Within a reasonable period of time after receiving a Last Resort Supply Direction, the licensee must send a Notice to each of the premises specified or described in the Last Resort Supply Direction to inform each Customer:
- (a) that the other supplier stopped supplying gas to his premises with effect on and from the date on which the Last Resort Supply Direction had effect;
  - (b) that the licensee began to supply gas to his premises with effect on and from the date on which the Last Resort Supply Direction had effect;
  - (c) that the licensee is supplying gas to the Customer’s premises under a Deemed Contract;

- (d) that the Customer may enter into a Contract with the licensee or any other Gas Supplier under which gas will be supplied to his premises; and
- (e) of the Charges for the Supply of Gas that the licensee may charge the Customer while supplying him under the Last Resort Supply Direction.

### **Charges under Last Resort Supply Direction**

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

## **Condition 9. Claims for Last Resort Supply Payment**

### **Ability to make claim**

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

### **Process for making claim**

- 9.3 If the licensee intends to make a claim for a Last Resort Supply Payment, it must:
- (a) give Notice to the Authority of its claim; and
  - (b) give the Authority a calculation of the amount claimed with information to support that calculation,
- no later than six months after the date on which the Last Resort Supply Direction to which the claim relates stops having effect.
- 9.4 The total amount of the Last Resort Supply Payment (for this condition only, "the relevant amount") to be claimed by the licensee must not exceed the amount by which:
- (a) the total costs (including interest on working capital) reasonably incurred by the licensee in supplying gas to premises under the Last Resort Supply Direction and a reasonable profit,  
are greater than:
  - (b) the total amounts recovered by the licensee through Charges for the Supply of Gas to premises under the Last Resort Supply Direction (after taking all reasonable steps to recover such charges).
- 9.5 If the Authority considers it appropriate in all the circumstances of the case for the licensee to make the claim notified to it in accordance with paragraph 9.3, the Authority will give its consent to the licensee.
- 9.6 Within three months after it has been notified of the claim in accordance with paragraph 9.3, the Authority may determine that an amount other than the one calculated by the licensee is a more accurate calculation of the relevant amount.

- 9.7 If the Authority makes a determination under paragraph 9.6, the amount specified by it must be treated as the relevant amount for the purpose of paragraph 9.8.

### **Submissions to Relevant Gas Transporters**

- 9.8 A claim by the licensee for a Last Resort Supply Payment from each Relevant Gas Transporter referred to in paragraph 9.1 must specify:
- (a) the respective proportion of the relevant amount to be paid by that Relevant Gas Transporter (being the same as the number of premises located within its Transportation Services Area when expressed as a proportion of the total number of premises located within the Transportation Services Areas of all the Relevant Gas Transporters in question); and
  - (b) whether payment is to be made by quarterly or monthly instalments.
- 9.9 A claim for a Last Resort Supply Payment will lapse if the licensee does not make it within six months after the Authority has given its consent under paragraph 9.5.

## **Condition 10. Restriction or revocation of licence**

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

**Standard conditions 11 to 19:  
Industry activities and procedures**

**Condition 11**

**Not used**

## **Condition 12. Matters relating to Gas Meters**

### **Connection of Gas Meter to service pipe**

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

### **Examination of Gas Meters**

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

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

### **Inspection of Gas Meters**

- 12.8 Unless the Authority otherwise consents, the licensee must take all reasonable steps to ensure that it inspects, at least once every two years, any Gas Meter and associated installation in respect of premises at which it is the Relevant Gas Supplier.
- 12.9 Where the licensee has been the Relevant Gas Supplier for less than two years, the period of two years referred to in paragraph 12.8 will be deemed to expire on a date specified in a notice given by the Relevant Gas Transporter which has been sent to the licensee by:
- (a) the Relevant Gas Shipper; or
  - (b) the Relevant Gas Transporter, where the licensee is the Relevant Gas Shipper,
- at least four months in advance of that date.
- 12.10 In paragraph 12.8, the reference to “all reasonable steps” includes, in particular, trying to obtain a warrant under the Rights of Entry (Gas and Electricity Boards) Act 1954 in cases where the licensee could not otherwise comply with its obligation.
- 12.11 Paragraph 12.8 does not apply in relation to Secondary Premises.
- 12.12 An inspection under paragraph 12.8 must be carried out by a person possessing appropriate skill and experience.
- 12.13 An inspection under paragraph 12.8 must include:
- (a) taking a meter reading;
  - (b) inspecting the Gas Meter and associated installation for evidence of tampering;
  - (c) inspecting the Gas Meter and associated installation for evidence that the meter has not continuously been in position for the purpose of registering the quantity of gas supplied;

- (d) arranging for information in respect of any gas leakage identified in the vicinity of the Gas Meter to be passed on in accordance with the Gas Safety (Management) Regulations 1996 as if the licensee had been informed of that leakage;
- (e) inspecting the Gas Meter for any evidence of deterioration which might affect its safety or proper functioning; and
- (f) where necessary, and subject to the consent of the owner of the Gas Meter, changing any batteries in the meter.

12.14 Nothing in sub-paragraphs 12.13(a) to (e) requires the licensee to disassemble any part of the Gas Meter.

12.15 Paragraph 12.16 applies where the Relevant Gas Transporter does not record separately:

- (a) any inspection carried out in accordance with paragraph 12.8; and
  - (b) any meter readings taken by authorised officers of the licensee,
- and the Relevant Transporter has informed the licensee that it has not made such records.

12.16 Without prejudice to paragraph 12.8, the licensee must ensure that an inspection of a Gas Meter and associated installation takes place on each occasion on which the meter is read by one of its authorised officers.

### **Application of provisions of Act**

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

### **Use of approved Meter Asset Manager**

12.18 Where, in respect of any Domestic Premises at which it is the Relevant Gas Supplier, the licensee arranges for the provision of a Gas Meter, it must use an approved Meter Asset Manager.

### **Approval by Authority**

12.19 In this condition, a reference to an approved Meter Installer or an approved Meter Asset Manager is to a Meter Installer or a Meter Asset Manager approved by the Authority for the purposes of this condition.

### **Condition 13. Arrangements for site access**

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

## **Condition 14. Customer transfer blocking**

### **General prohibition**

- 14.1 The licensee must not ask or allow a Relevant Gas Shipper to prevent a Proposed Supplier Transfer except in accordance with the provisions of this condition.

### **Non-Domestic Customer transfer blocking**

- 14.2 The licensee may ask or allow the Relevant Gas Shipper to prevent a Proposed Supplier Transfer in relation to a Non-Domestic Customer at any Non-Domestic Premises at which the licensee is the Relevant Gas Supplier in any of the following circumstances:

- (a) a provision of its Contract with that customer for the supply of gas to the premises allows the licensee to prevent the Proposed Supplier Transfer;
- (b) the Gas Supplier that initiated the Proposed Supplier Transfer has agreed with the licensee that the transfer was initiated in error; or
- (c) in relation to a Contract entered into between the licensee and that customer before 5 January 2004 for the supply of gas to the premises which does not allow the licensee to prevent a Proposed Supplier Transfer:
  - (i) the customer has not paid Charges for the Supply of Gas to the premises or any other premises previously occupied by him which are due to the licensee, have been demanded in writing, have not been paid within 28 days after the demand was made and continue to be unpaid; or
  - (ii) the customer is bound by the provisions of that Contract and it will not end on or before the date of the Proposed Supplier Transfer.

- 14.3 If the licensee asks the Relevant Gas Shipper to prevent a Proposed Supplier Transfer of a Non-Domestic Customer, it must give a Notice to that customer to inform him:

- (a) that it has made a request to prevent the transfer;
- (b) of the grounds for the request; and
- (c) how the customer may dispute or resolve such grounds,

as soon as reasonably practicable after making the request.

### **Domestic Customer transfer blocking**

- 14.4 The licensee may ask or allow the Relevant Gas Shipper to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises at which the licensee is the Relevant Gas Supplier in any of the following circumstances:

- (a) the customer has not paid Charges for the Supply of Gas to the premises or any other premises previously owned or occupied by him which are due to the licensee, have been demanded in writing, have not been paid within 28 days after the demand was made and continue to be unpaid;
  - (b) the Gas Supplier that initiated the Proposed Supplier Transfer has agreed with the licensee that the transfer was initiated in error;
  - (c) the customer informs the licensee that he has not entered into a Contract with the proposed new Gas Supplier and asks the licensee to prevent the Proposed Supplier Transfer from taking place; or
  - (d) the customer is bound by the provisions of a Contract with the licensee for the supply of gas to the premises which will not end on or before the date of the Proposed Supplier Transfer and that Contract is of a kind specified in a direction issued by the Authority.
- 14.5 Sub-paragraph 14.4(a) does not apply if the Domestic Premises is being supplied with gas through a prepayment meter and:
- (a) the Domestic Customer has agreed with the proposed new Gas Supplier that any outstanding Charges for the Supply of Gas to the premises may be assigned by the licensee in accordance with the Protocol; or
  - (b) the licensee, having increased the Charges for the Supply of Gas to the premises, has not taken all reasonable steps to reset the meter within a reasonable period of time after that increase has effect to take account of the increase and the charges that have not been paid (which may have accumulated over time) relate only to the increase and are equal to all or part of it.
- 14.6 If the licensee asks the Relevant Gas Shipper to prevent a Proposed Supplier Transfer of a Domestic Customer, it must give a Notice to that customer to inform him:
- (a) that it has made a request to prevent the transfer;
  - (b) of the grounds for the request; and
  - (c) how the customer may dispute or resolve such grounds,
- as soon as reasonably practicable after making the request.
- 14.7 If sub-paragraph 14.4(c) applies and the licensee has agreed to prevent a Proposed Supplier Transfer at the Domestic Customer's request, the licensee must:
- (a) keep evidence of that request and of the reasons for it for at least 12 months after the request is made; and
  - (b) inform the proposed new Gas Supplier:

- (i) that the objection has been raised at the customer's request; and
  - (ii) of the reason given by the customer for making the request,
- as soon as reasonably practicable after the licensee asks the Relevant Gas Shipper to prevent the transfer.

14.8 Sub-paragraph 14.4(d) will stop having effect on and from 1 April 2008 unless, before that date, the Authority issues a direction providing that the sub-paragraph will continue to have effect for a further period of time.

**Condition 15**

**Not used**

## **Condition 16. Security and emergency arrangements**

### **Complying with Gas Transporter's requests**

16.1 The licensee must comply with all requests made by a Gas Transporter that are not clearly unreasonable for the purpose of:

- (a) preventing or reducing danger to life or property; or
- (b) securing the safety of the pipeline system or the safe conveyance of gas through the pipeline system or reducing any risk to it,

in the circumstances described in paragraph 16.2.

16.2 The circumstances referred to in paragraph 16.1 are that:

- (a) there is an escape or a suspected escape of gas; or
- (b) in the case of a pipeline system emergency, the opinion of the Gas Transporter is that any of the following circumstances applies:
  - (i) the safety of its pipeline system is significantly at risk;
  - (ii) the safe conveyance of gas through its pipeline system is significantly at risk; or
  - (iii) gas conveyed through its pipeline system is at such a pressure or of such a quality as to constitute, when supplied to premises, a danger to life or property.

### **Terms to be included in Contracts**

16.3 The licensee must include, in each of its Contracts for the supply of gas to premises, a term to the effect that if it is given a direction under section 2(1)(b) of the Energy Act 1976 that prohibits or restricts the supply of gas to specified persons:

- (a) the licensee may discontinue or restrict the supply of gas to the Customer;
- (b) if the licensee tells the Customer that he must not use gas, he must stop doing so; and
- (c) if the licensee tells the Customer that he must restrict his use of gas, he must do so,

for as long as the direction is in force and as is necessary or expedient for the purpose of or in connection with the direction.

### **Terms to be included in Non-Domestic Supply Contracts**

16.4 The licensee must include in each of its Non-Domestic Supply Contracts a term to the effect that:

- (a) if the Gas Transporter or Relevant Gas Shipper asks the licensee to discontinue the supply of gas to the premises, the licensee is entitled to do so; and
- (b) the Customer supplied with gas under the Non-Domestic Supply Contract must take all steps within its power to avoid using gas at the premises immediately after being told by the licensee or the Gas Transporter that he should do so,

for the duration of any of the circumstances described in sub-paragraph 16.2(b).

## **Condition 17. Mandatory exchange of information**

### **Information to Gas Transporter about pipeline system**

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

### **Information to Relevant Gas Transporter about gas illegally taken**

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

the licensee must inform the Relevant Gas Transporter (in the form and manner reasonably requested by that transporter) that it has become aware of that information and, if it is reasonably practicable to do so, give a reasonable estimate of the volume or, if that information is unavailable, of the Amount of gas taken.

### **Information to Relevant Gas Shipper about meter connections and disconnections**

- 17.5 If the licensee receives, in connection with a proposed connection or disconnection of a Gas Meter:
- (a) a notice of the kind referred to in sub-paragraph 12(1) of Schedule 2B to the Act; or
  - (b) information in pursuance of sub-paragraph 12(3) of Schedule 2B to the Act,

it must, as soon as reasonably practicable, give the Relevant Gas Shipper a copy of that notice or information, as appropriate, and any other information relating to the meter which is requested by that shipper and which the licensee either has or may readily obtain.

- 17.6 If the licensee:
- (a) intends to connect or has connected any Gas Meter to a service pipe through which gas is conveyed to any premises by a Relevant Gas Transporter; or
  - (b) intends to disconnect or has disconnected any Gas Meter from any such pipe,

it must give the Relevant Gas Shipper the equivalent notice and information, at the equivalent times, that would, because of paragraph 12 of Schedule 2B to the Act, have been required to be given to the licensee or the Relevant Gas Transporter if the connection or disconnection had been performed by a person other than the licensee.

- 17.7 Paragraph 17.6 applies in relation to any Secondary Premises as if gas were conveyed to those premises by a Gas Transporter.

- 17.8 Paragraphs 17.5 and 17.6 do not apply if the licensee is both the Relevant Gas Supplier and the Relevant Gas Shipper for the premises.

### **Information to Relevant Gas Shipper or Relevant Gas Transporter about premises**

- 17.9 If the licensee becomes the Relevant Gas Supplier of premises, it must, no later than three days after becoming so, inform the Relevant Gas Shipper whether the premises are Domestic Premises or Non-Domestic Premises.

- 17.10 If the licensee becomes aware that a premises at which it is the Relevant Gas Supplier has changed:

- (a) from a Domestic Premises to a Non-Domestic Premises; or

(b) from a Non-Domestic Premises to a Domestic Premises,

it must inform the Relevant Gas Shipper of that change as soon as reasonably practicable after it becomes aware of it.

17.11 If the licensee for the purpose of paragraphs 17.9 and 17.10 is the Relevant Gas Shipper, it must inform the Relevant Gas Transporter of the information referred to in those paragraphs.

**Information to Relevant Gas Shipper or Relevant Gas Transporter about premises**

17.12 The licensee must, as soon as reasonably practicable, give the Relevant Gas Shipper, for transmission to the Relevant Gas Transporter (or give the Relevant Gas Transporter, where the licensee is the Relevant Gas Shipper), details of each inspection of a Gas Meter carried out under paragraphs 12.8 to 12.16, including:

- (a) the date on which the inspection was carried out;
- (b) the reading of the register; and
- (c) what, if anything, was found.

**Provision of information**

17.13 The licensee is not required to give any information requested by a Relevant Gas Transporter under paragraph 17.1 or 17.3 if doing so would seriously and prejudicially affect its commercial interests, except if the Authority directs it to do so because that information is necessary for any purpose referred to in those paragraphs.

17.14 This condition does not require the licensee to produce any documents or give any information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

## **Condition 18. Undertakings to Relevant Gas Transporters**

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

## **Condition 19. Payments to Customers**

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

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

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

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

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

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

**Standard conditions 20 and 21:  
Information for all Customers**

## **Condition 20. Safety of gas supplies and Meter Point Reference Number**

### **Emergency and enquiry services**

- 20.1 The licensee must keep each of its Customers informed:
- (a) that an escape or a suspected escape of gas should be reported immediately; and
  - (b) of a telephone number which should be used for that purpose.
- 20.2 The licensee may comply with paragraph 20.1 by:
- (a) providing each Customer whose premises is supplied with gas under a Contract or a Deemed Contract with the information referred to in that paragraph when the licensee first begins to supply gas to the customer's premises or, in the case of a Deemed Contract, becomes aware that it is doing so;
  - (b) providing the information referred to in that paragraph to each Customer on each Bill or statement of account sent to a Customer in relation to Charges for the Supply of Gas or annually if the licensee has not sent such a Bill or statement of account to him; and
  - (c) publishing the information referred to in that paragraph in such manner as will in the opinion of the licensee secure adequate publicity for it.
- 20.3 The licensee must give:
- (a) the telephone number referred to in sub-paragraph 20.1(b); and
  - (b) the current postal address and telephone number of the Relevant Gas Transporter's Enquiry Service,
- to a Customer when he requests it.
- 20.4 The licensee must take all reasonable steps to inform each of its Customers of any change to the telephone number referred to in sub-paragraph 20.1(b) before the date on which that change becomes effective.

### **Meter Point Reference Number**

- 20.5 The licensee must inform each of its Customers of his Meter Point Reference Number:
- (a) on each Bill or statement of account sent to a Customer in relation to Charges for the Supply of Gas; or

- (b) annually if the licensee has not sent such a Bill or statement of account to him.

**Condition 21**

**Not used**

**SECTION B: STANDARD CONDITIONS  
FOR DOMESTIC SUPPLIERS**

**Standard conditions 22 to 24:  
Regulation of Domestic Supply Contracts**

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

### **Licensee's obligations**

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

### **Exceptions to licensee's obligations**

- 22.5 The licensee is not required to comply with the obligations set out in paragraphs 22.2 or 22.3 in any of the following circumstances:
- (a) the Domestic Premises are not connected, whether directly or indirectly, to a relevant main;
  - (b) supplying gas to the Domestic Premises would, or might, involve danger to the public, provided that the licensee has taken all reasonable steps to prevent such danger from occurring;
  - (c) it is not reasonable in all the circumstances of the case for the licensee to supply gas to the Domestic Premises, provided that, if it is already supplying gas to the premises, it has given at least seven Working Days' Notice of its intention to stop doing so; or
  - (d) the licensee requires the Domestic Customer to pay a Security Deposit and he does not do so, except if that deposit is in breach of any of the

requirements in paragraphs 3 and 4 of standard condition 27 (Payments, Security Deposits and Disconnections).

### **Calculation of kilowatt hours**

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

### **Provision of Domestic Supply Contracts**

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

## **Condition 23. Notification of Domestic Supply Contract terms**

### **Notification of Principal Terms**

- 23.1 Before it enters into a Domestic Supply Contract with a Domestic Customer, the licensee must take all reasonable steps to bring the Principal Terms of that contract to the attention of that customer.

### **Notification before Domestic Supply Contract ends**

- 23.2 On or about 30 Working Days before a Domestic Supply Contract is due to end, the licensee must inform the Domestic Customer (who is party to that contract) in Writing of the Principal Terms of the Deemed Contract that will apply after the Domestic Supply Contract ends if he does not enter into a new Domestic Supply Contract.

### **Notification of unilateral variation**

- 23.3 If, in accordance with the terms of a Domestic Supply Contract with a Domestic Customer, the licensee unilaterally varies a term of the contract:
- (a) to increase the Charges for the Supply of Gas to a Domestic Premises; or
  - (b) in any other way that is to the significant disadvantage of the customer,
- the licensee must give Notice of that variation to the customer in accordance with paragraph 23.4.
- 23.4 The Notice referred to in paragraph 23.3 must:
- (a) have been given before the end of 65 Working Days after the date on which the variation has effect;
  - (b) inform the Domestic Customer that he may end the Domestic Supply Contract if the variation is unacceptable to him; and
  - (c) explain the effect of paragraph 23.5.
- 23.5 If the Domestic Customer notifies the licensee after he becomes aware (by any means) of the variation but no later than 10 Working Days after the date on which he receives Notice given under paragraph 23.3 that he is ending the Domestic Supply Contract, the licensee must treat that variation as ineffective and neither enforce nor take advantage of it.
- 23.6 Paragraph 23.5 only binds the licensee if, no later than 15 Working Days after the Domestic Customer has notified the licensee in accordance with that paragraph, the licensee receives Notice under the Network Code by way of the Relevant Gas Shipper that another Gas Supplier will begin to supply the customer's Domestic

Premises within a reasonable period of time after the date on which that Notice has been given.

- 23.7 The licensee is not required to comply with paragraph 23.3 to such extent as the Authority may direct.

## **Condition 24. Termination of Domestic Supply Contracts**

### **End of ownership or occupation**

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

### **Termination Fees**

- 24.3 The licensee may include a term in a Domestic Supply Contract requiring a Domestic Customer to pay a Termination Fee to end that contract except in any of the following circumstances:
- (a) the contract is of an indefinite length;
  - (b) without prejudice to sub-paragraph (a), the contract allows for both a fixed term period and a period of indefinite length and it is brought to an end during the period of indefinite length; or
  - (c) the licensee gives Notice of a unilateral variation of a term of the contract in accordance with paragraph 3 of standard condition 23 (Notification of Domestic Supply Contract terms) and paragraph 5 of that condition binds the licensee.
- 24.4 The restrictions imposed by paragraph 24.3 will not apply to such extent as the Authority may direct.

### **Application of this condition**

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

**Standard conditions 25 to 30:  
Domestic Customer protection**

## **Condition 25. Marketing gas to Domestic Customers**

### **Staff selection and training**

25.1 The licensee must:

- (a) set up appropriate procedures for the selection of staff employed or engaged in roles the principal duties of which involve oral communication with Domestic Customers for the purpose of its Marketing Activities;
- (b) take all reasonable steps to ensure that each such person is trained so as to have a sufficient understanding of:
  - (i) the arrangements for competition in the supply of gas to Domestic Premises in Great Britain; and
  - (ii) the Principal Terms of Domestic Supply Contracts made available by the licensee,such that any relevant advice given by him to Domestic Customers is not misleading;
- (c) take all reasonable steps to ensure that:
  - (i) a Domestic Customer may readily identify the licensee whenever he is contacted by a Representative of the licensee;
  - (ii) if the Domestic Customer enters into an agreement, he will readily understand that he has done so; and
  - (iii) any unsolicited contact made on behalf of the licensee with any Domestic Customer takes place at a reasonable time; and
- (d) take all reasonable steps to ensure that each agent and sub-contractor of the licensee sets up procedures and takes steps equivalent to those set out at sub-paragraphs (a) to (c).

### **Contact with Domestic Customers after Contract**

25.2 The licensee must comply with the requirements of paragraphs 25.3, 25.4 and 25.5 where a Domestic Supply Contract has been entered into by a Domestic Customer in the course of:

- (a) a visit to that customer's premises by a Representative of the licensee; or
- (b) a conversation, in a place to which the public have access, between a Representative of the licensee and a Domestic Customer.

25.3 Where a Domestic Supply Contract is entered into as a result of a visit or conversation of the kind mentioned in paragraph 25.2, the licensee must within a

period of between 24 hours and 14 days after entering into the Domestic Supply Contract take all reasonable steps to contact the Domestic Customer, through a Representative of the licensee who is not engaged in activities leading to the making of Domestic Supply Contracts between the licensee and Domestic Customers, by telephone or in Writing to seek confirmation that the Domestic Customer:

- (a) understands that he has entered into a Domestic Supply Contract;
- (b) is content to have entered into that contract; and
- (c) is content with the way in which the Marketing Activities of the licensee were conducted.

25.4 Where, in the course of telephone contact or within a reasonable period after contact in Writing as required by paragraph 25.3, the Domestic Customer indicates that he is not content to have entered into the Domestic Supply Contract and wishes to end it, the licensee must take all reasonable steps to ensure:

- (a) that the Domestic Supply Contract is ended; and
- (b) where reasonably practicable, that the licensee does not begin a supply of gas to the customer.

25.5 Where the response of a Domestic Customer, or the response of Domestic Customers generally, to contact as required by paragraph 25.3 suggests weaknesses in the methods, systems or personnel employed or engaged by the licensee or its agents or sub-contractors for the purpose of its Marketing Activities, the licensee must ensure that all reasonable steps to remedy the matter are taken.

25.6 Where, under any Domestic Supply Contract, gas supply to the premises is to start at least 60 days after the date on which the contract is entered into, the licensee must take all reasonable steps between entering into the contract and beginning the supply to keep the Domestic Customer informed that he has entered into a Domestic Supply Contract with the licensee.

### **Compensation under complaint procedure**

25.7 The complaint handling procedure required to be produced by the licensee under paragraph 5 of standard condition 31 (General information for Domestic Customers) must provide, in appropriate cases, for the payment of compensation to Domestic Customers adversely affected by the failure of the licensee to comply with its obligations under this condition.

### **Prohibition of advance payments**

25.8 The licensee must neither enter into any commercial relations connected with the supply of gas to Domestic Premises with any person who has sought payment in

advance (other than a Security Deposit) from any Domestic Customer with a view to arranging a supply of gas nor enter into a Domestic Supply Contract for the supply of gas to any such customer made through the agency (either for the licensee or for any customer) of such a person.

- 25.9 Paragraph 25.8 does not apply where any payment in advance of the kind mentioned in that paragraph is sought wholly or mainly for a service, other than the service of arranging the supply of energy, and the Authority has approved of the disapplication of that paragraph.

### **Management arrangements**

25.10 The licensee must take all reasonable steps:

- (a) to establish management arrangements that facilitate the licensee's compliance with its obligations under paragraphs 25.2 to 25.6; and
- (b) to ensure that any agents and sub-contractors of the licensee take steps to establish equivalent arrangements.

### **Termination of condition**

25.11 This condition will cease to have effect on 31 March 2008 (for this condition only, the "termination date") or on such later date (for this condition only, the "new termination date") as the Authority may specify in a Notice issued under paragraph 25.13.

25.12 The Authority may set a new termination date in relation to all or part of this condition where:

- (a) the Authority has consulted with all Gas Suppliers in whose licences Section B of the standard conditions is effective, the Consumer Council and such other persons as the Authority considers are likely to be affected;
- (b) the Authority has determined that the development of competition in the supply of gas is such as to require the continuation of the condition, in whole or in part; and
- (c) the new termination date is no more than two years after the termination date.

25.13 Where the Authority decides to set a new termination date, whether in relation to all or part of this condition, it must specify that date in a Notice which:

- (a) is published in such manner as the Authority thinks appropriate for the purpose of bringing it to the attention of persons likely to be affected; and
- (b) is copied to all Gas Suppliers in whose licences Section B of the standard conditions is effective, the Consumer Council and the Secretary of State.

25.14 The Authority may set a new termination date on more than one occasion and, where it does so, such part of this condition as may be specified by it will apply as if the termination date was the last new termination date set by the Authority.

## **Condition 26. Services for specific Domestic Customer groups**

### **Customers who are of Pensionable Age, disabled or chronically sick**

- 26.1 If a Domestic Customer who is of Pensionable Age, disabled or chronically sick requests it and it is appropriate and reasonably practicable for the licensee to do so, the licensee must, free of charge:
- (a) agree a password with the customer that can be used by any person acting on the licensee's behalf or on behalf of the Relevant Gas Transporter to enable that customer to identify that person;
  - (b) send each Bill or statement of account in relation to the supply of gas to the customer's premises to any other person that the customer nominates, if that person agrees to receive them;
  - (c) if the customer informs the licensee that no person occupying his premises is able to read the Gas Meter there, arrange to read that meter at least once each quarter and inform the customer of that reading; and
  - (d) if Charges for the Supply of Gas are recovered through a prepayment meter and the customer cannot readily make payments through that meter because of infirmity, arrange to move that meter so that the customer can access it.

### **Blind, partially sighted, deaf or hearing-impaired customers**

- 26.2 When asked to do so by, or by someone acting on behalf of, a blind or partially sighted Domestic Customer, the licensee must, by means that are readily accessible to such customers, provide information free of charge about any Bill or statement of account relating to the supply of gas or any other service provided to the customer by the licensee.
- 26.3 The licensee must provide facilities, free of charge, which enable any Domestic Customer who:
- (a) is blind or partially sighted; or
  - (b) is deaf or hearing-impaired and in possession of appropriate equipment,
- to ask or complain about any Bill or statement of account relating to the supply of gas or any other service provided to that customer by the licensee.

### **Duty to establish Priority Services Register**

- 26.4 The licensee must establish and maintain a Priority Services Register which lists all of the licensee's Domestic Customers who:
- (a) are of Pensionable Age, disabled or chronically sick; and

- (b) have either:
    - (i) asked in person for their name to be added to the Priority Services Register; or
    - (ii) had a person ask on their behalf for their name to be added to it.
- 26.5 When a Domestic Customer's name is added to the Priority Services Register, that customer must be given, free of charge, advice and information on the services that are available to him under paragraphs 26.1 to 26.3 because of his age, disability or chronic sickness.
- 26.6 At least once each year, the licensee must take all reasonable steps to inform each of its Domestic Customers that the Priority Services Register exists and of how Domestic Customers who are of Pensionable Age, disabled or chronically sick may become listed on it.

### **Information to Relevant Gas Transporter**

- 26.7 The licensee must give the Relevant Gas Transporter the following information insofar as it is relevant to the performance of that transporter's obligations under the Gas Transporter Licence:
- (a) details relating to any person who has agreed a password with the licensee, including what that password is; and
  - (b) details of any person registered on the Priority Services Register.

### **Provision of information**

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

## **Condition 27. Payments, Security Deposits and Disconnections**

### **Payment methods under Domestic Supply Contract**

27.1 Where the licensee offers to supply gas to a Domestic Customer under a Domestic Supply Contract under paragraph 2 of standard condition 22 (Duty to offer and supply under Domestic Supply Contract), it must offer the customer a wide choice of payment methods for paying Charges for the Supply of Gas and those methods must include (in each case, for the duration of the contract):

- (a) payment by cash:
  - (i) to a person and at a place that is reasonable in all the circumstances of the case; and
  - (ii) fortnightly or more regularly; and
- (b) payment in advance through a prepayment meter.

27.2 The licensee is not required to comply with paragraph 27.1:

- (a) if a Domestic Customer asks to use a particular payment method for paying Charges for the Supply of Gas and the licensee offers that method to him; or
- (b) if it supplies gas to fewer than 50,000 Domestic Customers or such other number as may from time to time be directed by the Authority.

### **Security Deposits**

27.3 A licensee must not require a Domestic Customer to pay a Security Deposit in relation to the supply of gas to his premises:

- (a) if that customer agrees that the premises may be supplied through a prepayment meter and it is safe and reasonably practicable in all the circumstances of the case for the premises to be so supplied; or
- (b) if it is unreasonable in all the circumstances of the case to require that customer to pay a Security Deposit.

27.4 A Security Deposit must not exceed a reasonable amount.

### **Customers in payment difficulty**

27.5 The licensee must offer each of the services set out in paragraph 27.6 when it becomes aware or has reason to believe that a Domestic Customer is having or will have difficulty paying all or part of the Charges for the Supply of Gas.

27.6 The services referred to in paragraph 27.5 are:

- (a) the facility for a Domestic Customer to pay Charges for the Supply of Gas:
  - (i) by using, where available, a means by which payments may be deducted at source from a social security benefit received by that customer;
  - (ii) by regular instalments calculated in accordance with paragraph 27.8 and paid through a means other than a prepayment meter; and
  - (iii) by using a prepayment meter, where it is safe and reasonably practicable in all the circumstances of the case for the Domestic Customer to do so and where any instalments to be paid are calculated in accordance with paragraph 27.8; and
- (b) the provision of information about how the Domestic Customer could reduce the Charges for the Supply of Gas that he must pay by using the gas supplied to his premises more efficiently.

27.7 If a Domestic Customer, having agreed to make payments for Charges for the Supply of Gas using the service referred to in sub-paragraph 27.6(a)(i), is no longer in receipt of social security benefits from which payments can be deducted at source, the licensee must offer the services referred to in sub-paragraph 27.6(a)(ii) and 27.6(a)(iii).

27.8 The licensee must take all reasonable steps to ascertain the Domestic Customer's ability to pay and must take this into account when calculating instalments, giving due consideration to:

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

### **Disconnection for unpaid charges**

27.9 The licensee must not Disconnect a Domestic Premises at which the Domestic Customer has not paid Charges for the Supply of Gas unless it has first taken all reasonable steps to recover those charges by means of the service referred to in sub-paragraph 27.6(a)(iii).

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

27.11 The licensee must take all reasonable steps to avoid Disconnecting, in Winter, a Domestic Premises at which the Domestic Customer has not paid Charges for the

Supply of Gas if the occupants of the premises include a person who is of Pensionable Age, disabled or chronically sick and to whom paragraph 27.10 does not apply.

### **Provision of information**

27.12 The licensee must:

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

## **Condition 28. Prepayment meters**

### **Information about prepayment meters**

- 28.1 If the licensee offers to enable a Domestic Customer to pay or a Domestic Customer asks to pay Charges for the Supply of Gas through a prepayment meter, the licensee must provide appropriate information to that customer about:
- (a) the advantages and disadvantages of a prepayment meter;
  - (b) where he may obtain information or assistance if:
    - (i) the prepayment meter is not operating effectively; or
    - (ii) any device used to allow the Charges for the Supply of Gas to be paid through the prepayment meter is not operating effectively; and
  - (c) the procedures that the licensee will follow when removing or resetting the prepayment meter, including the timescale and any conditions for removing or resetting it.

### **Resetting of prepayment meters**

- 28.2 Where a Domestic Customer pays Charges for the Supply of Gas through a prepayment meter, the licensee must take all reasonable steps to ensure that the meter is reset within a reasonable period of time:
- (a) after 1 August 2007, if any change has been made to Charges for the Supply of Gas before that date and the meter has not been reset;
  - (b) after any change is made on or after that date to Charges for the Supply of Gas; or
  - (c) if payments are being made by instalments using the meter:
    - (i) after any change is made to the amount due in instalments; or
    - (ii) after instalments are no longer required.

### **Provision of information**

- 28.3 The licensee must:
- (a) prepare a statement that sets out, in plain and intelligible language, its obligations under this condition and includes the information referred to in paragraph 28.1;
  - (b) publish that statement on and make it readily accessible from its Website (if it has one);

- (c) take all reasonable steps to inform each of its Domestic Customers who pay Charges for the Supply of Gas through a prepayment meter, at least once each year, of the statement and how to obtain it; and
- (d) give a copy of the statement on request and free of charge to any person.

## **Condition 29. Gas safety**

### **Arrangements for gas safety checks**

29.1 The licensee must provide a gas safety check, in accordance with the requirements of paragraph 29.3, where the Domestic Customer meets the criteria set out in paragraph 29.2 and:

- (a) lives with others, at least one of whom is under five years old; or
- (b) is of Pensionable Age, disabled or chronically sick and either:
  - (i) lives alone; or
  - (ii) lives with others who are all of Pensionable Age, disabled, chronically sick or under 18.

29.2 The criteria referred to in paragraph 29.1 are that the Domestic Customer:

- (a) does not occupy premises in relation to which a landlord is responsible for arranging a gas safety check under regulations made under the Health and Safety at Work etc Act 1974;
- (b) is in receipt of a means-tested benefit;
- (c) has asked for a gas safety check to be carried out; and
- (d) has not had a gas safety check carried out at the premises in the last 12 months or such longer period as may be directed by the Authority following consultation with the Secretary of State and such other persons as the Authority considers are likely to be affected.

29.3 The requirements referred to in paragraph 29.1 are that gas safety checks must:

- (a) be provided free of charge;
- (b) be carried out by a person who has appropriate expertise;
- (c) include checks on the safety of gas appliances and other gas fittings on the customer's side of the Gas Meter; and
- (d) for a gas appliance, include an examination of:
  - (i) the effectiveness of any flue;
  - (ii) the supply of combustion air;
  - (iii) its operating pressure or heat input or, where necessary, both; and
  - (iv) its operation so as to ensure its safe functioning.

### **Provision of gas safety information**

- 29.4 The licensee must take all reasonable steps to provide, free of charge, the information required by paragraph 29.5 to each Domestic Customer at least once each year and must provide it when requested to do so by a Domestic Customer.
- 29.5 The information referred to in paragraph 29.4 is information sufficient to inform each of the licensee's Domestic Customers about:
- (a) the safe use of gas appliances and other gas fittings;
  - (b) the dangers of carbon monoxide poisoning;
  - (c) the benefits of fitting an audible carbon monoxide alarm that complies with a relevant British or European safety standard;
  - (d) the benefits of gas safety checks; and
  - (e) where to seek advice if gas appliances are condemned as a result of a gas safety check.

### **Provision of information**

- 29.6 The licensee must:
- (a) prepare a statement that sets out, in plain and intelligible language, its obligations under paragraphs 29.1 to 29.3;
  - (b) publish that statement on and make it readily accessible from its Website (if it has one);
  - (c) take all reasonable steps to inform each of its Domestic Customers, at least once each year, of that statement and how to obtain it; and
  - (d) give a copy of that statement on request and free of charge to any person.

## **Condition 30. Supply Point Administration Agreement**

- 30.1 The licensee must be a party to, comply with and maintain the Supply Point Administration Agreement (for this condition only, the “SPAA”).
- 30.2 The licensee must take all reasonable steps to secure and implement, and must not take any unreasonable steps to prevent or delay, any modifications to Industry Documents which are necessary to give full and timely effect to a modification of the SPAA.
- 30.3 Paragraph 30.2 is without prejudice to:
- (a) any right of appeal that the licensee may have in relation to a decision made by the Authority under Industry Documents; and
  - (b) any right of approval, veto or direction that the Authority or the Secretary of State may have in relation to changes to Industry Documents.
- 30.4 The licensee must take all reasonable steps to secure and implement changes to its systems, procedures and processes which are necessary to give full, timely and practical effect to any modification of the SPAA.
- 30.5 The licensee must take all reasonable steps to ensure that the SPAA remains an agreement which:
- (a) is designed to facilitate the achievement of the relevant objectives set out in paragraph 30.6; and
  - (b) includes the matters set out in paragraph 30.7.
- 30.6 The relevant objectives referred to in sub-paragraph 30.5(a) are:
- (a) the development, maintenance and operation of an efficient, coordinated and economical change of supplier process;
  - (b) the furtherance of effective competition between Gas Suppliers and between relevant agents;
  - (c) the promotion of efficiency in the implementation and administration of the supply point administration arrangements; and
  - (d) so far as is consistent with sub-paragraphs (a), (b) and (c), the efficient discharge of the licensee’s obligations under this licence.
- 30.7 The matters referred to in sub-paragraph 30.5(b) are:
- (a) provision for enabling the SPAA to be modified from time to time so as to better facilitate the achievement of the relevant objectives set out in paragraph 30.6;

- (b) provision for enabling parties to the SPAA to appeal against any proposed modification of it to the Authority for determination; and
- (c) provision for a copy of the SPAA and accompanying schedules to be provided to any person on request, upon payment of an amount not exceeding the reasonable costs of making and providing it.

**Standard conditions 31 and 32:  
Domestic Customer information**

## **Condition 31. General information for Domestic Customers**

### **Information about Consumer Council**

31.1 The licensee must inform each of its Domestic Customers:

- (a) that the Consumer Council can assist in resolving complaints that the licensee has not resolved to the Domestic Customer's satisfaction; and
- (b) how to contact the Consumer Council,

by providing that information on or with each Bill or statement of account sent to each Domestic Customer in relation to Charges for the Supply of Gas or annually if the licensee has not sent such a Bill or statement of account to him.

### **Information about efficient use of gas**

31.2 The licensee must maintain:

- (a) information about the efficient use of gas to enable a Domestic Customer to make an informed judgment about measures to improve the efficiency with which he uses the gas supplied to his Domestic Premises; and
- (b) information about sources from which a Domestic Customer may obtain additional information or assistance about measures to improve the efficiency with which he uses the gas supplied to his Domestic Premises, including information:
  - (i) that is publicly available about financial assistance towards the cost of the measures available from government; or
  - (ii) that is available through bodies in receipt of financial assistance from government in connection with measures to promote the efficient use of energy.

31.3 The licensee must provide the information referred to in paragraph 31.2 to a Domestic Customer:

- (a) free of charge if he requests that information;
- (b) by operating a telephone information service that provides that information free of charge; and
- (c) by publishing that information on and making it readily accessible from its Website (if it has one).

### **Information about amount of gas supplied**

- 31.4 If the licensee gives a Bill or statement of account to a Domestic Customer in which Charges for the Supply of Gas are expressed in terms of the Amount of gas supplied, that bill or statement of account must include:
- (a) an explanation of the basis on which the amount is calculated from the quantity of gas supplied; and
  - (b) if, in making the calculation referred to in sub-paragraph (a), an adjustment is made in relation to a Temperature and Pressure Conversion Factor, details of that adjustment.

### **Procedure to deal with complaints**

- 31.5 The licensee must produce a procedure that sets out, in plain and intelligible language, how it will deal with any complaint made by a Domestic Customer about any of its activities relating to the supply of gas and which provides for the award of compensation in the circumstances required by paragraph 7 of standard condition 25 (Marketing gas to Domestic Customers).
- 31.6 The licensee must, in relation to the procedure required by paragraph 31.5:
- (a) publish that procedure on and make it readily accessible from its Website (if it has one);
  - (b) take all reasonable steps to inform each of its Domestic Customers, at least once each year, of the procedure and how to obtain a copy of it; and
  - (c) give a copy of that procedure on request and free of charge to any person.

## **Condition 32. Reporting on performance**

- 32.1 The licensee must provide the Authority and the Consumer Council with information specified by the Authority relating to matters that it reasonably considers are relevant to the licensee's dealings with its Domestic Customers.
- 32.2 The information referred to in paragraph 32.1 may, in particular, include information about:
- (a) the number of the licensee's Domestic Customers using each method of payment for Charges for the Supply of Gas;
  - (b) failures by the licensee's Domestic Customers to pay Charges for the Supply of Gas by the date on which the payment was due;
  - (c) Disconnections carried out by the licensee;
  - (d) the provision by the licensee of gas safety checks and energy efficiency information; and
  - (e) the services offered by the licensee to Domestic Customers on its Priority Services Register and the number of Domestic Customers who are listed on that register.
- 32.3 The information provided by the licensee under paragraph 32.1 must be in the form of a statistical record having such content and being presented in such a format and at such intervals of time as the Authority may from time to time direct following consultation with the licensee and the Consumer Council.

### SCHEDULE 3

#### Correlation Table

This table identifies the provisions of the old standard licence conditions (SLCs) and the corresponding provisions in the new standard conditions.

For the avoidance of doubt, a new standard condition may deal with the same issue as the corresponding old SLC either in whole or in part; and the new standard condition may not necessarily deal with that issue in the same way as the old SLC.

In the second column a dash ("-") indicates that the old provision is not replaced.

OLD STANDARD LICENCE CONDITION (SLC)	NEW STANDARD CONDITION
SLC 1(1)	Conditions 1.1 and 1.2
SLC 1(2)(a)	Condition 1.2
SLC 1(2)(b)	-
SLC 1(2)(c)	Condition 1.2
SLC 1(2)(d)	-
SLC 1(3)	-
SLC 1(4)	Condition 2.1
SLC 1(5)	Condition 2.4.(a)
SLC 1(6)	-
SLC 1(7)	Condition 2.4(b)
SLC 1(8)	Condition 2.5
SLC 1(9)	Condition 2.3
SLC 1(10)	-
SLC 1(11)	Condition 2.6
SLC 1(12)	Condition 1.2
SLC 1(13)	-
SLC 2	Condition 3
SLC 3	-
SLC 4	Conditions 4 and 1.2
SLC 5	-
SLC 6	-
SLC 7	-
SLC 7A(1) and (2)	-
SLC 7A(3) and (4)	Conditions 12.1 to 12.4 and 1.2

<b>OLD STANDARD LICENCE CONDITION (SLC)</b>	<b>NEW STANDARD CONDITION</b>
SLC 8	-
SLC 9	-
SLC 10	-
SLC 11	-
SLC 12	-
SLC 13	-
SLC 14(1) to (4)	Conditions 16.1 to 16.4
SLC 14(5) to (8)	-
SLC 15(1)	Condition 20.1
SLC 15(2)	Condition 20.2
SLC 15(3)	Condition 20.3(a)
SLC 15(4)	Condition 20.4
SLC 16(1), (2) and (5)	Conditions 17.1 to 17.4
SLC 16(3)	Condition 17.13
SLC 16(4)	Condition 17.14
SLC 16(6)	Condition 17.5
SLC 16(7) and (8)	Conditions 17.6 to 17.8
SLC 16(9)	-
SLC 16(10)	Condition 17.12
SLC 16(11)	-
SLC 16(12)	-
SLC 16(13)	Conditions 17.9 to 17.11
SLC 16(14) and (15)	-
SLC 16(16)	-
SLC 17(1)	Conditions 12.8 to 12.11
SLC 17(2)	Conditions 12.12 and 12.13
SLC 17(3)	Condition 12.14
SLC 17(4) and (5)	-
SLC 17(6) to (8)	Conditions 12.5 to 12.7
SLC 17(9)	Conditions 12.15 and 12.16
SLC 17(10) to (14)	-
SLC 17A (1) to (3)	-

<b>OLD STANDARD LICENCE CONDITION (SLC)</b>	<b>NEW STANDARD CONDITION</b>
SLC 17A (4)	Condition 12.17
SLC 18	-
SLC 19	Condition 5
SLC 20	-
SLC 21(1) and (2)	Conditions 20.3(b) and 20.5
SLC 21(3)	Condition 1.2
SLC 21(4)	-
SLC 22	Conditions 6 and 1.2
SLC 22A	Condition 10
SLC 22B	Condition 18
SLC 23	Conditions 19.1 and 1.2
SLC 24, 24A and 24B	Condition 13
SLC 25	Conditions 31.2 and 31.3
SLC 26	Condition 32
SLC 27(1) to (7)(a)	-
SLC 27(7)(b) and (c)	Conditions 13.2, 26.8, 27.12, 28.3, 29.6, 31.3 and 31.6
SLC 27(8) and (9)	-
SLC 28(1)	-
SLC 28(2)	Condition 7.3
SLC 28(3)	Condition 7.4
SLC 28(4)	-
SLC 28(5)	-
SLC 28(6)	Condition 7.8
SLC 28(7)	-
SLC 28(8)	Condition 7.7
SLC 28(9)	Conditions 7.1, 7.5 and 7.6
SLC 28(10)	-
SLC 28(11)	Condition 7.9
SLC 28(12)	Condition 7.10
SLC 29(1) and (2)	Condition 8.1
SLC 29(3)	Condition 8.2
SLC 29(4)	Condition 8.3

<b>OLD STANDARD LICENCE CONDITION (SLC)</b>	<b>NEW STANDARD CONDITION</b>
SLC 29(5)	Condition 8.4
SLC 29(6)	-
SLC 29(7)	Condition 8.5
SLC 29(8) to (10)	-
SLC 29(11)	Condition 8.6
SLC 29(12) to (15)	-
SLC 29(16)	Condition 8.7
SLC 29A	Condition 9
SLC 29B(1)	Condition 7.1
SLC 29B(2)	Condition 7.2
SLC 30	Conditions 14.1 to 14.3
SLC 31	Condition 1.2
SLC 32(1)	Conditions 22.2 and 22.3
SLC 32(2)	-
SLC 32(3)	Condition 22.5
SLC 32(4)	-
SLC 32A(1) and (2)	Condition 19.2
SLC 32A(3) to (6)	-
SLC 33	-
SLC 34(1)	-
SLC 34(2)	Condition 12.18
SLC 34(2A)	Condition 1.2
SLC 34(3) and (4)	-
SLC 34(5) and (6)	Conditions 12.1 to 12.4 and 1.2
SLC 34(7)	-
SLC 34A	Condition 30
SLC 35	Conditions 27.5 to 27.9 and 27.11 and 12
SLC 36	Condition 28
SLC 37(1), (2)(b)(i) to (iv), (vi) to (vii), (3) and (4).	Conditions 26.1 and 26.4 to 26.8
SLC 37(2)(a) and (2)(b)(v)	Condition 29
SLC 37A	Conditions 27.10

<b>OLD STANDARD LICENCE CONDITION (SLC)</b>	<b>NEW STANDARD CONDITION</b>
SLC 38	Conditions 26.2 and 26.3
SLC 39	Conditions 31.5 and 31.6
SLC 40(1) to (3)	-
SLC 40(4)	Condition 31.4
SLC 40(5)	Condition 31.1
SLC 41	-
SLC 42(1)	Condition 1.2
SLC 42(2)	Condition 22.1
SLC 42(3)	Condition 22.4
SLC 42(4)(a), (b) and (c)	-
SLC 42(4)(d)	Condition 22.6
SLC 42(5)	-
SLC 42(6) and (7)	Condition 22.4
SLC 42(8) to (10)	-
SLC 43(1) and (3)	Conditions 27.1 and 27.2
SLC 43(2), (4), (6) and (7)	-
SLC 43(5)	Condition 22.7
SLC 44(1)	Condition 23.1
SLC 44(2), (3) and (5)	-
SLC 44(4)	Condition 23.2
SLC 44(6) and (7)	Conditions 23.3 to 23.7
SLC 45(1)	Condition 27.3
SLC 45(2)	Condition 27.4
SLC 45(3) to (12)	-
SLC 46(1)(a),(2), (3), (4), (5)(a) and (d), (6) and (7)	-
SLC 46(1)(b)	Condition 24.3
SLC 46(5)(b) and (c)	Condition 24.3
SLC 46(8) to (14) and (16)	Conditions 14.1 and 14.4 to 14.8
SLC 46(15)	-
SLC 47(1)	Condition 24.1
SLC 47(2)	Condition 24.2

OLD STANDARD LICENCE CONDITION (SLC)	NEW STANDARD CONDITION
SLC 47(3), 47(4)(b) and (5)	-
SLC 47(4)(a)	Condition 24.5
SLC 48	Condition 25
SLC 48A	-
SLC 49	-
SLC 50	-
SLC 51	-
SLC 52	-
SLC 52A	-
SLC 53	-
SLC 53A	-
SLC 53B	-
SLC 53C	-
SLC 54	-

