

**GAS ACT 1986
SECTION 23(1)(b)**

MODIFICATION PURSUANT TO SECTION 23(1)(b) OF THE GAS ACT 1986 OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCES GRANTED OR TREATED AS GRANTED UNDER SECTION 7A(1) OF THE GAS ACT 1986.

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

WHEREAS:

1. Each of the companies to whom this modification notice 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") gave notice on the 4 February 2010 ("the Notice") that it proposed to make modifications to the standard conditions of the gas supply licence by:

- a. Amending standard condition 1 ("Definitions for standard conditions");
- b. Amending standard condition 14 ("Customer transfer blocking");
- c. Amending standard condition 19A ("Financial information reporting");
- d. Amending standard condition 23 ("Notification of Domestic Supply Contract terms");
- e. Amending standard condition 25 ("Marketing electricity to Domestic Customers"); and
- f. Amending standard condition 31A ("Information about electricity consumption").

The Notice required any objections or representations to the modification to be made on or before 18 March 2010 ("the relevant date").

3. In accordance with section 38A of the Act, the reasons for making the licence modifications are those stated in the following documents:

- a. Ofgem's covering letter for the Notice dated 4 February 2010;
- b. Implementation of the Energy Supply Probe Retail Market Remedies, 19 October 2009;
- c. Energy Supply Probe - Proposed Retail Market Remedies (99/09), 7 August 2009;
- d. Amendment to Energy Supply Probe proposals relating to automatic contract rollover for micro business consumers (68/09), 22 June 2009;
- e. Energy Supply Probe - Proposed Retail Market Remedies (41/09), 15 April 2009;
- f. Energy Supply Probe - Initial Findings Report (140/08), 6 October 2008.

These documents are available free of charge from the Ofgem Research and Information Centre, 9 Millbank, London, SW1P 3GE (020 7901 7003) or from the Ofgem website at www.ofgem.gov.uk.

4. The Authority did not receive a direction from the Secretary of State not to make the proposed licence modifications on or before the relevant date specified in the Notice.

5. On or before the relevant date specified in the Notice, the Authority received a response from ScottishPower which constituted a formal objection from one relevant licence holder. The objection was made in relation to paragraphs 9 and 11 of standard condition 25 of the gas supply licence and was not withdrawn. However, the objection did not trigger either of the relevant minority thresholds (these being 20% of relevant licence holders by number and 20% of relevant licence holders weighted by market share). The objection amounted to less than 5% in terms of relevant licence holders by number and less than 15% of relevant licence holders weighted by market share.

6. Apart from the representations made by ScottishPower in relation to the objection to paragraphs 9 and 11 of standard condition 25 of the gas supply licence, no other representations were received by the Authority. The Authority has carefully considered the representations made by ScottishPower, but has decided to proceed with all the modifications proposed in the Notice without further amendment.

7. 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.

Now therefore

In accordance with the powers contained in section 23(1)(b) of the Act, the Authority hereby modifies the standard conditions for all gas supply licences in the manner specified in the attached schedule with effect on and from 00:00 hours on 4 May 2010.

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 Emma Kelso

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Emma Kelso
Associate Partner, Retail and Market Processes
Duly Authorised on behalf of the Authority 28 April 2010



SCHEDULE

MODIFICATION PURSUANT TO SECTION 23 OF THE GAS ACT 1986 OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCES GRANTED OR TREATED AS GRANTED UNDER SECTION 7A(1) OF THE GAS ACT 1986.

1. Modifications to standard condition 1

In paragraph 1.2, delete the definition of "Marketing Activities", that is the words starting with "Marketing" and ending with "conversation;".

2. Modifications to standard condition 14

The text below which is highlighted by track changes constitutes the modifications to standard condition 14 (insertions are shown by underlined text and deletions are shown by strikethrough text):

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) at the time the licensee receives Notice under the Network Code by way of the Relevant Gas Shipper that another Gas Supplier has applied under the requirements of the Network Code to supply the premises, the licensee's Contract with that customer for the supply of gas to the premises includes a term which:
 - (i) allows the licensee to prevent the Proposed Supplier Transfer; and
 - (ii) may be relied upon in the circumstances arising at that time;
- (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) subject to paragraphs 14.5 and 14.7, if at the time the request is made Outstanding Charges are due to the licensee from that Domestic Customer;
- (b) 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 The licensee may not 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 if the relevant Domestic Customer's Domestic Premises is being supplied with gas through a prepayment meter and:

- (a) the Domestic Customer has agreed with the proposed new Gas Supplier that any Outstanding Charges may be assigned by the licensee in accordance with the Protocol; or
- (b) the licensee, having increased the Charges for the Supply of Gas to the relevant Domestic Premises, has not taken all reasonable steps to reset the relevant prepayment meter within a reasonable period of time after that increase has effect to take account of the increase and

the Outstanding Charges (which may have accumulated over time) relate only to the increase and are equal to all or part of it.

- 14.6 The licensee shall ensure that Outstanding Charges of amounts equal to or less than £200 are capable of being assigned by the licensee to a new Gas Supplier in accordance with the Protocol.
- 14.7 The licensee may not ask or allow the Relevant Gas Shipper to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises in accordance with sub-paragraph 14.4(a) if the licensee knows or has reason to believe that the relevant Outstanding Charges are made up in their entirety of a Disputed Amount and/or a Supplier Error Amount and the operational functioning or management of the licensee's business is such that it is reasonably practicable for the licensee not to ~~make the request~~ ask or allow the Relevant Gas Shipper to prevent a Proposed Supplier Transfer in these circumstances.
- 14.8 If the licensee asks or allows the Relevant Gas Shipper to prevent a Proposed Supplier Transfer in relation to a Domestic Customer at a Domestic Premises in accordance with sub-paragraph 14.4(a) and the licensee subsequently becomes aware that the Outstanding Charges which are relevant to that Domestic Customer are made up in their entirety of a Disputed Amount and/or a Supplier Error Amount, the licensee must, save where the relevant Domestic Customer makes a request in Writing that it should not do so, take such steps as are necessary and within its reasonable control to facilitate the Proposed Supplier Transfer.
- 14.9 If the licensee asks or allows the Relevant Gas Shipper to prevent a Proposed Supplier Transfer of a Domestic Customer, it must give a Notice to that customer as soon as reasonably practicable after making the request:
- (a) to inform him or her:
 - (i) that it has made a request to prevent the transfer;
 - (ii) of the grounds for the request; and
 - (iii) how the customer may dispute or resolve such grounds; and
 - (b) to offer him or her advice (or to give them information on how and where advice may be obtained) concerning:
 - (i) energy efficiency;
 - (ii) debt management; and
 - (iii) alternative Domestic Supply Contracts offered by the licensee which would be available to that Domestic Customer and which may be preferable to their existing Domestic Supply Contract; and
 - (c) to inform him or her that they have 30 Working Days after they receive the Notice to pay any Outstanding Charges where:
 - (i) the Domestic Customer notified the licensee of their intention to end the Domestic Supply Contract following Notice of a unilateral

variation from the licensee under paragraph 3 of standard condition 23; and

- (ii) the Notice of unilateral variation was given either less than 5 working days in advance of the date on which the variation has effect or after the date on which the variation has effect.

14.10 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.

14.11 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.

Definitions for condition

14.12 For the purposes of this condition:

"Disputed Amount" means the amount of any Charges for the Supply of Gas which is the subject of a Genuine Dispute between the licensee and a Domestic Customer.

"Genuine Dispute" means a genuine dispute between the licensee and a Domestic Customer as to whether that Domestic Customer is liable to pay certain Charges for the Supply of Gas which have been demanded of that Domestic Customer by the licensee.

"Supplier Error Amount" means the amount of any Charges for the Supply of Gas which are not Disputed Amounts and which have accumulated as a result of an error on the part of the licensee, its equipment or its systems.

3. Modifications to standard condition 19A

The text below which is highlighted by track changes constitutes the modifications to standard condition 19A (insertions are shown by underlined text and deletions are shown by strikethrough text):

Condition 19A. Financial information reporting

19A.1. The Relevant Licensee must prepare and publish on its Website a Consolidated Segmental Statement in respect of information relating to the revenues, costs and profits of ~~the licensee's~~sits activities in the

generation and supply of electricity and the supply of gas to any premises taking account of the Guidelines.

19A.2. Where applicable, the Relevant Licensee must prepare and publish the Consolidated Segmental Statement referred to in paragraph 19A.1 in conjunction with any Affiliates (the "Relevant Affiliates") which hold any or all of the following:

(a) a supply licence granted or treated as granted under section 6(1)(d) of the Electricity Act 1989;

(b) a generation licence granted or treated as granted under section 6(1)(a) of the Electricity Act 1989;

(c) a supply licence granted or treated as granted under section 7A(1) of the Act.

19A.3. The Relevant Licensee must in conjunction with the Relevant Affiliates prepare and publish a Consolidated Segmental Statement no later than six months after the end of the Relevant Licensee's financial year.

19A.4. The Relevant Licensee may for the purpose of preparing the statement referred to in paragraph 19A.3 prepare and compile the information according to ~~its~~ the licensee's annual accounting procedures. The Relevant Licensee must include in every such statement an explanation:

(a) of how ~~the licensee~~ it defines the terms revenues, cost and profits;

(b) of how the revenues, costs, and profits can be reconciled with ~~the licensee's~~ its UK statutory accounts ~~and where applicable~~ or the consolidated group accounts; and

(c) of ~~the licensee's~~ its transfer pricing methodology and how this relates to the revenues, costs and profit information published.

19A.5. The Relevant Licensee must ensure that all the information prepared and made public pursuant to paragraph 19A.3 is in all material respects consistent with the information prepared pursuant to paragraph 19A.4 and the information is presented with a clear and full explanation.

19A.6. The Authority shall prepare Guidelines in relation to the requirements of this condition and may modify, in whole or in part, the Guidelines following consultation with the Relevant Licensees.

19A.7. For the purposes of this condition:

"Affiliate" ~~in relation to the licensee~~ means any holding company or subsidiary of a holding company of the Relevant Licensee, in each case within the meaning of sections 1159 and 1160 ~~736, 736A and 736B~~ of the Companies Act ~~1985~~ 2006.

"Consolidated Segmental Statement" means a statement as described in the Guidelines.

"Guidelines" mean the document prepared by the Authority pursuant to ~~standard condition~~ paragraph 19A.6 setting out the nature of the

information required and the template for the presentation of the financial information.

“Relevant Licensee” means the holder of a supply licence granted or treated as granted under section 7A(1) of the Act if:

- (a) any of ~~the licensee’s~~ Affiliates holds a generation licence granted or treated as granted under section 6(1)(a) of the Electricity Act 1989; and
- (b) ~~the licensee~~, together with any of its Affiliates, jointly supplies gas to more than 50,000 customers.

4. Modifications to paragraph 23.6(c)(ii) of standard condition 23

The text below which is highlighted by track changes constitutes the modifications to paragraph 23.6(c)(ii) of standard condition 23 (insertions are shown by underlined text and deletions are shown by strikethrough text):

the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends ~~blocking to ask or allow the Relevant Gas Shipper to prevent~~ the Domestic Customer’s Proposed Supplier Transfer.

5. Modifications to standard condition 25

The text below which is highlighted by track changes constitutes the modifications to standard condition 25 (insertions are shown by underlined text):

Condition 25. Marketing gas to Domestic Customers

Objective and obligation to achieve it

25.1 The objective of this licence condition (the “Objective”) is to ensure that:

- (a) all information which the licensee or any Representative provides (whether in Writing, by electronic display or orally) to Domestic Customers in the course of the licensee’s Marketing Activities and/or its Telesales Activities is complete and accurate, is capable of being easily understood by Domestic Customers, does not relate to products which are inappropriate to the Domestic Customer to whom it is directed, does not mislead the Domestic Customer to whom it is directed and is otherwise fair both in terms of its content and in terms of how it is presented (with more important information being given appropriate prominence); and
- (b) the licensee’s Marketing Activities and Telesales Activities and all contact by the licensee or a Representative with, and the behaviour of the licensee and any Representative towards, a Domestic Customer in the course of the licensee’s Marketing Activities and/or Telesales Activities are conducted in a fair, transparent, appropriate and professional manner.

- 25.2 The licensee shall take all reasonable steps:
- (a) to secure the achievement of the Objective; and
 - (b) to avoid doing anything which jeopardises its ability to achieve the Objective.
- 25.3 The steps which the licensee shall take to secure the achievement of the Objective in respect of its Marketing Activities shall include, without limitation, the steps which are detailed at paragraphs 25.5 to 25.16 of this licence condition.
- 25.4 The licensee shall:
- (a) subject to sub-paragraph 25.4(b), comply with paragraph 25.2 with immediate effect; and
 - (b) comply with paragraph 25.3 with effect on and from 18 January 2010.

Selection and training

- 25.5 The licensee shall:
- (a) put in place and follow procedures which are appropriate for the selection of staff or other Representatives who are employed or engaged in roles which involve, might involve or will involve communication with Domestic Customers for the purpose of its Marketing Activities;
 - (b) provide or procure appropriate training for all staff or other Representatives who communicate with Domestic Customers for the purposes of the licensee's Marketing Activities, which training should include, but not be limited to, training about the licensee's obligations insofar as they affect Domestic Customers, including its obligations under this licence condition;
 - (c) take all reasonable steps to ensure that:
 - (i) a Domestic Customer may readily identify the licensee whenever that Domestic Customer is contacted by the licensee or a Representative;
 - (ii) if the Domestic Customer enters into a Domestic Supply Contract with the licensee, that Domestic Customer will readily understand that they have done so; and
 - (iii) any unsolicited contact made by the licensee or a Representative with any Domestic Customer takes place at a reasonable time.

Pre-contract obligations

- 25.6 Where the licensee or any Representative offers to enter into a Domestic Supply Contract with a Domestic Customer in the course of its Marketing Activities, the licensee or Representative must at the time it makes the

offer and before entering into a Domestic Supply Contract with that Domestic Customer:

- (a) provide to that Domestic Customer, in Writing or by means of electronic display, an estimate of the total annual Charges for the Supply of Gas which would be payable by that Domestic Customer under the Offered Domestic Supply Contract; and
- (b) where:
 - (i) the Domestic Customer is, at the time the offer is made, being supplied with gas through a prepayment meter; or
 - (ii) the licensee or a Representative has indicated to a Domestic Customer that the Charges for the Supply of Gas that would be payable under the Offered Domestic Supply Contract are lower than the Charges for the Supply of Gas that are payable under the Domestic Supply Contract pursuant to which the relevant Domestic Customer receives its supply of gas at the time the offer is made,

provide to that Domestic Customer, in Writing or by means of electronic display, a comparison of the Charges for the Supply of Gas that would be payable under the Offered Domestic Supply Contract and the Charges for the Supply of Gas that are payable under the Domestic Supply Contract pursuant to which the relevant Domestic Customer receives their supply of gas at the time the offer is made. Where a Domestic Customer who falls within the scope of sub-paragraph 25.6(b)(i) is unable or unwilling to provide details of the Charges for Supply of Gas that are payable under their existing Domestic Supply Contract, the licensee or Representative shall base any comparison which it is required to provide in accordance with this sub-paragraph on its best estimate of those Charges for the Supply of Gas having regard to any relevant information that is available to the licensee or Representative at the time the comparison is prepared.

25.7 Any estimate provided in accordance with sub-paragraph 25.6(a) must:

- (a) take account of the relevant Domestic Customer's annual consumption or, where the relevant Domestic Customer's annual consumption is not known to, and cannot reasonably be ascertained by, the licensee or Representative, be based on the licensee's or Representative's best estimate of the relevant Domestic Customer's annual consumption having regard to any relevant information that is available to the licensee or Representative at the time the estimate is prepared;
- (b) where it is based on an estimate of the relevant Domestic Customer's annual consumption, clearly set out, in Writing or by means of electronic display, the basis for any such estimated annual consumption; and

- (c) where the licensee or a Representative, when discussing an Offered Domestic Supply Contract with a Domestic Customer, makes any representation concerning the amount of any regular direct debit payment that is to be made in accordance with the Offered Domestic Supply Contract, include a clear explanation of how the proposed regular direct debit payment amounts have been calculated and how those amounts relate to the total annual Charges for the Supply of Gas which the licensee or Representative estimates will be payable under the Offered Domestic Supply Contract.
- 25.8 Any comparison of Charges for the Supply of Gas undertaken in accordance with sub-paragraph 25.6(b) must:
- (a) be undertaken (and explained to the relevant Domestic Customer) on a like for like basis. For these purposes, this will mean that the comparison of Charges for the Supply of Gas must be based on the same time period (which will usually be one year) and the same consumption level (whether based on the relevant Domestic Customer's actual consumption or the licensee's or Representative's best estimate of that consumption); and
 - (b) itemise clearly and explain any other relevant differences between the Offered Domestic Supply Contract and, subject to sub-paragraph 25.6(b), the relevant Domestic Customer's existing Domestic Supply Contract, including any discounts and/or differences in charges associated with different payment methods.
- 25.9 Where the licensee or a Representative provides to a Domestic Customer an estimate and/or a comparison in accordance with paragraph 25.6, the licensee or Representative must, either at the time that it provides the estimate and/or comparison or as soon as reasonably practicable thereafter, provide to the relevant Domestic Customer a Written copy of that estimate and/or comparison, as appropriate, which the Domestic Customer can retain for their records. This obligation does not apply where the Domestic Customer does not subsequently accept or enter into the Domestic Supply Contract to which the estimate and/or comparison relate(s).
- 25.10 Where a Domestic Customer to whom the licensee or any Representative has provided an estimate or a comparison in accordance with this licence condition enters into a Domestic Supply Contract with the licensee, the licensee must maintain a record of the information which it provided to that Domestic Customer concerning that Domestic Supply Contract in accordance with this licence condition for a period of 2 years.

Obligations at time of contract

- 25.11 Where the licensee enters into a Domestic Supply Contract with a Domestic Customer, the licensee or Representative shall, either at the time that the Domestic Supply Contract is entered into or as soon as reasonably practicable thereafter, provide to that Domestic Customer all the information which the licensee or Representative reasonably considers

the Domestic Customer would need having regard to the Objective and the licensee's obligation to secure compliance with the same.

- 25.12 The information which the licensee or Representative shall provide in accordance with paragraph 25.11 shall include but not be limited to:
- (a) a copy of the Domestic Supply Contract (which shall be consistent in all respects with the Offered Domestic Supply Contract) which the licensee and that Domestic Customer have entered into;
 - (b) an explanation of what happens next now that the Domestic Customer has entered into a Domestic Supply Contract;
 - (c) a reminder to that Domestic Customer to check that the product they have signed up to is appropriate for them, including details of where to find impartial advice and information;
 - (d) information about any right for the Domestic Customer to cancel the Domestic Supply Contract; and
 - (e) information about what the Domestic Customer can do if they have any concerns, including details of how Consumer Direct can be contacted.

Contact with Domestic Customers after Contract

25.13 The licensee must comply with the requirements of paragraphs 25.14 and 25.15 where a Domestic Supply Contract has been entered into by a Domestic Customer in the course of:

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

25.14 Where a Domestic Supply Contract is entered into in the circumstances described in paragraph 25.13, the licensee must, within a period of 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 or she has entered into a Domestic Supply Contract;
- (b) understands the Principal Terms of that Domestic Supply Contract;
- (c) is content to have entered into that Domestic Supply Contract;
- (d) has received the estimate and, where appropriate, the comparison required by paragraph 25.6; and
- (e) is content with the information provided by the licensee and/or, as appropriate, a Representative and is otherwise content with the way in which the Marketing Activities of the licensee were conducted.

25.15 Where, in the course of contact as required by paragraph 25.14, the Domestic Customer indicates that he or she 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 relevant Domestic Customer.

Management arrangements

25.16 The licensee must take all reasonable steps to establish management arrangements that facilitate the licensee's compliance with its obligations under this condition, including, as appropriate, steps to ensure that any agents and subcontractors of the licensee establish equivalent arrangements.

Definitions for condition

25.17 For the purposes of this condition:

"Marketing Activities" means any activities of the licensee, that:

(a) take place with the simultaneous physical presence of the licensee or any Representative and a Domestic Customer; and

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

"Objective" has the meaning given to it in paragraph 25.1 of this condition.

"Offered Domestic Supply Contract" means any offer to contract, including the terms of such offer, which the licensee or a Representative makes to a Domestic Customer concerning a supply of gas to that Domestic Customer at Domestic Premises.

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

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

6. Modifications to paragraph 31.A.1 of standard condition 31A

The text below which is highlighted by track changes constitutes the modifications to paragraph 31.A.1 of standard condition 31A (insertions are shown by underlined text and deletions are shown by strikethrough text):

The licensee must provide the information contained in ~~paragraph 31.A.2-~~

- (a) paragraph 31.A.2 on every Bill or statement of account sent to a Domestic Customer; and
- (b) sub-paragraphs 31.A.2(b) and (c) where there is an increase to the Charges for the Supply of Gas, to every Domestic Customer who does not receive a Bill or statement of account at least once in every three months, within 65 Working Days of the date of the Notice of each increase.