To: All holders of a gas transporters licence

NOTICE UNDER SECTION 23(2) OF THE GAS ACT 1986

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 23(2) of the Gas Act 1986 ("the Act") as follows:

- 1. The Authority proposes to modify all gas transporters licences granted or treated as granted under section 7(2) of the Act by amending paragraphs 3(2)(f) to (j) and 5 of Standard Condition 3 (Payments by Licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to:
 - remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it; and
 - ii. to reflect changes to the consumer advocacy services brought about by The Public Bodies (The Office of Fair Trading Transfer of Consumer Advice Scheme Function and Modification of Enforcement Functions) Order 2013.
- 3. The effect of the proposed modifications is to:
 - i. remove any references to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it;
 - ii. replace any references to the "Office of Fair Trading" with "Citizens Advice or Citizens Advice Scotland"; and
 - iii. replace any references to "Consumer Direct" with "any qualifying public consumer advice scheme".
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Condition 3.
- 5. Relevant licence holders for the purposes of this Notice are all holders of a Gas Transporters licence at the relevant time with Standard Condition 3 in force.
- 6. A copy of the proposed modification(s) and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.

9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

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Paul Heseltine Associate Director Finance and Risk Management Duly authorised on behalf of the Gas and Electricity Markets Authority

Schedule to Appendix 1 - Gas Transporters Licence

Standard Condition 3 of each Gas Transporters licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 3: Payments by Licensee to the Authority

2.

- (f) an amount which is the relevant proportion of the estimated costs of the Office of Fair Trading which relate to the expansion of Consumer Direct to enable it to cater for gas and electricity consumers;
- (gf) an amount which is the <u>relevant proportion</u> of the <u>expenses estimated costs</u> of the <u>Citizens Advice or Citizens Advice Scotland Office of Fair Trading</u> on, or in connection with, the support of <u>any qualifying public consumer advice scheme Consumer Direct</u> that the Secretary of State considers is reasonable having regard to the functions exercisable by the National Consumer Council in relation to gas and electricity consumers.
- (hg) an amount that is the relevant proportion of the estimated costs of the Secretary of State during the year in question in respect of
 - (i) payments made by the Secretary of State by virtue of Section 17(7) of the Act (payments relating to meter examiners);
 - (ii) any other costs incurred by the Secretary of State in performing functions conferred by Section 17 of the Act or by gas meter regulations (as defined in Section 92(5) of the Energy Act 2008); and
- (i) an amount which is the relevant proportion of the estimated costs incurred in the previous relevant year by the Competition Commission in connection with any reference made to it with respect to this licence or any other licence granted under the Act or the Electricity Act 1989; and
- $(\frac{jh}{n})$ an amount which is the relevant proportion of the difference (being a positive or negative amount), if any, between:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraphs 2(a) to 2(ig); and
 - (bb) the actual costs of the Authority, the National Consumer Council, and the Secretary of State and the Competition Commission (in connection with references of the type referred to in sub-paragraph 2(i)) for the previous relevant year—or, in the case of the Competition Commission, for the relevant year prior to the previous relevant year.
- 5. In this condition:

"estimated costs"

means costs estimated by the Authority as likely to be or have been:

- (a) the costs of -
 - (i) the Authority calculated in accordance with the principles determined by the authority for the purpose of this condition generally (after consultation with the licensee and others likely to be affected by the application of such principles) and notified to the licensee; and
 - (ii) the National Consumer Council; and
 - (iii) the Secretary of State.; and
- (b) 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;

"relevant proportion"

means the proportion of the costs attributable to the licensee in accordance with the principles determined by the Authority for the purposes of this condition generally (after consultation with the licensee and others likely to be affected by the application of those principles) and notified to the licensee—or, in relation to the costs of the Competition Commission, in accordance with any direction given by the Competition Commission under section 177(3) of the Energy Act 2004 or, in the absence of such direction, in accordance with such principles; and

"relevant year"

means a year beginning on 1 April of each calendar year and ending on 31 March of the following calendar year.

To: All holders of a gas supply licence

NOTICE UNDER SECTION 23(2) OF THE GAS ACT 1986

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 23(2) of the Gas Act 1986 ("the Act") as follows:

- 1. The Authority proposes to modify all gas supply licences granted or treated as granted under section 7A(1) of the Act by amending Standard Conditions 1 (Definitions for standard conditions), 4 (Licensee's payments to Authority), 25 (Marketing gas to Domestic Customers) and 31 (General information for Domestic Customers).
- 2. The reason why the Authority proposes to make this licence modification is to:
 - remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it; and
 - ii. replace any references to "Consumer Direct" with "Citizens Advice consumer service".
- 3. The effect of the proposed modifications is to:
 - i. remove the definitions for "Estimated Costs", "Relevant Proportion" and "Competition Commission" in Standard Condition 1;
 - ii. replace any reference to "Consumer Direct" with "Citizens Advice consumer service" in Standard Conditions 1, 25.12(e) and 31; and
 - iii. remove paragraphs 4.1 to 4.3 of Standard Condition 4. The words "Not used" are to be inserted under the Standard Condition 4 heading (Licensee's payments to Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Conditions 1, 4, 25.12(e) and 31.
- 5. Relevant licence holders for the purposes of this Notice are all holders of a Gas Supply licence at the relevant time with Standard Conditions 1, 4, 25 and/or 31 in force.
- 6. A copy of the proposed modification(s) and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.

- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

.....

Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Schedule to Appendix 2 - Gas Supply Licence

Standard Condition 1, 4, 25 and 31 of each Gas Supply licence are proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 1. Definitions for standard conditions

Competition Commission means the body of that name established by section

45 of the Competition Act 1998;

Consumer Direct means the body of that name which is funded by the

Office of Fair Trading to provide a consumer advice

helpline;

After "Charges for the Supply of Gas" insert:

<u>Citizens Advice consumer service</u> "an online, telephone or face to face service

provided by Citizens Advice or Citizens Advice
Scotland that provides advice in response to
enquiries from individual consumers acting alone or

in groups;"

Estimated Costs 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 Gas Act 1986, such estimate having regard to any views of the Competition

Commission;

Relevant Proportion 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;

Condition 4. Licensee's payments to Authority

Not used.

- 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 25. Marketing gas to Domestic Customers

- 25.12 The information which the licensee or Representative shall provide in accordance with paragraph 25.11 shall include but not be limited to:
 - (e) information about what the Domestic Customer can do if they have any concerns, including details of how Consumer Direct Citizens Advice consumer Service can be contacted.

Condition 31. General information for Domestic Customers

Information about Consumer Direct Citizens Advice consumer service

- 31.1 The licensee must inform each of its Domestic Customers:
 - (a) that Consumer Direct Citizens Advice consumer service can assist in providing information and advice to Domestic Customers; and

To: All holders of a gas shippers licence

NOTICE UNDER SECTION 23(2) OF THE GAS ACT 1986

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 23(2) of the Gas Act 1986 ("the Act") as follows:

- 1. The Authority proposes to modify all gas shipper licences granted or treated as granted under section 7(2) of the Act by amending Standard Condition 2 (Payments by the Licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it.
- 3. The effect of the proposed modifications is to remove paragraphs 1 to 5 of Standard Condition 2. The words "Not used" are to be inserted under the Standard Condition 2 heading (Payment by the Licensee to the Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Condition 2.
- 5. Relevant licence holders for the purposes of this Notice are all holders of a Gas Shippers licence at the relevant time with Standard Condition 2 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Schedule to Appendix 3 - Gas Shippers Licence

Standard Condition 2 of each Gas Shippers licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 2. Payments by the Licensee to the Authority

Not used.

- 1. The licensee shall, at the times stated, pay to the Authority such amounts as are determined by or under this condition.
- 2. In respect of each relevant year at the beginning of which the licensee holds this licence, the licensee shall pay to the Authority the aggregate of:
 - (a) an amount which is the relevant proportion of the estimated costs incurred by the Competition Commission in the previous relevant year in connection with any reference made to it with respect to 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:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraph 2(a); and
 - (bb) the actual costs of the Competition Commission (in connection with references of the type referred to in that sub-paragraph) for the relevant year prior to the previous relevant year.
- 3. The amounts determined in accordance with paragraph 2 shall be paid by the licensee to the Authority in one instalment being due for payment by 31 October in each year, provided that if the Authority has not given notice of the amount of the instalment at least 30 days before the payment date stated above, the licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the licensee (whenever notice is given).
- 4. If the licensee fails to pay the amount determined in accordance with paragraph 2 within 30 days of the payment date determined in accordance with paragraph 3, it shall with effect from that date pay simple interest on that amount at the rate which is from time to time equivalent to the base rate of NatWest Bank plc or, if

there is no such base rate, such base rate as the Authority may designate for the purposes hereof.

5. In this condition:

"estimated costs"

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.

"relevant proportion" means the proportion of the costs attributable to
either the Authority or the licensee in accordance
with any direction given by the Competition
Commission under section 177(3) of the Energy
Act 2004 or, in the absence of such direction,
zero; and.

"relevant year" means a year beginning on 1 April of each

calendar year and ending on 31 March of the

following calendar year.

To: All holders of a gas interconnector licence

NOTICE UNDER SECTION 23(2) OF THE GAS ACT 1986

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 23(2) of the Gas Act 1986 ("the Act") as follows:

- 1. The Authority proposes to modify all gas interconnector licences granted or treated as granted under section 7ZA(1) of the Act by amending Standard Condition 2 (Payments by the licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it.
- 3. The effect of the proposed modifications is to remove paragraphs 1 to 5 of Standard Condition 2. The words "Not used" are to be inserted under the Standard Condition 2 heading (Payments by the licensee to the Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Condition 2.
- 5. Relevant licence holders for the purposes of this Notice are all holders of a Gas Interconnector licence at the relevant time with Standard Condition 2 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Schedule to Appendix 4 - Gas Interconnector Licence

Standard Condition 2 of each Gas Interconnector licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 2. Payments by the licensee to the Authority

Not used.

- 1.—The licensee shall, at the times stated, pay to the Authority such amounts as are determined by or under this condition.
- 2.—In respect of each relevant year at the beginning of which the licensee holds this licensee, the licensee shall pay to the Authority the aggregate of:
 - (a) an amount which is the relevant proportion of the estimated costs incurred by the Competition Commission in the previous relevant year in connection with any reference made to it with respect to the licence or any other licence;
 - (b) an amount that is the relevant proportion of the difference (being a positive or negative amount), if any, between:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraph 2(a); and
 - (bb)the actual costs of the Competition Commission (in connection with that reference) for the relevant year prior to the previous relevant year.
- 3.—The amounts determined in accordance with paragraph 2 shall be paid by the licensee to the Authority in one instalment being due for payment by 31 October in each year, provided that if the Authority has not given notice of the amount of the instalment at least 30 days before the payment date stated above, the licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the licensee (whenever notice is given).
- 4.—When the licensee fails to pay the amount determined in accordance with paragraph 2 within 30 days of the due date set out in paragraph 3, it shall pay simple interest on the amount at the rate which is from time to time equivalent to the base rate of

NatWest Bank plc or, if there is no such base rate, such base rate as the Authority may designate for the purposes hereof.

5.—In this condition:

"estimated costs" means costs estimated by the Authority as

likely to be the costs incurred by the

Competition Commission, such estimate having

regard to the views of the Competition

Commission

"relevant proportion" means the proportion of the costs attributable

to the licensee in accordance with any direction issued by the Competition Commission under section 177(3) of the Energy Act 2004 and otherwise with principles determined by the Authority for the purposes of this condition

generally and notified to the licensee

"relevant year" means a year beginning on 1 April of each

calendar year and ending on 31 March of the

following calendar year

To: All holders of an electricity transmission licence

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 11A(2) of the Electricity Act 1989 ("the Act") as follows:

- 1. The Authority proposes to modify all electricity transmission licences granted or treated as granted under section 6(1)(b) of the Act by amending Standard Condition A4 (Payments by Licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to:
 - i. make clear to whom Standard Condition A4 applies;
 - ii. remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it; and
 - iii. reflect changes to the consumer advocacy services brought about by The Public Bodies (The Office of Fair Trading Transfer of Consumer Advice Scheme Function and Modification of Enforcement Functions) Order 2013.
- 3. The effect of the proposed modifications is to:
 - remove any references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it;
 - ii. replace references to the "Office of Fair Trading" with "Citizens Advice or Citizens Advice Scotland"; and
 - iii. replace any references to "Consumer Direct" with "any qualifying public consumer advice scheme".
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Condition A4.
- 5. Relevant licence holders for the purposes of this Notice are all holders of an electricity transmission licence at the relevant time with Standard Condition A4 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.

- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

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Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Schedule to Appendix 5 - Electricity Transmission licence

Standard Condition A4 of each Electricity Transmission licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition A4: Payments by Licensee to the Authority

- 1. This condition applies where the licensee has been issued with a Section C (system operator standard conditions) Direction which is still in effect.
- 1.2. Where Paragraph 1 applies, 1.2. The licensee shall, at the times stated, pay to the Authority such amounts as are determined by or under this condition.
- 2. 3. In respect of each relevant year at the beginning of which the licensee holds this licence, the licensee shall pay to the Authority the aggregate of:
- (f) an amount which is the relevant proportion of the estimated costs of the Office of Fair Trading which relate to the expansion of Consumer Direct to enable it to cater for gas and electricity consumers;
- (g)(f) an amount which is the relevant proportion of the expenses estimated costs of the Citizens Advice or Citizens Advice Scotland Office of Fair Trading on, or in connection with, the support of any qualifying public consumer advice scheme Consumer Direct that the Secretary of State considers is reasonable having regard to the functions exercisable by the National Consumer Council in relation to gas and electricity consumers;
- $\frac{(h)(g)}{g}$ an amount that is the relevant proportion of the estimated costs of the Secretary of State during the year in question in respect of -
 - (i) payments made by the Secretary of State by virtue of paragraph 4(2) or (2A) of Schedule 7 to the Act (payments relating to meter examiners);
 - (ii) any other costs incurred by the Secretary of State in performing functions conferred by Schedule 7 to the Act or by electricity meter regulations (as defined in section 95(5) of the Energy Act 2008); and
- (i) an amount which is the relevant proportion of the estimated costs incurred in the previous relevant year by the Competition Commission in connection with any reference made to it with respect to this licence or any other licence granted under the Act or the Gas Act 1986; and

- (j)(h)an amount which is the relevant proportion of the difference (being a positive or negative amount), if any, between:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraphs 2(a) to 2(hg); and
 - (bb) the actual costs of the Authority, the National Consumer Councilzand the Secretary of State and the Competition Commission (in connection with references of the type referred to in subparagraph 2(i)) for the previous relevant year or, in the case of the Competition Commission, for the relevant year prior to the previous relevant year.

34.The amounts determined in accordance with paragraph 23 shall be paid by the licensee to the Authority in two instalments, with:

- (b) the first instalment being due for payment by 30 June in each relevant year; and
- (c) the second instalment being due for payment by 31 January in each relevant year

provided that, in each case, if the Authority has not given notice of the amount of the instalment due at least 30 days before the payment date stated above, the licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the licensee (whenever notice is given).

4.5.If the licensee fails to pay the amount determined in accordance with paragraph 23 within 30 days of the payment date determined in accordance with paragraph 34, it shall with effect from that date pay simple interest on that amount at the rate which is from time to time equivalent to the base rate of NatWest Bank plc or, if there is no such base rate, such base rate as the Authority may designate for the purposes hereof.

56 In this condition:

"estimated costs"

means costs estimated by the Authority as likely to be or have been:

- (iii) the Secretary of State :; and
- (b) 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 Gas Act

 1986, such estimate having regard to any

 views of the Competition Commission;

"relevant proportion"

means the proportion of the costs attributable to the licensee in accordance with principles determined by the Authority for the purposes of this condition generally (after consultation with the licensee and others likely to be affected by the application of those principles) and notified to the licensee or, in relation to the costs of the Competition Commission, in accordance with any direction given by the Competition Commission under section 177(3) of the Energy Act 2004 or, in the absence of such direction, in accordance with such principles; and

To: All holders of an electricity supply licence

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 11A(2) of the Electricity Act 1989 ("the Act") as follows:

- 1. The Authority proposes to modify all electricity supply licences granted or treated as granted under section 6(1)(d) of the Act by amending Standard Conditions 1 (Definitions for standard conditions), 4 (Licensee's payments to Authority), 25 (Marketing electricity to Domestic Customers) and 31 (General information for Domestic Customers).
- 2. The reason why the Authority proposes to make these licence modifications is to:
 - remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it; and
 - ii. replace any reference to "Consumer Direct" with "Citizens Advice consumer service".
- 3. The effect of the proposed modifications is to:
 - i. remove the definitions for "Estimated Costs", "Relevant Proportion" and "Competition Commission" in Standard Condition 1;
 - ii. replace any reference to "Consumer Direct" with "Citizens Advice consumer service" in Standard Conditions 1, 25.12(e) and 31; and
 - iii. remove paragraphs 4.1 to 4.3 of Standard Condition 4. The words "Not used" are to be inserted under the Condition 4 heading (Licensee's payments to Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Conditions 1, 4, 25.12(e) and 31.
- 5. Relevant licence holders for the purposes of this Notice are all holders of an electricity supply licence at the relevant time with Standard Condition 1, 4, 25 and/or 31 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.

9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

Paul Heseltine Associate Director Finance and Risk Management Duly authorised on behalf of the Gas and Electricity Markets Authority

Schedule to Appendix 6 - Electricity Supply Licence

Standard Condition 1, 4, 25 and 31 of each Electricity Supply licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 1. Definitions for standard conditions

Competition Commission	<u>means the body of that name established by section</u>
	45 of the Competition Act 1998;
Consumer Direct	means the body of that name which is funded by the
	Office of Fair Trading to provide a consumer advice
	helpline;

After "Charges for the Supply of Electricity" insert:

Citizens Advice consumer service	"an online, telephone or face to face service provided by Citizens Advice or Citizens Advice Scotland that provides advice in response to enquiries from individual consumers acting alone or in groups;"
Estimated Costs	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 Gas Act 1986, such estimate having regard to any views of the Competition Commission;
Relevant Proportion	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;

Condition 4. Licensee's payments to Authority

Not used.

- 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 Gas Act 1986; 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 25. Marketing electricity to Domestic Customers

- 25.12 The information which the licensee or Representative shall provide in accordance with paragraph 25.11 shall include but not be limited to:
 - (e) information about what the Domestic Customer can do if they have any concerns, including details of how Consumer Direct—Citizens Advice consumer service can be contacted.

Condition 31. General information for Domestic Customers

Information about Consumer Direct Citizens Advice consumer service

- 31.1 The licensee must inform each of its Domestic Customers:
 - (a) that Consumer Direct Citizens Advice consumer service can assist in providing information and advice to Domestic Customers; and

To: All holders of an electricity generation licence

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 11A(2) of the Electricity Act 1989 ("the Act") as follows:

- 1. The Authority proposes to modify all electricity generation licences granted or treated as granted under section 6(1)(a) of the Act by amending Standard Condition 4 (Payments by the Licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it.
- 3. The effect of the proposed modification is to remove paragraphs 1 to 5 of Standard Condition 4. The words "Not used" are to be inserted under the Standard Condition 4 heading (Payments by the Licensee to the Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Conditions 4.
- 5. Relevant licence holders for the purposes of this Notice are all holders of electricity generation licences at the relevant time with Standard Condition 4 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

20 December 2012

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Schedule to Appendix 7 - Electricity Generation Licence

Standard Condition 4 of each Electricity Generation licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 4. Payments by the Licensee to the Authority

Not used.

- 1. The licensee shall, at the times stated, pay to the Authority such amounts as are determined by or under this condition.
- 2. In respect of each relevant year at the beginning of which the licensee holds this licensee, the licensee shall pay to the Authority the aggregate of:
 - (a) an amount which is the relevant proportion of the estimated costs incurred by the Competition Commission in the previous relevant year in connection with any reference made to it with respect to this licence or any other licence granted under the Act or the Gas Act 1986; and
 - (b) an amount which is the relevant proportion of the difference (being a positive or negative amount), if any, between:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraph 2(a); and
 - (bb) the actual costs of the Competition Commission (in connection with references of the type mentioned in that sub-paragraph) for the relevant year prior to the previous relevant year.
- 3. The amounts determined in accordance with paragraph 2 shall be paid by the licensee to the Authority in one instalment being due for payment by 31 October in each year, provided that if the Authority has not given notice of the amount of the instalment at least 30 days before the payment date stated above, the licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the licensee (whenever notice is given).
- 4. If the licensee fails to pay the amount determined in accordance with paragraph 2 within 30 days of the payment date determined in accordance with paragraph 3, it shall with effect from that payment date pay simple interest on that amount at the rate which is from time to time equivalent to the base rate of NatWest Bank plc or,

if there is no such base rate, such base rate as the Authority may designate for the purposes hereof.

5. In this condition:

"estimated costs"

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 under the
Gas Act 1986, such estimate having regard to
any views of the Competition Commission.

"relevant properties"

means the properties of the costs attributable to

"relevant proportion" 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; and

"relevant year" means a year beginning on 1 April of each

calendar year and ending on 31 March of the
following calendar year.

To: All holders of an electricity distribution licence

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 11A(2) of the Electricity Act 1989 ("the Act") as follows:

- 1. The Authority proposes to modify all electricity distribution licences granted or treated as granted under section 6(1)(c) of the Act by amending Standard Condition 1 (Definitions for standard conditions) and 5 (Licensee's payments to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to:
 - remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it; and
 - ii. to reflect changes to the consumer advocacy services brought about by The Public Bodies (The Office of Fair Trading Transfer of Consumer Advice Scheme Function and Modification of Enforcement Functions) Order 2013.
- 3. The effect of the proposed modifications is to:
 - i. remove the definition of "Competition Commission" in Standard Condition1;
 - ii. remove any references to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it;
 - iii. replace any references to the "Office of Fair Trading" with "Citizens Advice or Citizens Advice Scotland"; and
 - iv. replace references to "Consumer Direct" with "any qualifying public consumer advice scheme".
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Conditions 1 and 5.
- 5. Relevant licence holders for the purposes of this Notice are all holders of Electricity Distribution licences at the relevant time with Standard Conditions 1 and/or 5 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.

9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

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Paul Heseltine Associate Director Finance and Risk Management Duly authorised on behalf of the Gas and Electricity Markets Authority

Schedule to Appendix 8 - Electricity Distribution Licence

Standard Conditions 1 and 5 of each Electricity Distribution licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 1. Definitions for standard conditions

<u>Competition Commission</u> means the body of that name established by section 45 of the Competition Act 1998;

Condition 5. Licensee's payments to the Authority

Determination of amounts

- 5.1 In respect of each Regulatory Year at the beginning of which the licensee holds this licence, the licensee must pay to the Authority the total of:
 - (f) an amount which is the Relevant Proportion of the Estimated Costs of the Office of Fair Trading which relate to the expansion of Consumer Direct to enable it to cater for gas and electricity consumers;
 - (gf) an amount which is the Relevant Proportion of the expenses Estimated Costs of the Office of Fair Trading on, or in connection with, the support of Citizens Advice or Citizens Advice Scotland on, or in connection with, the support of any qualifying consumer advice scheme Consumer Direct that the Secretary of State considers is reasonable having regard to the functions exercisable by the National Consumer Council in relation to gas and electricity consumers;
 - (hg) an amount that is the Relevant Proportion of the Estimated Costs of the Secretary of State during the year in question in respect of
 - (i) payments made by the Secretary of State by virtue of paragraph 4(2) or (2A) of Schedule 7 the Act (payments relating to meter examiners);
 - (ii) any other costs incurred by the Secretary of State in performing functions conferred by Schedule 7 to the Act or by electricity meter regulations (as defined in section 95(5) of the Energy Act 2008); and
 - (i) an amount which is the Relevant Proportion of the Estimated Costs incurred by the Competition Commission in the previous Regulatory Year in connection with any reference made to it with respect to this licence or any other licence granted under the Act or the Gas Act 1986; and
 - (jh) 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 Regulatory Year under sub-paragraphs (a) to (ig); and
 - (ii) the actual costs of the Authority, the National Consumer Council, and the Secretary of State and the Commission (in connection with references of the type referred to in sub-paragraph (i)) for the previous Regulatory Year. or, in the case of the Competition

Commission, for the Regulatory Year prior to the previous Regulatory Year.

Interpretation

5.5 For the purposes of this condition:

Estimated Costs means costs estimated by the Authority (after taking account, in

the case of sub-paragraph (c), of any views of the Competition Commission) as likely to be or likely to have been:

- (b) the costs of the National Consumer Council; and
- (c) the costs of the Secretary of State.; and
- (d) 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 Gas Act 1986.

Relevant Proportion means the proportion of the costs that are attributable to the licensee:

- (a) in accordance with principles that the Authority has determined for the purposes of this condition generally (after consulting the licensee and others likely to be affected by the application of such principles) and has notified to the licensee.; or
- (b) in relation to the costs of the Competition Commission, in accordance with any direction given by the Competition Commission under section 177(3) of the Energy Act 2004 (or, in the absence of such a direction in accordance with the principles referred to in sub-paragraph (a)).

To: All holders of an electricity interconnector licence

NOTICE UNDER SECTION 11A(2) OF THE ELECTRICITY ACT 1989

The Gas and Electricity Markets Authority ("the Authority") hereby gives notice pursuant to section 11A(2) of the Electricity Act 1989 ("the Act") as follows:

- 1. The Authority proposes to modify all electricity interconnector licences granted or treated as granted under section 6(1)(e) of the Act by amending Standard Condition 2 (Payments by the licensee to the Authority).
- 2. The reason why the Authority proposes to make this licence modification is to remove any obsolete references relating to the payment to the Authority of the costs incurred by the Competition Commission in connection with any reference made to it.
- 3. The effect of the proposed modification is to remove paragraphs 1 to 5 of Standard Condition 2. The words "Not used" are to be inserted under the Standard Condition 2 heading (Payments by the licensee to the Authority).
- 4. The attached Schedule to this Notice sets out the proposed modifications to Standard Condition 2.
- 5. Relevant licence holders for the purposes of this Notice are all holders of electricity generation licences at the relevant time with Standard Condition 2 in force.
- 6. A copy of the proposed modification and other documents referred to in this notice are available on the Ofgem website (www.ofgem.gov.uk).
- 7. Any representations on the proposed licence modifications may be made on or before 23 January 2013 to: Paul Heseltine, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to paul.heseltine@ofgem.gov.uk.
- 8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.
- 9. If the Authority decides to make the proposed modification it will take effect 56 days after the decision is published.

Paul Heseltine
Associate Director Finance and Risk Management
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Schedule to Appendix 9 - Electricity Interconnector Licence

Standard Condition 2 of each Electricity Interconnector licence is proposed to be modified in the manner set out in this Schedule. The proposed insertions are shown underlined and the proposed deletions are crossed through.

Condition 2. Payments by the licensee to the Authority

Not used.

- 1.—The licensee shall, at the times stated, pay to the Authority such amounts as are determined by or under this condition.
- 2.—In respect of each relevant year at the beginning of which the licensee holds this licensee, the licensee shall pay to the Authority the aggregate of:
 - 10. an amount which is the relevant proportion of the estimated costs incurred by the Competition Commission in the previous relevant year in connection with any reference made to it with respect to the licence or any other licence;
 - 11. an amount that is the relevant proportion of the difference (being a positive or negative amount), if any, between:
 - (aa) any costs estimated by the Authority in the previous relevant year under sub-paragraph 2(a); and
 - (bb) the actual costs of the Competition Commission (in connection with that reference) for the relevant year prior to the previous relevant year.
- 3.—The amounts determined in accordance with paragraph 2 shall be paid by the licensee to the Authority in one instalment being due for payment by 31 October in each year, provided that if the Authority has not given notice of the amount of the instalment at least 30 days before the payment date stated above, the licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the licensee (whenever notice is given).

4.—When the licensee fails to pay the amount determined in accordance with paragraph 2 within 30 days of the due date set out in paragraph 3, it shall pay simple interest on the amount at the rate which is from time to time equivalent to the base rate of NatWest Bank plc or, if there is no such base rate, such base rate as the Authority may designate for the purposes hereof.

5.—In this condition:

"estimated costs" means costs estimated by the Authority as

likely to be the costs incurred by the

Competition Commission, such estimate having

regard to the views of the Competition

Commission

"relevant proportion" means the proportion of the costs attributable

to the licensee in accordance with any direction issued by the Competition Commission under section 177(3) of the Energy Act 2004 and otherwise with principles determined by the Authority for the purposes of this condition

generally and notified to the licensee

"relevant year" means a year beginning on 1 April of each

calendar year and ending on 31 March of the

following calendar year