

**To: All holders of a gas supply licence who are in respect of any one or more modification relevant licence holders for the purposes of section 23(10) of the Gas Act 1986.**

**NOTICE OF PROPOSED MODIFICATIONS PURSUANT TO SECTION 23 OF THE GAS ACT 1986 OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCE GRANTED OR TREATED AS GRANTED UNDER SECTION 7A(1) OF THE GAS ACT 1986.**

WHEREAS:

1. Each of the companies to whom this 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(2), (3) and (4) of the Act, the Gas and Electricity Markets Authority (the "Authority") gives notice ("Notice") that it proposes to modify the standard conditions of the gas supply licence by:
  - (a) modifying standard condition 1;
  - (b) modifying standard condition 2;
  - (c) modifying standard condition 7;
  - (d) inserting standard condition 22A. Unit Rate and Standing Charge requirements;
  - (e) inserting standard condition 22B. restrictions on Tariff numbers and Tariff simplification;
  - (f) inserting standard condition 22C. Fixed Term Supply Contracts;
  - (g) inserting standard condition 22CA. transitional provisions for standard condition 22C covering end of fixed term notices and rollovers;
  - (h) inserting standard condition 22CB. transitional provisions for certain existing Fixed Term Supply Contracts;
  - (i) inserting standard condition 22D. Dead Tariffs;
  - (j) modifying standard condition 23;
  - (k) inserting standard condition 23A. mutual variations;
  - (l) modifying standard condition 24;
  - (m) modifying standard condition 31A;
  - (n) inserting standard condition 31B. Tariff Information Label;
  - (o) inserting standard condition 31C. Tariff Comparison Rate;

(p) inserting standard condition 31D. Temporary provisions for White Label Tariffs; and

(q) inserting standard condition 31E. overarching requirements.

3. Subject to responses to the statutory consultation, in the event that the Authority decides to proceed with the modifications, it is intended that the modifications will take effect on the following dates (which in the event that the Authority ultimately decides to make the licence modifications, will all be dates which are at least 56 days after the date on which the Authority's decision is published):

<b>Modifications</b>	<b>Date</b>
Standard condition 1: all new definitions (except the definitions of "Alternative Cheapest Tariff" and "Relevant Cheapest Tariff") and amendments to existing definitions (except the amendments to the definition of "Termination Fee").	A date which is 56 days after the date on which the Authority's decision is published.
Standard condition 1: amendments to the definition of "Termination Fee".	31 December 2013
Standard condition 1: new definition "Relevant Cheapest Tariff" for the purposes of standard condition 22D only.	A date which is 56 days after the date on which the Authority's decision is published.
Standard condition 1: new definition "Relevant Cheapest Tariff" for all other purposes.	31 March 2014
Standard condition 1: new definition "Alternative Cheapest Tariff" for the purposes of standard condition 22D only.	A date which is 56 days after the date on which the Authority's decision is published.
Standard condition 1: new definition "Alternative Cheapest Tariff" for all other purposes.	31 March 2014
Amendments to standard condition 2 (insertion of new paragraph 2.5A).	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to standard condition 7 (insertion of new paragraphs 7.6A, 7.6B, 7.11, 7.12, 7.13, and 7.14, including new subheadings).	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22A for the purposes of new standard condition 22D only.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22A for all other purposes.	31 December 2013

New standard condition 22B for the purposes of new standard condition 22D only.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22B for all other purposes.	31 December 2013
New standard condition 22C.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22CA.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22CB.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22D (except the subheading "Annual reassessment of Dead Tariffs", paragraph 22D.7, paragraph 22D.8 and the definitions of "Annual Assessment Period" and "Completion Date" in paragraph 22D.21.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 22D: the subheading "Annual reassessment of Dead Tariffs", paragraph 22D.7, paragraph 22D.8 and the definitions of "Annual Assessment Period" and "Completion Date" in paragraph 22D.21.	31 March 2015
Amendments to paragraph 23.1 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.2 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.3 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to subheading "Notification of unilateral variation" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.3A of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.3B of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.4 of standard condition 23.	31 March 2014
New subheading "Dual Fuel Accounts" in	31 March 2014

standard condition 23.	
New paragraph 23.4A of standard condition 23.	31 March 2014
New subheading "Charges to be displayed inclusive of value added tax" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.4B of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.5 of standard condition 23.	31 March 2014
New paragraph 23.5A of standard condition 23.	31 March 2014
New paragraph 23.5B of standard condition 23.	31 March 2014
Amendments to paragraph 23.6 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New subheading "Exception to compliance with condition" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.8 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New subheading "Terms of Domestic Supply Contracts" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.9 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.9A of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to paragraph 23.10 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New subheading "Prescriptive format requirements" in standard condition 23.	31 March 2014
New paragraph 23.11 of standard condition 23.	31 March 2014
New subheading "Guidance" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.12 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New subheading "Definitions for condition" in standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New paragraph 23.13 of standard condition 23.	A date which is 56 days after the date on which the Authority's decision is published.
New Schedules 1 and 2 of standard condition 23.	31 March 2014

New standard condition 23A.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to standard condition 24.	A date which is 56 days after the date on which the Authority's decision is published.
Amendments to standard condition 31A.	31 March 2014
New standard condition 31B.	31 December 2013
New standard condition 31C for the purposes of new standard condition 22D only.	A date which is 56 days after the date on which the Authority's decision is published
New standard condition 31C for all other purposes.	31 December 2013
New standard condition 31D.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the heading "Standard condition 31E. overarching requirements".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Additional rules for Relevant Cheapest Tariff and Alternative Cheapest Tariff information" for the purposes of standard condition 22D.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Additional rules for Relevant Cheapest Tariff and Alternative Cheapest Tariff information" for all other purposes.	31 March 2014
New standard condition 31E: paragraphs 31E.1 to 31E.5 for the purposes of standard condition 22D.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraphs 31E.1 to 31E.5 for all other purposes.	31 March 2014
New standard condition 31E: the sub-heading "Plain and intelligible language and presentation requirements".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.6.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Overarching requirement to refer to Estimated Annual Costs as "Personal Projection"".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.7.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms".	A date which is 56 days after the date on which the Authority's decision is published.

New standard condition 31E: paragraph 31E.8 for the purposes of standard condition 22D.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.8 for all other purposes.	31 March 2014
New standard condition 31E: the sub-heading "Provision of information about things included in Estimated Annual Costs".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.9.	
New standard condition 31E: the sub-heading "Provision of information regarding inclusion or exclusion of value added tax".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.10.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Provision of information regarding future increases in charges"	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.11.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Provision of information regarding Opt-out Bundles"	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.12 for the purposes of standard condition 22D.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.12 for all other purposes.	31 March 2014
New standard condition 31E: the sub-heading "Guidance".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.13.	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: the sub-heading "Exception to compliance with condition".	A date which is 56 days after the date on which the Authority's decision is published.
New standard condition 31E: paragraph 31E.14.	A date which is 56 days after the date on which the Authority's decision is published.

4. The reasons why the Authority proposes these modifications have been published by the Authority in the following documents:

- (a) The Retail Market Review – Statutory consultation on the RMR domestic proposals (95a/13), 20 June 2013;
- (b) The Retail Market Review – Final domestic proposals (40/13), 27 March 2013;
- (c) The Retail Market Review – Final Impact Assessment for domestic proposals (40/13), 27 March 2013;
- (d) The Retail Market Review – Updated domestic proposals (135/12), 26 October 2012;
- (e) The Retail Market Review: Domestic Proposals (166/11), 1 December 2011;
- (f) The Retail Market Review – Findings and Initial Proposals (34/11), 21 March 2011;

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](http://www.ofgem.gov.uk).

5. The effects of the proposed licence modifications are described in the documents referred to in paragraph 4 of this Notice and, in particular, the following documents:

- (a) The Retail Market Review – Statutory consultation on the RMR domestic proposals (95a/13), 20 June 2013; and
- (b) The Retail Market Review – Final domestic proposals (40/13), 27 March 2013.

6. Relevant licence holders for the purposes of this Notice are all holders of a gas supply licence granted, or treated as granted, pursuant to section 7A(1) of the Act.

7. The envisaged text for the proposed modifications is set out in the schedule to this Notice.

8. Any representations on the proposed modifications may be made on or before 23 July 2013 and sent to:

David Hunt  
Ofgem  
9 Millbank  
London SW1P 3GE  
Or by email to [rmr@ofgem.gov.uk](mailto:rmr@ofgem.gov.uk)

9. 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.

A handwritten signature in blue ink, appearing to read 'M. Frerk', is located in the top left corner of the page.

**20 June 2013**

**Maxine Frerk  
Partner Retail Markets & Research  
Ofgem**

**Authorised on behalf of the Authority**



## **SCHEDULE**

### **NOTICE OF PROPOSED MODIFICATIONS PURSUANT TO SECTION 23 OF THE GAS ACT 1986 OF THE STANDARD CONDITIONS OF THE GAS SUPPLY LICENCE GRANTED OR TREATED AS GRANTED UNDER SECTION 7A(1) OF THE GAS ACT 1986.**

<b>SCHEDULE CONTENTS</b>
1. Amendments and additions to definitions in standard condition 1
2. Amendments to standard condition 2
3. Amendments to standard condition 7
4. New standard condition 22A. Unit Rate and Standing Charge requirements
5. New standard condition 22B. restrictions on Tariff numbers and Tariff simplification
6. New standard condition 22C. Fixed Term Supply Contracts
7. New standard condition 22CA. transitional provisions for standard condition 22C covering end of fixed term notices and rollovers
8. New standard condition 22CB. transitional provisions for certain existing Fixed Term Supply Contracts
9. New standard condition 22D. Dead Tariffs
10. Amendments to standard condition 23
11. New standard condition 23A. mutual variations
12. Amendments to standard condition 24
13. Amendments to standard condition 31A
14. New standard condition 31B. Tariff Information Label
15. New standard condition 31C. Tariff Comparison Rate
16. New standard condition 31D. Temporary provisions for White Label Tariffs
17. New Standard condition 31E. overarching requirements

# 1. Amendments and additions to definitions in standard condition 1

## A. Amendments to existing definitions

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 1 (insertions are shown by underlined text in red and deletions are shown by strikethrough text):

**Principal Terms** means, in respect of any form of Contract or Deemed Contract, the terms that relate to:

(a) Charges for the Supply of Gas;

(aa) where the licensee is relying on sub-paragraph 22C.11(a) of standard condition 22C or sub-paragraph 23.8(a) of standard condition 23, the method by which Charges for the Supply of Gas fluctuate automatically;

(ab) where the licensee is relying on sub-paragraph 22C.11(b) of standard condition 22C or sub-paragraph 23.8(b) of standard condition 23, the precise variations to the Charges for the Supply of Gas;

(b) any requirement to pay Charges for the Supply of Gas through a Prepayment Meter;

(ba) in relation to a Domestic Supply Contract, any Credit Limiting which applies, including the Credit Limit;

(c) any requirement for a Security Deposit;

(d) the duration of the Contract or Deemed Contract (including, but not limited to, the duration of any fixed term periods and any arrangements for renewing or extending the duration of the Contract or any fixed term periods);

(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,

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;

**Charges for the Supply of Gas** 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 (but not limited to) any Unit Rate (or, where applicable, Unit Rates), a Standing Charge (or, where applicable, Standing Charges) and any charges made for the provision of an Gas Meter;

**Holding Company** means a holding company within the meaning of sections ~~736, 736A and 736B of the Companies Act 1985~~ 1159 and 1160 of the Companies Act 2006;

**Subsidiary** means a subsidiary within the meaning of sections ~~736, 736A and 736B of the Companies Act 1985~~ 1159 and 1160 of the Companies Act 2006;

**Termination Fee** 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 and/or any sum of money or other reward (whether financial or not) which would have been provided to a Customer if he continued to be supplied under a particular Domestic Supply Contract for a particular period of time and might not be provided to that Customer solely because that Domestic Supply Contract has ended before that period of time has elapsed;

## **B. Insertion of new definitions in standard condition 1:**

The text below which is highlighted by track changes constitutes the envisaged modifications to paragraph 1.2 of standard condition 1 (insertions are shown by text in red, excluding pictures which are shown in black text but underlined in red):

**Account Management Arrangement** means:

- (a) where the Domestic Customer is subject to Offline Account Management, Offline Account Management; or
- (b) where the Domestic Customer is subject to Online Account Management, Online Account Management;

**"Affiliate"** means, in relation to a Gas Supplier, any holding company or subsidiary or subsidiary undertaking of a holding company of the licensee, in each case within the meaning of the Companies Act 2006;

**Affiliate Gas Licensee** means any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which holds a gas supply licence granted or treated as granted pursuant to section 7A(1) of the Gas Act 1986;

**Affiliate Licensee** means any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which holds a gas supply licence granted or treated as granted pursuant to section 7A(1) of the Gas Act 1986 and/or an electricity supply licence granted or treated as granted pursuant to section 6(1)(d) of the Electricity Act 1989;

**Alternative Cheapest Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;
- (b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;
- (c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with any Gas Meter which could be installed at the Domestic Customer's premises; and
- (d) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs;

**Annual Consumption Details** means:

- (a) where the Domestic Customer has held their Domestic Supply Contract for at least 12 months and the licensee has obtained actual meter readings (including meter readings provided by the Domestic Customer and accepted by the licensee in accordance with standard condition 21B) which can reasonably be considered to cover the whole of that 12 month period, the quantity of gas which was treated as consumed at the Domestic Customer's Domestic Premises during the previous 12 months on the basis of those meter readings; or
- (b) where the Domestic Customer has held their Domestic Supply Contract for:

- (i) less than 12 months; or
- (ii) at least 12 months and the licensee has not obtained actual meter readings (including meter readings provided by the Domestic Customer and accepted by the licensee in accordance with standard condition 21B) which can reasonably be considered to cover the whole of that 12 month period,

the licensee's best estimate of the quantity of gas that the Domestic Customer may be expected to consume during a 12 month period having regard to any relevant information that is available to the licensee or which the licensee could otherwise have reasonably ascertained (including any actual meter readings that have been obtained and which cover part of the previous 12 months);

**Annual Statement** is to be interpreted in accordance with standard condition 31A;

**Assumed Dual Fuel Discount** means the total monetary amount of a Dual Fuel Discount divided by two;

**Bundled Product** means a Tied Bundle, Opt-in Bundle or Opt-out Bundle;

**Category A Metering Arrangement** means using a Gas Meter on the basis of contractual arrangements whereby the Domestic Customer is required to pay for the Charges for the Supply of Gas on the basis of a single Unit Rate;

**Category B Metering Arrangement** means using a Gas Meter on the basis of any contractual arrangement whereby the Domestic Customer is required to pay for the Charges for the Supply of Gas on the basis of Time of Use Rates;

**Closed Fixed Term Tariff** means a Tariff in respect of a Fixed Term Supply Contract which is no longer capable of being entered into by any Domestic Customer or Domestic Customers;

**Compensation Payment** means any payment made by the licensee (including any voluntary payment) to a specific Domestic Customer in accordance with any customer service, complaint handling or redress arrangements which:

- (a) in the case of a payment which is required by the Authority, any legislation, licence conditions, formal redress arrangement, or by the courts, is the payment which the licensee is required to provide; and
- (b) in all other cases, is a payment which is made solely on the basis of a specific issue which:
  - (i) relates to customer service, complaint handling or redress; and
  - (ii) specifically affects the Domestic Customer to whom the payment is made;

**Consumption-Based Bundle Charge** means the charge for any Relevant Bundle that is accrued on a p/kWh basis;

**Consumption-Based Discount** means any Discount Amount that is accrued on a p/kWh basis;

**Contingent Discount** means a Discount which is not a Non-Contingent Discount and includes a Termination Fee;

**Core Tariff** means, subject to the matters which may be excluded by virtue of Schedule 1 to standard condition 22B, the Charges for the Supply of Gas combined with all other terms and conditions that apply, or are in any way linked, to a particular type of Domestic Supply Contract or particular type of Deemed Contract;

**Dead Tariff** means a Tariff in respect of an Evergreen Supply Contract which is not a Live Evergreen Tariff;

**Disadvantageous Unilateral Variation** is to be interpreted in accordance with paragraph 23.3 of standard condition 23;

**Discount** means (excluding a Compensation Payment, an Outstanding Charges Discount, a Payment Difficulty Discount, and a Warm Home Discount) any form of payment, saving, rebate, benefit or reward (whether financial or otherwise) which is in any way linked or otherwise relates to a Domestic Supply Contract or Deemed Contract (and, for the avoidance of doubt, includes goods and services provided to a Domestic Customer free of charge or at a reduced charge);

**Discount Amounts** means the combined total annual amount of the following:

- (a) (where applicable) an Assumed Dual Fuel Discount;
- (b) (where applicable) an Online Account Management Discount; and
- (c) (where permitted by standard condition 22B) each applicable Non-Contingent Discount;

**Dual Fuel Account** means where:

- (a) the licensee supplies a Domestic Customer with gas; and
- (b) the licensee or an Affiliate Licensee ("the Relevant Affiliate") also supplies that Domestic Customer with electricity under an Electricity Supply Licence; and
- (c) that Domestic Customer is treated by the licensee, and where applicable, the Relevant Affiliate, as being supplied under a single account for both the supply of electricity and gas;

**Dual Fuel Discount** means a Discount which complies with standard licence condition 22B and which the licensee may apply to a Tariff on the basis that the Same Domestic Customer is supplied with both electricity and gas from the licensee or the licensee and an Affiliate Licensee at the same Domestic Premises;

**Electricity Supply Licence** means an electricity supply licence granted or treated as granted under section 6(1)(d) of the Electricity Act 1989;

**Energy Discount** means a Discount which is a monetary amount of a precise financial value and which is applied directly to a Unit Rate or a Standing Charge;

**Estimated Annual Costs** means the total amount in pounds sterling (inclusive of value added tax) based on the following calculation (or a mathematical equivalent):

$$\text{Estimated Annual Costs} = \frac{(SC.365) + (UR.AC) + (B1.AC) - (D1.AC)}{100} + (B2) - (D2)$$

Where:

**DSCon** means a Domestic Supply Contract or Deemed Contract;

**SC** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Relevant Standing Charge that applies to the DSCon ( $SC_i$ ), expressed in pence per day, multiplied by the period of time in days for which it will apply ( $t_i$ ) during the following 365 days, divided by 365;

$$SC = \sum_i \frac{SC_i \cdot t_i}{365}, \quad \text{with } \sum_i t_i = 365$$

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- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii), divided by 365:

- (i) the sum of: each Relevant Standing Charge that applies to the DSCon ( $SC_i^C$ ), expressed in pence per day, multiplied by the period of time in days for which it will apply during the remaining duration of the contract ( $t_i^C$ );
- (ii) the sum of: each Relevant Standing Charge that would apply under the Relevant Cheapest Evergreen Tariff for the Domestic Customer ( $SC_j^{RCE}$ ), expressed in pence per day, multiplied by the period of time in days for which it will apply during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of the calculation ( $t_j^{RCE}$ );

$$SC = \sum_i \frac{SC_i^C \cdot t_i^C}{365} + \sum_j \frac{SC_j^{RCE} \cdot t_j^{RCE}}{365}, \quad \text{with } \sum_i t_i^C + \sum_j t_j^{RCE} = 365$$

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**UR** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Relevant Unit Rate ( $UR_i$ ) that applies to the DSCon over the next 365 days from the date of calculation, expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details that Relevant Unit Rate will apply to (or to which the licensee reasonably considers that Relevant Unit Rate will apply), having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_i$ );

$$UR = \sum_i UR_i \cdot C_i, \quad \text{with } \sum_i C_i = 100\%$$

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- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii):

- (i) the sum of: each Relevant Unit Rate that applies to the DSCon ( $UR_i^C$ ), expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details that Relevant Unit Rate will apply to (or to which the licensee reasonably considers that Relevant Unit Rate will apply) during the remaining duration of the DSCon, having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_i^C$ );
- (ii) the sum of: each Relevant Unit Rate that would apply under the Relevant Cheapest Evergreen Tariff for the Domestic Customer ( $UR_j^{RCE}$ ), expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details that Relevant Unit Rate will apply to (or to which the licensee reasonably considers that Relevant Unit Rate will apply) during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of calculation, having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_j^{RCE}$ );

$$UR = \sum_i UR_i^C \cdot C_i^C + \sum_j UR_j^{RCE} \cdot C_j^{RCE}, \quad \text{with } \sum_i C_i^C + \sum_j C_j^{RCE} = 100\%$$

**AC** means the Domestic Customer's Annual Consumption Details;

**B1** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Consumption-Based Tied Bundle Charge ( $B_i$ ) that applies to the DSCon over the next 365 days from the date of calculation, expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the charge will apply to (or to which the licensee reasonably considers the charges will apply), having regard to Intra-Day consumption levels and Seasonal Consumption Levels, where applicable ( $C_i$ );

$$B1 = \sum_i B_i \cdot C_i, \quad \text{with } \sum_i C_i = 100\%$$

- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii):
  - (i) the sum of: each Consumption-Based Tied Bundle Charge ( $B_i^C$ ), expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the charge will apply to (or to which the licensee reasonably considers the charge will apply) during the remaining duration of the DSCon, having regard to Intra-Day Consumption Levels, and Seasonal Consumption Levels, where applicable ( $C_i^C$ );
  - (ii) the sum of: each Consumption-Based Tied Bundle Charge that applies to the Relevant Cheapest Evergreen Tariff for



the Domestic Customer ( $B_j^{RCE}$ ), expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the charge will apply to (or to which the licensee reasonably considers the charge will apply to) during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of the calculation, having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_j^{RCE}$ );

$$B1 = \sum_i B_i^C \cdot C_i^C + \sum_j B_j^{RCE} \cdot C_j^{RCE}, \quad \text{with } \sum_i C_i^C + \sum_j C_j^{RCE} = 100\%$$


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**D1** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Consumption-Based Discount ( $D_i$ ) that applies to the DSCon over the next 365 days from the date of calculation, expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the discount will apply to (or which the licensee reasonably considers the discount will apply to), having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_i$ );

$$D1 = \sum_i D_i \cdot C_i, \quad \text{with } \sum_i C_i = 100\%$$


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- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii):

- (i) the sum of: each Consumption-Based Discount ( $D_i^C$ ), expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the discount will apply to (or to which the licensee reasonably considers the discount will apply) during the remaining duration of the DSCon, having regard to Intra-Day Consumption Levels, and Seasonal Consumption Levels, where applicable ( $C_i^C$ );
- (ii) the sum of: each Consumption-Based Discount ( $D_j^{RCE}$ ) that applies to the Relevant Cheapest Evergreen Tariff for the Domestic Customer, expressed in pence per kWh, multiplied by the percentage of the Domestic Customer's Annual Consumption Details the discount will apply to (or to which the licensee reasonably considers the discount will apply) during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of the calculation, having regard to Intra-Day Consumption Levels and Seasonal Consumption Levels, where applicable ( $C_j^{RCE}$ );

$$D1 = \sum_i D_i^C \cdot C_i^C + \sum_j D_j^{RCE} \cdot C_j^{RCE}, \quad \text{with } \sum_i C_i^C + \sum_j C_j^{RCE} = 100\%$$


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**B2** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Time-Based Bundle Charge ( $B_i$ ), expressed in pounds sterling per day, multiplied by the period of time in days during the next 365 days for which the charge will apply ( $t_i$ );

$$\underline{B2 = \sum_i B_i \cdot t_i, \quad \text{with } \sum_i t_i = 365}$$

- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii):

- (i) the sum of: each Time-Based Bundle Charge ( $B_i^C$ ), expressed in pounds sterling per day, multiplied by the period of time in days for which it will apply during the remaining duration of the contract ( $t_i^C$ );
- (ii) the sum of: each Time-Based Bundle Charge that applies to the Relevant Cheapest Evergreen Tariff for the Domestic Customer ( $B_j^{RCE}$ ), expressed in pounds sterling per day, multiplied by the period of time in days for which it will apply during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of calculation ( $t_j^{RCE}$ );

$$\underline{B2 = \sum_i B_i^C \cdot t_i^C + \sum_j B_j^{RCE} \cdot t_j^{RCE}, \quad \text{with } \sum_i t_i^C + \sum_j t_j^{RCE} = 365}$$

**D2** means:

- (a) In the case of a DSCon with 365 or more days remaining from the date of calculation, the sum of: each Time-Based Discount ( $D_i$ ), expressed in pounds sterling per day, multiplied by the period of time in days during the next 365 days for which it will apply ( $t_i$ );

$$\underline{D2 = \sum_i D_i \cdot t_i, \quad \text{with } \sum_i t_i = 365}$$

- (b) In the case of a DSCon with fewer than 365 days remaining from the date of calculation, the combined total of (i) and (ii):

- (i) the sum of: each Time-Based Discount ( $D_i^C$ ), expressed in pounds sterling per day, multiplied by the period of time in days for which it will apply during the remaining duration of the contract ( $t_i^C$ );
- (ii) the sum of: each Time-Based Discount that applies to the Relevant Cheapest Evergreen Tariff for the Domestic Customer ( $D_i^{RCE}$ ), expressed in pounds sterling per day, multiplied by the period of time in days for which it will

apply during the period between the end of the DSCon and the 365<sup>th</sup> day from the date of calculation ( $t_j^{RCE}$ );

$$D2 = \sum_i D_i^C \cdot t_i^C + \sum_j D_j^{RCE} \cdot t_j^{RCE}, \quad \text{with } \sum_i t_i^C + \sum_j t_j^{RCE} = 365$$


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**Estimated Annual Savings** means:

- (a) in the case of a Relevant Cheapest Tariff, the difference between the Estimated Annual Costs which apply to the Relevant Cheapest Tariff and the Domestic Customer's Estimated Annual Costs; and
- (b) in the case of an Alternative Cheapest Tariff, the difference between the Estimated Annual Costs which apply to the Alternative Cheapest Tariff and the Domestic Customer's Estimated Annual Costs;

**Evergreen Supply Contract** means a Domestic Supply Contract (or, where applicable, part of a Domestic Supply Contract) which is for a period of an indefinite length and which does not contain a fixed term period that applies to any of the terms and conditions of that Domestic Supply Contract;

**Exact Payment Method** means the exact name used by the licensee to describe the payment method that applies to a particular Tariff (which must include a description of the characteristics of the payment method and, where applicable, the frequency of the payment method);

**Exact Tariff Name** means the full and exact name used by the licensee to describe and promote a particular Tariff;

**Excluded Staggered Charging Tariff** means a Staggered Charging Tariff which:

- (a) is of less than one year in duration; or
- (b) has a duration which is not 12 months, 24 months or such other multiple of a period of 12 months; or
- (c) includes any precise variations to the Charges for the Supply of Gas which do not only occur once every 12 months (or any other period which is a multiple of a period of 12 months) as from the date the first set of Charges for the Supply of Gas apply to the Fixed Term Supply Contract;

**Features** means the main characteristics of a Bundled Product or Reward Points Discount:

(a) including, but not limited to:

- (i) the quantity of points for Reward Point Discounts or quantity of something provided as part of a Bundled Product;
- (ii) requirements as to the contingent behaviour of the Domestic Customer; and

(b) excluding:

- (i) any applicable charges; and

(ii) the nature or type of Bundled Product or Reward Points Discount;

**Fixed Term Supply Contract** means a Domestic Supply Contract (or, where applicable, part of a Domestic Supply Contract) with a fixed term period that applies to any of the terms and conditions of that Domestic Supply Contract;

**Green Supply** means a Tariff that is promoted primarily on the basis of its association with renewable energy sources or climate change mitigation;

**Intra-Day Consumption Levels** means the different consumption levels for different periods of time within a day;

**Live Evergreen Tariff** means one Tariff in respect of an Evergreen Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariff is available;

**Live Evergreen Tariffs** means one or more Tariffs in respect of an Evergreen Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariffs are available;

**Live Fixed Term Tariff** means a Tariff in respect of a Fixed Term Supply Contract which continues to be capable of being entered into by all Domestic Customers in the Region in which the Tariff is available;

**Non-Contingent Discount** means, excluding a Dual Fuel Discount and an Online Account Management Discount, an Energy Discount that applies to a Core Tariff and which is not dependent on any of the following:

(a) the occurrence of an event or period of time;

(b) the actions or omissions of a Domestic Customer after they have entered into a Domestic Supply Contract;

**Non-Energy Product** means any goods and/or services that could not reasonably be considered as being directly related to the supply of gas and or electricity to premises;

**Non-Time of Use Tariff** means a Tariff which is not a Time of Use Tariff;

**Offline Account Management** means any account management arrangement which is not Online Account Management;

**Ofgem Consumption Details** means the medium or other consumption value specified in directions which the Authority may issue and may from time to time revise;

**Online Account Management** means any arrangement whereby a Domestic Customer does not receive a paper version of a Bill or statement of account and would need to access the internet and use a computer or communication device;

**Online Account Management Discount** means a Discount which complies with standard licence condition 22B and which the licensee may apply to a Tariff on the basis that the Domestic Customer is subject to Online Account Management;

**Optional Bundle** means an Opt-in Bundle or an Opt-out Bundle;

**Opt-in Bundle** means one or more a Non-Energy Products (which may include a choice from a selection of Non-Energy Products) that ~~is~~ are not combined with a Core Tariff, but which the Domestic Customer can choose to receive as a package;

**Opt-out Bundle** means one or more a Non-Energy Products (which may include a choice from a selection of Non-Energy Products) that ~~is~~ are combined with a Core Tariff, but which the Domestic Customer can choose not to receive;

**Optional Reward Points Discount** means an Opt-in Reward Points Discount or an Opt-out Reward Points Discount;

**Opt-in Reward Points Discount** means one or more Reward Points Discounts (which may include a choice from a selection of Reward Points Discounts) that are not combined with a Core Tariff, but which the Domestic Customer can choose to receive;

**Opt-out Reward Points Discount** means one or more Reward Points Discounts (which may include a choice from a selection of Reward Points Discounts) that are combined with a Core Tariff, but which the Domestic Customer can choose not to receive;

**Other Outstanding Charges** means the amount of any charges for goods and/or services (other than Charges for the Supply of Gas) which are due to the licensee from a Domestic Customer, have been demanded of that Domestic Customer by the licensee in Writing at least 28 days previously and remain unpaid;

**Outstanding Charges Discount** means any form of reduction, saving, or write-off provided by the licensee in respect of a specific Domestic Customer (including a Domestic Customer whose identity is unknown) on the basis that the Domestic Customer has Outstanding Charges and/or Other Outstanding Charges;

**Payment Difficulty Discount** means any form of reduction, saving, or write-off provided by the licensee in respect of a specific Domestic Customer on the basis that paragraph 27.5 of standard condition 27 applies in respect of that Domestic Customer;

**Region** means any location within Great Britain;

**Relevant Bundles** means the applicable Tied Bundle including a Tied Bundle which constitutes a Discount, but excluding:

(a) a Tied Bundle which does not require reoccurring payments to be made by the Domestic Customer; and

(b) a Tied Bundle which involves a monetary amount which is subject to sub-paragraph 22B.25(b) of standard condition 22B;

**Relevant Cheapest Evergreen Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff for an Evergreen Supply Contract available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on ~~their~~:

(a) their Estimated Annual Costs applied in respect of the cheapest Tariff for an Evergreen Supply Contract, rather than the Tariff the Domestic Customer is currently subject to;

(b) their current payment method;

(c) their current Relevant Meter Type;

(d) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff for an Evergreen Supply Contract compatible with the Prepayment Meter installed at the Domestic Customer's premises; and

(e) their Account Management Arrangement;

**Relevant Cheapest Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensee) for that Domestic Customer based on:

(a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;

(b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;

(c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with the Prepayment Meter installed at the Domestic Customer's premises;

(d) their Account Management Arrangement;

(e) where the Domestic Customer is subject to an Evergreen Supply Contract, an Evergreen Supply Contract;

(f) where the Domestic Customer is subject to a Fixed Term Supply Contract, a Fixed Term Supply Contract; and

(g) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs;

**Relevant Meter Type** means using an Gas Meter on the basis of only one of the following contractual arrangements:

(a) a Category A Metering Arrangement; or

(b) a Category B Metering Arrangement;

**Relevant Person** excludes any Supplier or any person acting in the capacity of an employee of any Supplier;

**Relevant Standing Charges** means:

(a) where the licensee has publicly announced an increase or decrease in the Charges for the Supply of Gas, the Standing Charge (or, where applicable, the Standing Charges) that will apply to the specific Domestic Supply Contract (or, where applicable, Deemed Contract) after that increase or decrease is scheduled to take effect; or

(b) in any other case, the Standing Charge (or, where applicable, the Standing Charges) that applies to the specific Domestic Supply Contract (or, where applicable, Deemed Contract);

**Relevant Unit Rates** means:

(a) where the licensee has publicly announced an increase or decrease in the Charges for the Supply of Gas, the Unit Rate or (where applicable) Unit Rates that will apply to the specific Domestic Supply Contract (or, where applicable, Deemed Contract) after that increase or decrease is scheduled to take effect; or

(b) in any other case, the Unit Rate or (where applicable) Unit Rates that currently apply to the specific Domestic Supply Contract (or, where applicable, Deemed Contract);

**Reward Points Discount** means a Discount which:

(a) is not pounds sterling or a currency of any other country; and

(b) only provides for a points system whereby points are awarded to Domestic Customers which can ultimately be redeemed in exchange for a range of goods or services (or as part payment towards goods or services);

**Same Domestic Customer** means a Domestic Customer which, following all reasonable steps being taking by the licensee, can reasonably be identified as being the same person which is supplied with both electricity and gas from the licensee or the licensee and an Affiliate Licensee at the same Domestic Premises;

**Seasonal Consumption Levels** means the different consumption levels for different periods of time within a 365-day period;

**Staggered Charging Tariff** means a Tariff for a Fixed Term Supply Contract which, in accordance with sub-paragraph 22C.11(b) of standard condition 22C or sub-paragraph 23.8(b) of standard condition 23, has precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion;

**Standing Charge** means a monetary amount (which may be zero) that is continuously chargeable to a Customer on a daily basis and which is chargeable in addition to charges arising on the basis of a Unit Rate;

**Supplier** means any person authorised to supply gas and/or electricity by virtue of a Gas Supply Licence and/or an Electricity Supply Licence;

**Tariff** means the Charges for the Supply of Gas combined with all other terms and conditions that apply, or are in any way linked, to a particular type of Domestic Supply Contract or particular type of Deemed Contract;

**Tariff Comparison Rate** means the total amount in pence per kWh (expressed to two decimal places and inclusive of value added tax) based on the following calculation (or a mathematical equivalent):

$$\text{Tariff Comparison Rate} = ((\text{SC} \times 365) + (\text{UR} \times \text{OCD}) + (\text{B1} \times \text{OCD}) - (\text{D1} \times \text{OCD}) + (\text{B2}) - (\text{D2}))/\text{OCD}$$

Where:

**DSCon** means a Domestic Supply Contract or Deemed Contract;

**SC** means the sum of: each Relevant Standing Charge ( $SC_i$ ), expressed in pence per day, that applies to the DSCon multiplied by the number of days for which it

will apply during the duration of the DSCon ( $t_i$ ), divided by the duration of the DSCon in days ( $T$ );

$$SC = \sum_i \frac{SC_i \cdot t_i}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

**UR** means the sum of: each Relevant Unit Rate ( $UR_i$ ), expressed in pence per kWh, that applies to the DSCon multiplied by the number of days for which it will apply during the duration of the DSCon ( $t_i$ ), divided by the duration of the DSCon in days ( $T$ );

$$UR = \sum_i \frac{UR_i \cdot t_i}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

**OCD** means the Ofgem Consumption Details;

**B1** means the sum of: each Consumption-Based Bundle Charge that applies to the DSCon ( $B_i$ ), expressed in pence per kWh, multiplied by the number of days for which it will apply during the duration of the DSCon ( $t_i$ ), divided by the duration of the DSCon in days ( $T$ );

$$B1 = \sum_i \frac{B_i \cdot t_i}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

**D1** means the sum of: each Consumption-Based Discount that applies to the DSCon ( $D_i$ ), expressed in pence per kWh, multiplied by the number of days for which it will apply during the duration of the DSCon ( $t_i$ ), divided by the duration of the DSCon in days ( $T$ );

$$D1 = \sum_i \frac{D_i \cdot t_i}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

**B2** means the sum of: each Time-Based Bundle Charge that applies to the DSCon ( $B_i$ ), expressed in pence per day, multiplied by the number of days for which it will apply during the duration of the DSCon ( $t_i$ ), multiplied by 365, divided by the duration of the DSCon in days ( $T$ );

$$B2 = \sum_i \frac{B_i \cdot t_i \cdot 365}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

**D2** means the sum of: each Time-Based Discount that applies to the DSCon ( $D_i$ ), expressed in pence per day, multiplied by the number of days for which it will apply during the duration of the DSCon ( $t_i$ ), multiplied by 365, divided by the duration of the DSCon in days ( $T$ );



$$D2 = \sum_i \frac{D_i \cdot t_i \cdot 365}{T},$$

with  $T, \sum_i t_i = 365$  in the case of an Evergreen Supply Contract

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**Tariff Information Label** has the meaning given in standard condition 31B;

**Tariff Name** means, excluding a prefix or suffix used to refer to a brand name, any name used by the licensee (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees) to describe, advertise or promote a Core Tariff;

**Tariff Type** includes, but is not limited to, the following features of the Tariff:

- (a) whether the Charges for the Supply of Gas are fixed or variable; and
- (b) whether the Tariff is for Green Supply;

**Tied Bundle** means a Non-Energy Product that is combined with a Core Tariff and which the Domestic Customer has to receive;

**Tied Reward Points Discount** means a Reward Points Discount that is combined with a Core Tariff and which the Domestic Customer has to receive;

**Time-Based Bundle Charge** means the charge for any Relevant Bundle that is accrued on a daily basis;

**Time-Based Discount** means any Discount Amount that is accrued on a daily basis;

**Time Period** means one period of time (of any description) which applies to Time of Use Rates;

**Time of Use Rates** means any contractual arrangement whereby:

- (a) the Charges for the Supply of Gas include two or more Unit Rates in circumstances where no more than one Unit Rate applies to any given period of time and no Unit Rates vary by the level of consumption; and
- (b) the Charges for the Supply of Gas do not include any other Unit Rate or Unit Rates;

**Time of Use Tariff** means a Tariff whereby the Charges for the Supply of Gas include two or more Unit Rates in circumstances where no more than one Unit Rate applies to any given period of time and no Unit Rates vary by the level of consumption;

**Unit Rate** means the monetary amount that is chargeable in respect of each unit of gas consumed;

**Warm Home Discount** means a monetary amount provided by the licensee pursuant to regulations made under section 11 of the Energy Act 2010;

## **2. Amendments to standard condition 2**

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 2 (insertions are shown by underlined text in red):

2.5A Unless the context or a standard condition otherwise requires,

(a) words and expressions referencing the masculine gender include the feminine;

(b) words and expressions referencing the feminine gender include the masculine;

(c) words and expressions in the singular include the plural and words and expressions in the plural include the singular.

### **3. Amendments to standard condition 7**

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 7 (insertions are shown by underlined text in red):

7.6A A Deemed Contract must not:

(a) provide for any fixed term period;

(b) provide for any Termination Fee; or

(c) subject to sub-paragraph 5(d), require a Customer to give any form of notice before they are able to change supplier.

7.6B In relation to any Customer which is subject to a Deemed Contract, the licensee must not, and must ensure that its staff and any Representative does not, inform that Customer that they are:

(a) required to pay a Termination Fee;

(b) subject to a fixed term period; or

(c) subject to sub-paragraph 5(d), are required to give any form of notice before they are able to change supplier.

#### **Terms of Deemed Contracts**

7.11 The licensee must ensure that the terms and conditions of each Deemed Contract comply with the provisions of standard condition 7.

7.12 The licensee must ensure that each Deemed Contract contains terms and conditions which reflect the effect of the provisions of standard condition 7.

7.13 The licensee must not enforce or take advantage of any term of a Deemed Contract if:

(a) the inclusion of that term is incompatible with standard condition 7; or

(b) the enforcement or the taking advantage of that term would be so incompatible.

#### **Guidance**

7.14 The licensee must have regard to any guidance on standard condition 7 (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

## 4. Insertion of new standard condition 22A

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22A in the standard conditions of the gas supply licence:

### **Standard condition 22A. Unit Rate and Standing Charge requirements**

22A.1 The licensee must only:

- (a) offer to supply a Domestic Customer on the basis of a Domestic Supply Contract which complies with standard condition 22A; and
- (b) supply a Domestic Customer on the basis of a Domestic Supply Contract or a Deemed Contract which complies with standard condition 22A.

22A.2 In respect of supplying gas to a Domestic Customer under a Deemed Contract or Domestic Supply Contract, the licensee must ensure that all Charges for Supply Activities are incorporated within:

- (a) where the Domestic Supply Contract or Deemed Contract is for a Non-Time of Use Tariff:
  - (i) a single Standing Charge; and/or
  - (ii) a single Unit Rate; and
- (b) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff:
  - (i) a single Standing Charge; and/or
  - (ii) Time of Use Rates.

22A.3 In relation to any Domestic Supply Contract and any Deemed Contract the licensee must ensure that:

- (a) unless the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff, the Charges for the Supply of Gas:
  - (i) include a single Standing Charge;
  - (ii) include a single Unit Rate; and
  - (iii) do not include any other Unit Rate or Unit Rates;
- (b) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff, the Charges for the Supply of Gas:
  - (i) include a single Standing Charge;
  - (ii) include Time of Use Rates; and
  - (iii) do not include any other Unit Rate or Unit Rates;

(c) without prejudice to the Tariff Comparison Rate, when the licensee or any Representative displays or communicates the Charges for the Supply of Gas in any form each of the following are separately identified from each other and any other charges:

(i) a Standing Charge;

(ii) the Unit Rate or, where applicable, Time of Use Rates.

### **Exception to compliance with condition**

22A.4 The licensee is not required to comply with standard condition 22A to such extent and subject to such conditions as the Authority may from time to time direct.

### **Guidance**

22A.5 The licensee must have regard to any guidance on standard condition 22A (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Terms of Domestic Supply Contracts and Deemed Contracts**

22A.6 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of standard condition 22A.

22A.7 The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

(a) paragraph 22A.2 of standard condition 22A; and

(b) any provisions of standard condition 22A specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22A.8 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract or Deemed Contract if:

(a) the inclusion of that term is incompatible with standard condition 22A; or

(b) the enforcement or the taking advantage of that term would be so incompatible.

### **Definitions for condition**

22A.9 In this condition:

**“Charges for Supply Activities”** means, excluding Separate Charges, a Security Deposit, a Dual Fuel Discount and an Online Account Management Discount, any charges or costs relating to activities that could reasonably be considered as being directly related to the supply of gas to premises, including (but not limited) to:

(a) Customer billing;

(b) meter reading;

(c) data processing;

- (d) the provision of a Gas Meter; and
- (e) the transportation and shipping of gas.

**“Separate Charges”** means (in so far as they are compatible with any relevant provisions of legislation, law or other licence conditions):

- (a) charges levied on particular occasions in respect of matters related to the licensee’s statutory powers to Disconnect premises;
- (b) charges levied on particular occasions in relation to the licensee’s statutory powers in respect of rights of entry to premises;
- (c) charges levied on particular occasions in respect of:
  - (i) removing, inspecting (rather than meter reading), re-installing, testing, installing, or repairing a meter; or
  - (ii) changing the position of a meter installed at premises;
- (d) charges levied on particular occasions in respect of making of a connection between premises and a main of a Gas Transporter;
- (e) a Termination Fee levied on a particular occasion;
- (f) fees or charges levied on particular occasions in respect of, or related to, the late payment of Bills;
- (g) charges levied on particular occasions in respect of providing replacement prepayment meter cards;
- (h) charges levied on particular occasions in respect of providing additional copies of any documentation to a Domestic Customer;
- (i) charges that may be levied on a Domestic Customer from their telephone provider in respect of telephone calls;
- (j) any charges which are expressly required by any licence condition or legislation; and
- (k) charges levied on particular occasions in respect of any matters specified in directions which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise.

## 5. Insertion of new standard condition 22B

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22B in the standard conditions of the gas supply licence:

### **Standard condition 22B. restrictions on Tariff numbers and Tariff simplification**

22B.1 For the purposes of this condition (and any provisions inserted in this condition by virtue of standard condition 31D), where there are any Affiliate Gas Licensees, the licensee and all Affiliate Gas Licensees are treated as one licensee.

22B.2 The licensee must ensure that at all times all of their Domestic Supply Contracts and Deemed Contracts collectively comply with the following requirements:

(a) the licensee must only supply Domestic Premises on the basis of one of the following arrangements at any time:

(i) any Category A Metering Arrangement; or

(ii) any Category B Metering Arrangement.

(b) subject to paragraph 22B.2C, in any Region, the licensee must ensure that no more than four of its Core Tariffs are available to a Domestic Customer at any time in relation to:

(i) any Category A Metering Arrangement; and

(ii) any Category B Metering Arrangement.

(c) in any Region, the licensee must not use more than one Tariff Name for each Core Tariff at any time;

22B.2A For the purposes of 22B.2(b) the expression “available to” is to be read as including (but is not necessarily limited to) circumstances where a Domestic Customer is able to enter into a Domestic Supply Contract for, or be supplied on the basis of, a Core Tariff.

22B.2B For the purposes of this condition the expression “use” is to be read as including (but is not necessarily limited to) circumstances where a Domestic Customer is:

(a) able to enter into a contract for something;

(b) offered something; or

(c) provided with something.

22B.2C Sub-paragraph 22B.2(b) does not:

(a) apply to a Tariff for a Fixed Term Supply Contract once it becomes a Closed Fixed Term Tariff;

(b) apply to a Collective Switching Tariff;

- (c) apply to a Dead Tariff which complies with standard condition 22D; and
- (d) limit or otherwise affect the licensee's obligations under paragraphs 27.1 and 27.2 of standard condition 27 in respect of offering a wide choice of payment methods.

### **Prohibition of certain Discounts**

22B.3 Paragraph 22B.4 is without prejudice to paragraphs 22B.5 to 22B.29, and 22B.34.  
22B.4 The licensee must not use any Discount which is:

- (a) pounds sterling or any currency of any other country;
- (b) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;
- (c) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and
- (d) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer.

### **Treatment of Dual Fuel Discounts**

22B.5 The licensee must ensure that any Dual Fuel Discount is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer a Dual Fuel Discount) offered and available with all the licensee's Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (d) of the same monetary amount throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24, only presented as a monetary amount in pounds sterling per year.

### **Treatment of Online Account Management Discounts**

22B.6 The licensee must ensure that any Online Account Management Discount is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer an Online Account Management Discount) offered and available with all the licensee's Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;



- (d) of the same monetary amount throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24, only presented as a monetary amount in pounds sterling per year.

### **Treatment of adjustments for payment methods**

22B.7 The licensee must ensure that any differences in the Charges for Supply of Gas as between payment methods:

- (a) comply with standard condition 27;
- (b) are applied in the same way to all Domestic Customers with the same payment method;
- (c) are subject to the same terms and conditions and are of the same monetary amount throughout Great Britain for the same payment method in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs; and
- (d) are fully incorporated in:
  - (i) where the Domestic Supply Contract or Deemed Contract is for a Non-Time of Use Tariff, the Unit Rate or the Standing Charge; and
  - (ii) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff, any or all of the Time of Use Rates or the Standing Charge.

### **Treatment of Bundled Products**

22B.8 Paragraphs 22B.9 to 22B.16 apply to all Bundled Products (including Bundled Products which constitute a Discount) but not a Reward Points Discount.

22B.9 The licensee must not use any Bundled Product (including a Bundled Product which constitutes a Discount) which does not comply with paragraphs 22B.10 to 22B.16.

22B.10 For the purposes of paragraphs 22B.12, 22B.14 and 22B.15, a Bundled Product (including a Bundled Product which constitutes a Discount) would not be regarded as having similar Features to another Bundled Product where the Bundled Product also includes one or more distinct additional Features.

22B.11 The licensee may use any one particular Tied Bundle (including a Bundled Product which constitutes a Discount) as a mandatory part of any selection of its Core Tariffs.

22B.12 Where, pursuant to paragraph 22B.11, a particular Tied Bundle is a mandatory part of any selection of the licensee's Core Tariffs, the licensee must not:

- (a) use any additional Tied Bundles with those Core Tariffs; and
- (b) use a Tied Bundle with similar Features to any Optional Bundle used with any Core Tariffs.

22B.12A Where, pursuant to paragraph 22B.11, the licensee uses a Tied Bundle (including a Bundled Product which constitutes a Discount) with any selection of its Core

Tariffs, the licensee must ensure that the Tied Bundle is available to all Domestic Customers which are subject to those Core Tariffs.

22B.13 The licensee may offer Optional Bundles (including a Bundled Product which constitutes a Discount) with all their Core Tariffs (including a Core Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain and may restrict the number of Optional Bundles a Domestic Customer may choose to receive.

22B.14 Where, pursuant to paragraph 22B.13, an Optional Bundle is offered all Core Tariffs (including a Core Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain, the licensee must not offer or use an Optional Bundle with similar Features to another Optional Bundle or a Tied Bundle used with any Core Tariffs.

22B.14A Where, pursuant to paragraph 22B.13, the licensee offers an Optional Bundle with all Core Tariffs (including a Bundled Product which constitutes a Discount), the licensee must ensure that the Optional Bundle is available to all Domestic Customers which are subject to those Core Tariffs.

22B.15 The licensee must ensure that, throughout Great Britain, each Bundled Product (including a Bundled Product which constitutes a Discount and a Bundled Product which is subject to paragraph 22B.28):

(a) contains the same terms and conditions and is of the same monetary amount (or, where paragraph 22B.26 applies, of the same methodology) in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Bundled Product which has the same or similar Features to another Bundled Product

(b) is not:

- (i) pounds sterling or any currency of any other country;
- (ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;
- (iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and
- (iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer;

(c) is not expressed as a percentage; and

(d) subject to paragraph 22B.24, is only presented as a monetary amount in either:

- (i) pounds sterling per year; or
- (ii) pence per kWh.

22B.16 Subject to paragraph 22B.28, the licensee must ensure that, throughout Great Britain, each Bundled Product which constitutes a Discount is Continuously Applied on a daily or per kWh basis.

## **Treatment of Reward Points Discounts**

22B.17 The licensee must not use any Reward Points Discount which does not comply with paragraphs 22B.18 to 22B.23.

22B.18 For the purposes of paragraphs 22B.20, 22B.22 and 22B.23, a Reward Points Discount would not be regarded as having similar Features to another Reward Points Discount where the Reward Points Discount also includes one or more distinct additional Features.

22B.19 The licensee may use any one particular Tied Reward Points Discount as a mandatory part of any selection of its Core Tariffs.

22B.20 Where, pursuant to paragraph 22B.19, a particular Tied Reward Points Discount is a mandatory part of any selection of its Core Tariffs, the licensee must not:

(a) use any additional Tied Reward Points Discounts as a mandatory part of those Core Tariffs; and

(b) use a Tied Reward Points Discount with similar Features to any Optional Reward Points Discount used with any Core Tariffs.

22B.20A Where, pursuant to paragraph 22B.19, the licensee uses a Tied Reward Points Discount with any selection of its Core Tariffs, the licensee must ensure that the Tied Reward Points Discount is available to all Domestic Customers which are subject to those Core Tariffs.

22B.21 The licensee may offer Optional Reward Points Discounts with all its Core Tariffs throughout Great Britain and may restrict the number of Reward Points Discounts a Domestic Customer may choose to receive.

22B.22 Where, pursuant to paragraph 22B.21, an Optional Reward Points Discount is offered with all Core Tariffs throughout Great Britain, the licensee must not offer or use an Optional Reward Points Discount with similar Features to another Optional Reward Points Discount or Tied Reward Points Discount used with any Core Tariffs.

22B.22A Where, pursuant to paragraph 22B.21, the licensee offers an Optional Reward Points Discount with all Core Tariffs, the licensee must ensure that the Optional Reward Points Discount is available to all Domestic Customers which are subject to those Core Tariffs.

22B.23 The licensee must ensure that each Reward Points Discount used (including a Reward Points Discount which is subject to paragraph 22B.28):

(a) subject to paragraph 22B.28, is Continuously Applied on a daily or per kWh basis;

(b) is subject to the same terms and conditions and of the same amount of points throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Reward Points Discount which has the same or similar Features to another Reward Points Discount (excluding Reward Points Discounts with distinct additional Features);

(c) is not:

(i) pounds sterling or any currency of any other country;

- (ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;
  - (iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and
  - (iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer; and
- (d) is not expressed as a percentage.

**Additional rules for presentation of monetary amounts of Discounts, Bundled Products etc**

22B.24 Where paragraph 22B.25 applies, the licensee must present the information as a monetary amount which is appropriate and not misleading in the particular context or circumstances in which it is used.

22B.25 This paragraph applies where:

- (a) on an occasional basis a Domestic Customer expressly requests information about the monetary amount to be presented in a form which is not pounds sterling per year or pence per kWh; or
- (b) it would be misleading or inappropriate (due to the nature of the monetary amount) for the licensee to present the information about the monetary amount in pounds sterling per year or pence per kWh.

**Additional rules for Discounts, Bundled Products etc being of the same monetary amount throughout Great Britain**

22B.26 Where paragraph 22B.27 applies, the licensee must use a methodology which is clear and easy to understand.

22B.27 This paragraph applies where, due to the nature of a particular service and the method by which it is performed, the charges for that service could not be of the same monetary amount throughout Great Britain.

**Exception to Continuously Applied rule for Bundled Products which constitute a Discount and Reward Points Discounts**

22B.28 The licensee may provide Bundled Products which constitute a Discount and Reward Points Discounts (the "Relevant Product") if all of the following requirements are satisfied:

- (a) the Relevant Product is not a Discount of a type which is subject to paragraphs 22B.5, 22B.6, and 22B.7; and
- (b) where the Domestic Customer terminates their Domestic Supply Contract:
  - (i) the Domestic Customer is not required to pay back or otherwise return a Relevant Product which has already been received; and
  - (ii) the Domestic Customer will receive a Compensation Payment in respect of any Relevant Product (excluding any Bundled Product which involves a service of an

enduring nature) which they would otherwise have been entitled to receive at a future date.

### **Exception for Discounts required by licence conditions or legislation**

22B.29 The licensee is not prohibited from providing (but is otherwise subject to the requirements of standard condition 22B) a particular Discount (including a Bundled Product which constitutes a Discount) where that particular Discount is expressly required by any licence condition or legislation.

### **Requirement for Tariffs to be available to new and existing Domestic Customers**

22B.30 Subject to paragraph 22B.31, the licensee must ensure that all its Tariffs are available to, and are capable of being entered into by, both new and existing Domestic Customers.

22B.31 Paragraph 22B.30 does not apply to:

- (a) a Closed Fixed Term Tariff;
- (b) a Collective Switching Tariff;
- (c) a Dead Tariff which complies with standard condition 22D; and
- (d) Tariffs only offered to a particular group of Domestic Customers defined on the basis of criteria specified by the licensee, provided that the criteria do not in any way relate to whether or not the Domestic Customer is a new or existing Domestic Customer.

### **Responsibility for Representatives**

22B.32 Where, by virtue of this condition, the licensee is prohibited from using a Discount, Bundled Product or Reward Points Discount ("the Prohibited Items"), the licensee must take all reasonable steps to ensure that any Representative does not provide a Domestic Customer with any of the Prohibited Items.

### **Terms of Domestic Supply Contracts and Deemed Contracts**

22B.33 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of standard condition 22B (including, where applicable, provisions inserted by virtue of standard condition 31D (Temporary provisions for White Label Tariffs)).

22C.34 The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

- (a) sub-paragraph 22B.28(b) of standard condition 22B; and
- (b) any provisions of standard condition 22B specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22B.35 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract or Deemed Contract if:

(a) the inclusion of that term is incompatible with standard condition 22B (including, where applicable, provisions inserted by virtue of standard condition 31D (Temporary provisions for White Label Tariffs)); or

(b) the enforcement or the taking advantage of that term would be so incompatible.

### **Exception to compliance with condition**

22B.36 The licensee is not required to comply with standard condition 22B to such extent and subject to such conditions as the Authority may from time to time direct.

### **Guidance**

22B.37 The licensee must have regard to any guidance on standard condition 22B (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Definitions for condition**

22B.38 In this condition:

**“Continuously Applied”** means that:

(a) an identical amount and type of value must be accrued per day or per kWh (as may be applicable and permitted by this condition) and no separate amount or type of value can otherwise be accrued;

(b) the accrued value is provided to the Domestic Customer:

(i) at least once a year;

(ii) where a Domestic customer changes supplier or Tariff, in respect of the last date the Domestic Customer was supplied by the licensee or, as the case may be, was supplied under the same Tariff; and

(iii) no separate amount or type of value can otherwise be provided;

(c) the accrued value provided to the Domestic Customer is no more and no less than the amount accrued per day or per kWh (as may be applicable and permitted by this condition).

**“Collective Switching Tariff”** means a Tariff for a Fixed Term Supply Contract which is entered into by a Domestic Customer only as a result of a Collective Switching Scheme.

**“Collective Switching Scheme”** means a scheme which the licensee is satisfied on the basis of the available evidence has:

(a) the primary purpose of seeking offers from more than one Gas Supplier for Tariffs, with a view to ensuring that at least one of those offers is likely to result in a bulk number of Domestic Customers transferring to that Tariff; and

(b) a process which has all of the following characteristics:

(i) is organised and operated from time to time by a person that is not the licensee or an Affiliate;

(ii) is competitive and transparent, including by:

- (1) having participation rules for Gas Suppliers that are clear, well publicised and otherwise available to any interested party at a reasonable period of time before the process begins;
- (2) is open to all Gas Suppliers which are able to supply Domestic Customers to participate in;
- (3) having participation criteria for Domestic Customers or particular groups of Domestic Customers which are well publicised at a reasonable period of time before the process begins and clear and easy to understand; and
- (4) having an outcome which is made clear and which is well publicised;

(iii) a clearly defined start date; and

(iv) a clearly defined end date:

- (1) by which Domestic Customers which have satisfied the participation criteria and which wish to enter into a new Domestic Supply Contract, must ultimately have entered into a Domestic Supply Contract for a Tariff offered by a participating licensee; and
- (2) which is not longer than 6 months from the start date.

## **Schedule to standard condition 22B**

S22B.1 Subject to paragraphs S22B.2 and S22B.3, the definition of Core Tariff does not include terms and conditions (including, unless otherwise stated, charges) in respect of:

- (a) charges levied on particular occasions in respect of matters related to the licensee's statutory powers to Disconnect premises;
- (b) charges levied on particular occasions in relation to the licensee's statutory powers in respect of rights of entry to premises;
- (c) charges levied on particular occasions in respect of:
  - (i) removing, inspecting (rather than meter reading), re-installing, testing, installing, or repairing a meter; or
  - (ii) changing the position of a meter installed at premises;
- (d) charges levied on particular occasions in respect of the making of a connection between premises and a main of a Gas Transporter;
- (e) a Termination Fee levied on a particular occasion;
- (f) fees or charges levied on particular occasions in respect of, or related to, the late payment of Bills;
- (g) charges levied on particular occasions in respect of providing replacement prepayment meter cards;
- (h) charges levied on particular occasions in respect of providing additional copies of any documentation to a Domestic Customer;
- (i) subject to paragraph 22B.5, a Dual Fuel Discount;
- (j) subject to paragraph 22B.6, an Online Account Management Discount;
- (k) subject to paragraphs 22B.8 to 22B.16, a Bundled Product (including a Bundled Product which is a Discount);
- (l) subject to paragraphs 22B.17 to 22B.23, a Reward Points Discount;
- (m) subject to paragraph 22B.7 different terms and conditions (including charges) that apply to different payment methods;
- (n) any charges which are expressly required by any licence condition or legislation;
- (o) any terms and conditions of a Deemed Contract (other than the Charges for the Supply of Gas) which are different to the terms and conditions of an Evergreen Supply Contract because of an express prohibition or express requirement contained in a standard licence condition;
- (p) charges that may be levied on a Domestic Customer from their telephone provider in respect of telephone calls;
- (q) a Security Deposit; and



(r) charges levied on particular occasions in respect of any matters specified in directions which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise.

S22B.2 The licensee must ensure that all charges (excluding the charges referred to in sub-paragraph S22B.1(p)) and fees (including a Termination Fee) referred to in paragraph S22B.1 are:

- (a) subject to the same terms and conditions throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (b) subject to paragraph 22B.26, of the same monetary amount (or, where paragraph 22B.26 applies, of the same methodology) throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (c) not expressed as a percentage; and
- (d) subject to paragraph 22B.24, expressed as a monetary amount in either:
  - (i) pounds sterling per year; or
  - (ii) pence per kWh.

S22B.3 The references to particular charges, fees (including a Termination Fee) and terms and conditions in S22B.1 and S22B.2 are not to be treated as a requirement for the licensee to use such charges, fees or terms and conditions and does not in any way authorise the licensee to use charges or terms and conditions which are incompatible with any relevant provisions of legislation, law or other licence conditions.

## **6. Insertion of new standard condition 22C**

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22C in the standard conditions of the gas supply licence:

### **Standard condition 22C. Fixed Term Supply Contracts**

22C.1 Without prejudice to any Evergreen Supply Contract or Deemed Contract, the licensee and any Representative must only supply or offer to supply a Domestic Customer on the basis of a Fixed Term Supply Contract which complies with standard condition 22C.

#### **Prohibition on further fixed term periods**

22C.2 Without prejudice to paragraphs 22C.5, 22C.7 and 22C.8 of standard condition 22C and paragraph 24.9 of standard condition 24 (Continuation of Fixed Term Supply Contract Terms for interim period), the licensee must not extend in any way the duration of any fixed term period that applies to a Fixed Term Supply Contract.

#### **Renewal of Fixed Term Supply Contracts**

22C.3 The licensee must prepare a statement (hereafter referred to as an "SLC 22C Statement of Renewal Terms") which:

- (a) is set out in Writing;
- (b) contains a prominent title which clearly informs the Domestic Customer that the fixed term period of their existing Fixed Term Supply Contract is due to end and they need to consider their options;
- (c) without prejudice to SLC 22C Exempt Information only contains the following information:
  - (i) the date the fixed term period of the existing Fixed Term Supply Contract is due to end;
  - (ii) the following statement, presented in a manner which is readily distinguishable from the other text presented in the Statement of Renewal Terms: "Remember – it might be worth thinking about switching your tariff or supplier";
  - (iii) information about where the Domestic Customer may obtain impartial advice and information about changing their Gas Supplier;
  - (iv) a statement explaining that if the Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of the existing Fixed Term Supply Contract is due to end, the Domestic Customer will become subject to the Relevant Cheapest Evergreen Tariff;
  - (v) a statement explaining that the following information is provided in a separate part of the SLC 22C Statement of Renewal Terms:

- (1) the Principal Terms that currently apply to the Domestic Customer;

- (2) the Principal Terms that would apply if the Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff by virtue of paragraph 22C.7; and
- (3) where a Notice is also being provided to the Domestic Customer pursuant to sub-paragraph 22C.5(a) below, the Principal Terms that would apply if the Domestic Customer agrees a further fixed term period for an existing Fixed Term Supply Contract;
- (vi) information about how and when the Domestic Customer may terminate their Fixed Term Supply Contract without being charged a Termination Fee and a statement explaining the effect of paragraphs 24.8 to 24.12 of standard condition 24;
- (vii) the Domestic Customer's Estimated Annual Costs in the event that the Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff by virtue of paragraph 22C.7;
- (viii) the Exact Tariff Name of the Domestic Customer's Relevant Cheapest Tariff and the Domestic Customer's Estimated Annual Savings based on the premise that the Domestic Customer is now subject to the Relevant Cheapest Evergreen Tariff; and
- (ix) the Exact Tariff Name of the Domestic Customer's Alternative Cheapest Tariff and the Domestic Customer's Estimated Annual Savings based on the premise that the Domestic Customer is now subject to the Relevant Cheapest Evergreen Tariff; and
- (d) contains a separate part which provides the following information in a form which is easily comparable and clearly illustrates the main differences in the Principal Terms:
  - (i) the Principal Terms that currently apply to the Domestic Customer;
  - (ii) the Principal Terms that would apply if the Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff by virtue of paragraph 22C.7; and,
  - (iii) where a Notice is also being provided to the Domestic Customer pursuant to SLC 22C.5(a) below, the Principal Terms that would apply if the Domestic Customer agrees a further fixed term period for an existing Fixed Term Supply Contract;
- (e) contains a separate part which, in accordance with paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms), contains the Tariff Information Label for each set of Principal Terms provided pursuant to sub-paragraph 22C.3(d); and
- (f) contains a separate part which, in accordance with paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms), contains the Domestic Customer's Estimated Annual Costs for each set of Principal Terms provided pursuant to sub-paragraphs 22C.3(d)(i) and (iii) (but not the Domestic Customer's Estimated Annual Costs for the set of Principal Terms provided pursuant to sub-paragraph 22C.3(d)(ii), which must already be provided in accordance with sub-paragraph 22C.3(c)(vii)).

22C.4 The licensee must:

(a) provide a Domestic Customer with a copy of the SLC 22C Statement of Renewal Terms which complies with paragraph 22C.3 no earlier than 49 days and no later than 42 days before the fixed term period of their Fixed Term Supply Contract is due to end; and

(b) with the exception of the Notice described in paragraph 22C.5, ensure that the SLC 22C Statement of Renewal Terms is separate from any other document (including, but not limited to, a Bill or statement of account) and is provided to the Domestic Customer separately from any other document (including, but not limited to, a Bill, statement of account or marketing material).

22C.5 In relation to any Fixed Term Supply Contract, the licensee may only extend the duration of that Contract for a further fixed term period (with or without any changes to other terms and conditions, including the Charges for the Supply of Gas) if:

(a) no earlier than 49 days and no later than 42 days before the fixed term period of an existing Fixed Term Supply Contract is due to end, the licensee has given the Domestic Customer a copy of the SLC 22C Statement of Renewal Terms which complies with paragraph 22C.3 and which incorporates a Notice which:

(i) with the exception of the SLC 22C Statement of Renewal Terms, is not to be provided in conjunction with, or contain, any other information, including (but not limited to) a Bill, statement of account or marketing material;

(ii) informs the Domestic Customer that the licensee is seeking the Domestic Customer's express agreement in Writing to a further fixed term period with or without proposed changes to other terms and conditions (including the Charges for the Supply of Gas);

(iii) informs the Domestic Customer of the duration of the proposed further fixed term period and the nature, purpose and effect of any proposed changes to other terms and conditions (including the Charges for the Supply of Gas);

(iv) informs the Domestic Customer they are under no obligation to agree to the proposed further fixed term period or any proposed changes to other terms and conditions (including the Charges for the Supply of Gas); and

(v) without prejudice to SLC 22 Supplier and Customer Information and the SLC 22C Statement of Renewal Terms, does not include any other information.

(b) the Domestic Customer has expressly agreed in Writing to the proposed further fixed term period and, where applicable, any proposed changes to other terms and conditions (including the Charges for the Supply of Gas) in response to the Notice given by the licensee in accordance with sub-paragraph 22C.5(a);

(c) the duration of the further fixed term period is no longer than the duration of the fixed term period that currently applies to the existing Fixed Term Supply Contract; and

(d) by virtue of the extended duration of the further fixed term period and any changes to other terms and conditions (including the Charges for the Supply of Gas), the Fixed Term Supply Contract becomes identical to a Tariff which is a Live Fixed Term Tariff.

### **Prohibition on termination fees for non compliance**

22C.6 Where the licensee fails to comply with paragraphs 22C.2 to 22C.5 and extends the duration of an existing Fixed Term Supply Contract for a further fixed term period,

the licensee may not charge or otherwise seek to enforce a Termination Fee in respect of that Domestic Supply Contract.

### **Continued supply after a fixed term period ends**

22C.7 Where a Domestic Customer does not change supplier or does not expressly agree a new Evergreen Supply Contract, a new Fixed Term Supply Contract or a further fixed term period for a Fixed Term Supply Contract by the date the fixed term period of an existing Fixed Term Supply Contract is due to end, the licensee must ensure that the terms of the Fixed Term Supply Contract provide that the Domestic Customer will become subject to the Relevant Cheapest Evergreen Tariff.

22C.8 Without prejudice to paragraph 22C.2 of this condition and paragraph 24.9 of standard condition 24, if at the end of any fixed term period the licensee continues to supply a Domestic Customer, it must do so on the basis of:

- (a) the Relevant Cheapest Evergreen Tariff which is provided for by the terms of the Fixed Term Supply Contract in accordance with paragraph 22C.7;
- (b) a new Evergreen Supply Contract which has been entered into with the express agreement of the Domestic Customer;
- (c) a new Fixed Term Supply Contract which has been entered into with the express agreement of the Domestic Customer and which complies with standard condition 22C; or
- (d) a further fixed term period in relation to an existing Fixed Term Supply Contract in circumstances where that Fixed Term Supply Contract and that further fixed term period complies with standard condition 22C.

### **Prohibition on increasing the Charges for the Supply of Gas and other adverse unilateral variations**

22C.9 Without prejudice to paragraph 22C.5, in relation to any Fixed Term Supply Contract, the licensee must not:

- (a) increase the Charges for the Supply of Gas (including, but not limited to, by making any reduction in the amount of a Discount that is directly applied to a Unit Rate or Standing Charge); or
- (b) unilaterally vary any other terms and conditions in any way which is to the disadvantage of a Domestic Customer.

### **Exception to compliance with condition**

22C.10 The licensee is not required to comply with standard condition 22C to such extent and subject to such conditions as the Authority may from time to time direct.

22C.11 In respect of an increase in Charges for the Supply of Gas, the licensee is not required to comply with paragraph 22C.9 if:

- (a) all of the following requirements are satisfied:
  - (i) the Domestic Supply Contract provides that variations to the Charges for the Supply of Gas will occur automatically only in a manner which is fully linked to fluctuations in a published and transparent stock exchange

quotation or index or a financial market rate that the licensee does not control; and

(ii) the licensee has complied with paragraph 23.1 of standard condition 23; and

(iii) the method by which the Charges for the Supply of Gas fluctuate automatically is set out in the Domestic Supply Contract in a prominent position in plain and intelligible language; or

(b) all of the following requirements are satisfied:

(i) the Domestic Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion; and

(ii) the licensee has complied with paragraph 23.1 of standard condition 23; and

(iii) the precise variations to the Charges for the Supply of Gas are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language.

## **Guidance**

22C.12 The licensee must have regard to any guidance on Relevant Matters for SLC 22C which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

## **Terms of Fixed Term Supply Contracts**

22C.13 The licensee must ensure that the terms and conditions of each Fixed Term Supply Contract comply with the provisions of standard condition 22C (including, where applicable, provisions inserted in standard condition 22C by virtue of standard condition 22CA(transitional provisions for standard condition 22C covering end of fixed term notices and rollovers)).

22C.13A The licensee must ensure that each Fixed Term Supply Contract contains terms and conditions which reflect the effect of:

(b) paragraph 22C.2;

(c) sub-paragraph 22C.4(a);

(d) paragraph 22C.5 (excluding sub-paragraphs 22C.5(a)(i), 22C.5(a)(v), and 22C.5(d);

(e) paragraph 22C.6;

(f) paragraph 22C.7;

(g) paragraph 22C.9;

- (h) any other requirement of standard condition 22C (including, where applicable, provisions inserted in standard condition 22C by virtue of standard condition 22CA(transitional provisions for standard condition 22C covering end of fixed term notices and rollovers)) which could reasonably be considered as:
  - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances;
  - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
  - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and
- (f) any provisions of standard condition 22C specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22C.14 The licensee must not enforce or take advantage of any term of a Fixed Term Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 22C (including, where applicable, provisions inserted in standard condition 22C by virtue of standard condition 22CA (transitional provisions for standard condition 22C covering end of fixed term notices and rollovers)); or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

#### **Treatment of Fixed Term Supply Contracts with changes to terms precisely set out in advance**

22C.15 Without prejudice to paragraphs 22C.2 and 22C.5, where, in accordance with sub-paragraph 22C.11(b), a Fixed Term Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion, the references to "fixed term period" in paragraphs 22C.3 to 22C.5, 22C.7 and 22C.8 of standard condition 22C are to be read as a reference to the last fixed term period that applies to the Fixed Term Supply Contract.

#### **Definitions for condition**

22C.16 In this condition:

**"Relevant Matters for SLC 22C"** means:

- (a) the format and/or display of any information which must be included in an SLC 22C Statement of Renewal Terms and the Notice referred to in sub-paragraph 22C.5(a); and
- (b) the interpretation of standard condition 22C (including in respect of definitions which appear in standard condition 1).

**"SLC 22C Exempt Information"** means:

- (a) the SLC 22C Supplier and Customer Information;

- (b) the Notice referred to in sub-paragraph 22C.5(a);
- (c) the information required by sub-paragraph 31C.5(e) of standard condition 31C (Tariff Comparison Rate); and
- (d) the information required by standard condition 31E.

**“SLC 22C Supplier and Customer Information”** means:

- (a) the name of the licensee and its contact details;
- (b) the name and address of the Domestic Customer;
- (c) other information used for the purposes of identifying the Domestic Customer; and
- (d) the date of the SLC 22C Statement of Renewal Terms and the Notice referred to in sub-paragraph 22C.5(a).



## 7. Insertion of new standard condition 22CA

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22CA in the standard conditions of the Gas supply licence:

### **Standard condition 22CA. transitional provisions for standard condition 22C covering end of fixed term notices and rollovers**

22CA.1 Until the Specified Date paragraph 22C.3 of standard condition 22C is replaced with:

22C.3 Where paragraph 22C.3A applies, the licensee must:

- (a) take all reasonable steps to provide the Domestic Customer with a Notice in advance of the date the fixed term period of their Fixed Term Supply Contract is due to end;
- (b) where, after taking all reasonable steps, it is not possible to comply with sub-paragraph 22C.3(a), the licensee must provide the Domestic Customer with a Notice within five Working Days after (but not including) the date the fixed term period of the Fixed Term Supply Contract is due to end;
- (c) ensure that the Notice provided pursuant sub-paragraph 22C.3(a) informs the Domestic Customer that the fixed term period is due to end and what will happen if they do not change supplier, expressly agree a new Domestic Supply Contract or a further fixed term period for a Fixed Term Supply Contract; and
- (d) ensure that the Notice provided pursuant sub-paragraph 22C.3(b) informs the Domestic Customer that the fixed term period has ended and that the Domestic Customer has become subject to an Evergreen Supply Contract.

22C.3A This paragraph applies where a fixed term period of a Fixed Term Supply Contract is due to end on a date which occurs during the period which:

- (a) starts on the date paragraph 22C.2 of standard condition 22C comes into effect; and
- (b) ends on a date which is 59 days after the date paragraph 22C.2 of standard condition 22C comes into effect.

22CA.2 Until the Specified Date, paragraph 22C.4 of standard condition 22C is replaced with:

22C.4 Where paragraph 22C.4A applies, the licensee must:

- (a) provide the Domestic Customer with a Notice on a date which is no earlier than 49 days and no later than 42 days before the fixed term period of their Fixed Term Supply Contract is due to end; and

- (b) ensure that the Notice provided pursuant sub-paragraph 22C.4(a) informs the Domestic Customer that the fixed term period is due to end and what will happen if they do not change supplier, expressly agree a new Domestic Supply Contract or a further fixed term period for a Fixed Term Supply Contract.

22C.4A This paragraph applies where a fixed term period of a Fixed Term Supply Contract is due to end on a date which occurs after the end of the period set out in 22C.3A(a) and (b).

22CA.3 Until the Specified Date, paragraph 22C.5 of standard condition is replaced with:

22C.5 In relation to any Fixed Term Supply Contract, the licensee may only extend the duration of that Contract for a further fixed term period (with or without any changes to other terms and conditions, including the Charges for the Supply of Gas) if:

(a) the licensee has complied with:

(i) sub-paragraphs 22C.3(a) and 22C.3(c) (as inserted by virtue of paragraph 22CA.1); or

(ii) paragraph 22C.4 (as inserted by virtue of paragraph 22CA.2);

(b) the Domestic Customer has expressly agreed in Writing to the proposed further fixed term period and, where applicable, any proposed changes to other terms and conditions (including the Charges for the Supply of Gas) in response to the Notice given by the licensee in accordance with:

(i) sub-paragraphs 22C.3(a) and 22C.3(c) (as inserted by virtue of paragraph 22CA.1); or

(ii) paragraph 22C.4 (as inserted by virtue of paragraph 22CA.2);

(c) the duration of the further fixed term period is no longer than the duration of the fixed term period that currently applies to the existing Fixed Term Supply Contract; and

(d) by virtue of the extended duration of the further fixed term period and any changes to other terms and conditions (including the Charges for the Supply of Gas), the Fixed Term Supply Contract becomes identical to a Tariff which is a Live Fixed Term Tariff.

22CA.4 Until the Specified Date the references to "Relevant Cheapest Evergreen Tariff" in standard condition 22C are to be read as "Evergreen Supply Contract".

### **Definitions for condition**

22CA.5 In this condition, "Specified Date" means on and from 31 March 2014.

## 8. Insertion of new standard condition 22CB

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22CB in the standard conditions of the Gas supply licence:

### **Standard Condition 22CB. transitional provisions for certain existing Fixed Term Supply Contracts**

22CB.1 For the purposes of this condition a "Transitional Fixed Term Contract" is a Fixed Term Contract which continues to exist on or after the date this condition has effect and:

- (a) which was entered into before 1 May 2013 (and the duration of any terms and conditions were not extended in any way before 15 July 2013); or
- (b) which was available to Domestic Customers before 1 May 2013 and was entered into by a Domestic Customer before 15 July 2013 (and the duration of any terms and conditions were not extended in any way before 15 July 2013); or
- (c) which was entered into before 1 May 2013 and the duration of any terms and conditions of which were extended in any way before 15 July 2013.

22CB.2 Until the Relevant Date, this condition applies to any Transitional Fixed Term Supply Contract and takes precedence over any requirements of any standard conditions set out in paragraph 22CB.3 or otherwise referred to in paragraph 22CB.4.

22CB.3 In respect of a Transitional Fixed Term Contract, the licensee is not required to comply with:

- (a) standard condition 22A;
- (b) standard condition 22B (including provisions which may be incorporated within standard condition 22B by virtue of standard condition 31D); and
- (c) paragraph 22C.9 of standard condition 22C (including for the purposes of paragraphs 22C.13, 22C.13A and 22C.14).

22CB.4 In respect of a Transitional Fixed Term Contract which has different Unit Rates that apply to different levels of consumption, any requirement in a standard condition to use, provide or display information in respect of only one Unit Rate is to be read as a requirement to use, provide or display (as the case may be) information in respect of all of the Unit Rates that apply to different levels of consumption along with information specifying the levels of consumption which apply to each Unit Rate.

22CB.5 The licensee must take all reasonable steps to ensure that Domestic Customers which are subject to a Transitional Fixed Term Contract are not at a significant disadvantage to other Domestic Customers when they:

- (a) seek to evaluate the benefits and costs of the Tariff that applies to their Transitional Fixed Term Contract; and
- (b) consider changing their Tariff or supplier.

## **Definitions for condition**

22CB.6 For the purposes of this condition:

**"Relevant Date"** means:

(a) in the case of a Transitional Fixed Term Contract which was entered into before 1 May 2013 (and the duration of any terms and conditions were not extended in any way before 15 July 2013) or which was available to Domestic Customers before 1 May 2013 and was entered into by a Domestic Customer before 15 July 2013 (and the duration of any terms and conditions were not extended in any way before 15 July 2013), the date the first fixed term period is scheduled to end (which is a date which occurs on or after the date standard condition 22CB has effect); or

(b) in the case of a Transitional Fixed Term Contract which was entered into before 1 May 2013 and had the duration of any terms and conditions extended in any way before 15 July 2013, the date on or after 15 July 2013 when the first fixed term period is scheduled to end (which is a date which occurs on or after the date standard condition 22CB has effect).

**"Transitional Fixed Term Contract"** is to be interpreted in accordance with paragraph 22CB.1.

## 9. Insertion of new standard condition 22D

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 22D in the standard conditions of the Gas supply licence:

### Standard condition 22D. Dead Tariffs

#### Prohibition on Dead Tariffs

22D.1 Subject to paragraphs 22D.2 to 22D.22, and without prejudice to a Fixed Term Supply Contract, the licensee must only use (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees must collectively or individually only use) Live Evergreen Tariffs.

#### Exception for the withdrawal of Live Evergreen Tariffs

22D.1A Where the licensee wishes to withdraw a Live Evergreen Tariff, the licensee may treat that Live Evergreen Tariff as a Dead Tariff (a "Transitional Dead Tariff") for a period of 49 days (the "Transitional Period") in order to ensure that all the Domestic Customers which are subject to that Transitional Dead Tariff become subject to a Live Evergreen Tariff or Live Fixed Term Tariff.

22D.1B Without prejudice to paragraph 23.6 of standard condition 23 (treating a price increase or variation as ineffective), where the licensee has a Transitional Dead Tariff pursuant to paragraph 22D.1A, the licensee must ensure (in a way that is compatible with standard licence conditions and legislation) that all the Domestic Customers which are subject to that Transitional Dead Tariff become subject to a Live Evergreen or Live Fixed Term Tariff by the end of the Transitional Period.

22D.1C Paragraphs 22D.2 to 22D.22 do not apply in respect of a Transitional Dead Tariff.

#### Exception to prohibition on Dead Tariffs

22D.2 Subject to paragraphs 22D.5 to 22D.19, where paragraph 22D.3 or 22D.4 applies, the licensee may continue to supply a Domestic Customer using a Dead Tariff which existed before the date paragraph 22D.1 takes effect.

#### Dead Tariff is already compliant and would be cheaper than or as cheap as Relevant Cheapest Evergreen Tariff

22D.3 This paragraph applies where the Dead Tariff:

- (a) already fully complies with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)); and
- (b) would be cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer.

#### Dead Tariff could be changed to become compliant and would be cheaper than or as cheap as Relevant Cheapest Evergreen Tariff

22D.4 This paragraph applies where:

- (a) the licensee has the ability to unilaterally change the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff;
- (b) the licensee will be able to ensure that the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff ~~is~~ are unilaterally changed to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)) in a manner which seeks to ensure that:
  - (i) any changes to the terms and conditions are the minimum necessary to achieve full compliance; and
  - (ii) the terms and conditions are as similar as possible to the terms and conditions which currently apply in respect of the Dead Tariff; and
- (c) if, in the event the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff were changed to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)) in the manner described in sub-paragraph 22D.4(b), the licensee will be able to ensure that the Dead Tariff remains a single Tariff and is not subdivided into two or more Tariffs; and
- (d) if, in the event the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff were changed to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)) in the manner described in sub-paragraph 22D.4(b), the Dead Tariff would be cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer.

**Requirements to change the terms and conditions that apply to a Dead Tariff and give Notice to Domestic Customers**

22D.5 Where pursuant to paragraph 22D.2 the licensee has decided to continue to supply a particular Domestic Customer using a Dead Tariff, and it is necessary for the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff to be changed to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)), it must during the Dead Tariffs Window:

- (a) ensure that the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are unilaterally changed to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)) in the manner described in sub-paragraph 22D.4(b);
- (b) ensure that, by changing the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff to fully comply with the requirements of standard condition 22A and standard condition 22B (excluding sub-paragraph 22B.2(b)), the Dead Tariff remains a single Tariff and is not subdivided into two or more Tariffs;
- (c) ensure that the particular Domestic Customer is given a Notice at least 30 days in advance of the date the changes to the Dead Tariff are due to take effect which:

(i) without prejudice to SLC 22D Exempt Information, does not include any other information and is not to be provided in conjunction with any other information, including (but not limited to) a Bill, statement of account or marketing material;

(ii) contains a prominent title which clearly highlights that the Notice relates to changes to the Domestic Customer's Dead Tariff;

(iii) sets out the changes to terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff which are taking place in a manner which compares the changes with the terms and conditions which currently apply in respect of the Dead Tariff (showing any Charges for the Supply of Gas and any other charges inclusive of value added tax at the applicable rate);

(iv) sets out the main reasons for why the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are taking place;

(v) includes the following statement, presented in a manner which is readily distinguishable from the other text presented in the Notice: "Remember – it might be worth thinking about switching your tariff or supplier";

(vi) sets out the date the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are due to take effect;

(vii) informs the Domestic Customer that he may end the Domestic Supply Contract if the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are unacceptable to him by changing his Gas Supplier or entering into a new contract with his Gas Supplier;

(viii) informs the Domestic Customer where he may obtain impartial advice and information about changing his Gas Supplier;

(ix) informs the Domestic Customer that where he has any Outstanding Charges, his Gas Supplier may be able to prevent a Proposed Supply Transfer;

(x) explains the effect of paragraphs 22D.12 to 22D.15 in terms of how the Domestic Customer may be able to take steps to avoid the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff (including by indicating that the Domestic Customer would need to enter into a new contract with either his Gas Supplier or another Gas Supplier as soon as possible to facilitate this process);

(xi) informs the Domestic Customer of their Tariff Comparison Rate for the Dead Tariff (in respect of the Dead Tariff that would apply after the changes are due to be made);

(xii) where the licensee is increasing the Charges for the Supply of Gas for the Dead Tariff by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), must provide the Domestic Customer with the following information:

- (1) their Estimated Annual Costs using their current Charges for the Supply of Gas;
  - (2) their Estimated Annual Costs using the new Charges for the Supply of Gas; and
  - (3) the amount in pounds sterling of the difference between (1) and (2);
- (xiii) informs the Domestic Customer of the following information:
- (1) the Exact Tariff Name for the Tariff that applies to the Domestic Customer; and
  - (2) the Exact Payment Method that applies to the Domestic Customer;
- (xiv) must inform the Domestic Customer of:
- (1) the Exact Tariff Name of their Relevant Cheapest Tariff and their Estimated Annual Savings; and
  - (2) the Exact Tariff Name of their Alternative Cheapest Tariff and their Estimated Annual Savings; and
- (xv) where the licensee is increasing the Charges for the Supply of Gas of the Dead Tariff by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), must inform the Domestic Customer of his Annual Consumption Details and display that information in kilowatt hours under a title which clearly highlights that the information relates to the Domestic Customer's estimated annual consumption;
- (xvi) in close proximity to the information required by sub-paragraph 22D.5(c)(xii), must include a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the licensee may also include a brief statement to the effect that a Warm Home Discount is not included);
- (xvii) in close proximity to the information required by sub-paragraph 22D.5(c)(iii), must include a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;
- (xviii) contains, in a separate part of the Notice, the Principal Terms of:
- (1) the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the original Dead Tariff; and
  - (2) the Evergreen Supply Contract (or, as the case may be, Deemed Contract) for the Dead Tariff (in respect of the Dead Tariff that would apply after the changes are due to be made).



## **Requirements to ensure Domestic Customers become subject to the Relevant Cheapest Evergreen Tariff**

22D.6 Unless paragraph 22D.8 applies, where the licensee has decided not to continue to supply a Domestic Customer using a Dead Tariff or is unable to do so by virtue of a requirement of this condition, it must ensure during the Dead Tariffs Window, in a way that is compatible with standard licence conditions and legislation, that the Domestic Customer becomes subject to the licensee's Relevant Cheapest Evergreen Tariff.

### **Annual reassessment of Dead Tariffs**

22D.7 Where pursuant to paragraph 22D.2, the licensee has decided to continue to supply a Domestic Customer using a Dead Tariff, it must:

- (a) reassess each year during the Annual Assessment Period whether the Dead Tariff is cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer; and
- (b) only continue to supply the Domestic Customer using the Dead Tariff if that Tariff is cheaper than or as cheap as the licensee's Relevant Cheapest Evergreen Tariff for the particular Domestic Customer.

22D.8 Where pursuant to paragraph 22D.7, the licensee is unable to continue to supply the Domestic Customer using the Dead Tariff or otherwise does not wish to continue to supply the Domestic Customer using the Dead Tariff, the licensee must ensure, in a way that is compatible with standard licence conditions and legislation, that the Domestic Customer becomes subject to the licensee's Relevant Cheapest Evergreen Tariff on or before the Completion Date.

### **Notification requirements where Domestic Customers are to become subject to the Relevant Cheapest Evergreen Tariff**

22D.9 Subject to paragraph 22D.10, where the licensee has decided to not continue to supply a Domestic Customer using a Dead Tariff or is unable to do so by virtue of a requirement of this condition, it must ensure that, no earlier than 49 days and no later than 42 days before the Domestic Customer is due to become subject to the licensee's Relevant Cheapest Evergreen Tariff, the particular Domestic Customer is given a Notice which:

- (a) complies with any direction issued pursuant to paragraph 22D.18;
- (b) contains a prominent title which clearly highlights that the Notice relates to ensuring that the Domestic Customer will become subject to the licensee's Relevant Cheapest Evergreen Tariff, and where applicable, that the licensee is changing the terms and conditions of the Dead Tariff;
- (c) sets out the date the Domestic Customer is due to become subject to the licensee's Relevant Cheapest Evergreen Tariff;
- (d) includes the following statement, presented in a manner which is readily distinguishable from the other text presented in the Notice: "Remember – it might be worth thinking about switching your tariff or supplier";
- (e) where the supplier has the ability to make unilateral changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff and, in order to ensure that the Domestic

Customer would become subject to their Relevant Cheapest Evergreen Tariff, is changing those terms and conditions to ensure that they are the same as the Relevant Cheapest Evergreen Tariff, provides the following information:

- (i) the changes to terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff which are taking place in a manner which compares the changes with the terms and conditions which currently apply in respect of the Dead Tariff (showing any Charges for the Supply of Gas and any other charges inclusive of value added tax at the applicable rate);
- (ii) the main reasons for why the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are taking place;
- (iii) a statement to the effect that the Domestic Customer may end the Domestic Supply Contract if the changes to the terms and conditions of the Evergreen Supply Contract (or, as the case may be, Deemed Contract) in respect of the Dead Tariff are unacceptable to him by changing his Gas Supplier or entering into a new contract with his Gas Supplier;
- (iv) where the licensee is increasing the Charges for the Supply of Gas for the Dead Tariff by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), the:
  - (1) Domestic Customer's Estimated Annual Costs using their current Charges for the Supply of Gas;
  - (2) Domestic Customer's Estimated Annual Costs using the new Charges for the Supply of Gas; and
  - (3) amount in pounds sterling of the difference between (1) and (2);
- (v) where the licensee is increasing the Charges for the Supply of Gas of the Dead Tariff by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), the Domestic Customer's Annual Consumption Details displayed in kilowatt hours under a title which clearly highlights that the information relates to the Domestic Customer's estimated annual consumption; and
- (vi) in close proximity to the information required by sub-paragraph 22D.9(e)(iv), a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the Notice may also include a brief statement to the effect that a Warm Home Discount is not included);
- (vii) in close proximity to the information required by sub-paragraph 22D.9(e)(i), must include a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

- (f) where the licensee is terminating the Evergreen Supply Contract that is subject to a Dead Tariff in order to ensure that the Domestic Customer would become subject to their Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas), provides the following information:
- (i) a statement to the effect that the licensee is terminating the Evergreen Supply Contract that is subject to the Dead Tariff so that the Domestic Customer will become subject to the licensee's Relevant Cheapest Evergreen Tariff;
  - (ii) the date the Evergreen Supply Contract that is subject to the Dead Tariff is due to be terminated;
  - (iii) a statement to the effect that if the Domestic Customer does not change supplier or agree a new Domestic Supply Contract, they will become subject to their Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas);
  - (iv) contains a statement to the effect that the Domestic Customer may be able to avoid becoming subject to 22D Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas) by changing his Gas Supplier or entering into a new contract with his Gas Supplier; and
  - (v) the Exact Tariff Name of the Domestic Customer's Relevant Cheapest Tariff and their Estimated Annual Savings; and
  - (vi) the Exact Tariff Name of the Domestic Customer's Alternative Cheapest Tariff and their Estimated Annual Savings; and
- (g) informs the Domestic Customer where he may obtain impartial advice and information about changing his Gas Supplier;
- (h) informs the Domestic Customer that where he has any Outstanding Charges, his Gas Supplier may be able to prevent a Proposed Supply Transfer;
- (i) explains the effect of paragraphs 22D.12 to 22D.15 in terms of how the Domestic Customer may be able to take steps to avoid becoming subject to the licensee's Relevant Cheapest Evergreen Tariff (including by indicating that the Domestic Customer would need to enter into a new contract with either his Gas Supplier or another Gas Supplier as soon as possible to facilitate this process);
- (j) informs the Domestic Customer of their Tariff Comparison Rate for the Relevant Cheapest Evergreen Tariff;
- (k) contains, in a separate part of the Notice, the Principal Terms of the:
- (i) Evergreen Supply Contract (or, as the case may be Deemed Contract) that is subject to the Dead Tariff; and
  - (ii) Evergreen Supply Contract (or, as the case may be Deemed Contract) for the Relevant Cheapest Evergreen Tariff; and
- (l) contains the SLC 22D Supplier and Customer Information.

### **Exception for notification requirements**

22D.10 Paragraph 22D.9 does not apply where, in order to ensure that the Domestic Customer is no longer subject to a Dead Tariff, the licensee has:

- (a) entered into a new Domestic Supply Contract with a Domestic Customer; or
- (b) has agreed a mutual variation with a Domestic Customer (in accordance with standard condition 23A).

### **Requirements for Deemed Contracts**

22D.11 Where the licensee is terminating the Evergreen Supply Contract that is subject to a Dead Tariff in order to ensure that the Domestic Customer would become subject to their Relevant Cheapest Evergreen Tariff on the basis of a Deemed Contract (in the event that the Domestic Customer continued to consume gas), the licensee must ensure that the terms and conditions of the Deemed Contract are the same as the Evergreen Supply Contract for the Relevant Cheapest Evergreen Tariff (excluding any terms and conditions of the Deemed Contract (other than the Charges for the Supply of Gas) which are different because of an express prohibition or express requirement contained in a standard licence condition).

### **Continuation of Dead Tariffs for interim period**

22D.12 Where paragraph 22D.13 applies, the licensee must ensure that a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions that applied to the Dead Tariff until they have changed their supplier.

22D.13 This paragraph applies where one of the following conditions is satisfied:

(a) no later than 20 Working Days after (but not including) the date on which the Dead Tariff is due to terminate or be changed in order for the Domestic Customer to become subject to the licensee's Relevant Cheapest Evergreen Tariff, the licensee receives Notice under the Network Code by way of the Relevant Gas Shipper that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time; and

(b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 22D.13(a) is given; or

(c) where:

(i) the conditions in sub-paragraphs 22D.13(a) and (b) are met; and

(ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer.

22D.14 Where paragraph 22D.15 applies, the licensee must ensure that a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions that applied to the Dead Tariff until a new Domestic Supply Contract with the licensee comes into effect.

22D.15 This paragraph applies where a new Domestic Supply Contract comes into effect no later than 20 Working Days after (but not including) the date on which the Domestic Evergreen Supply Contract (or, as the case may be Deemed Contract) that was subject to the Dead Tariff was to terminate or be changed in order for the Domestic Customer to become subject to the licensee's Relevant Cheapest Evergreen Tariff.

### **Terms of Domestic Supply Contracts**

22D.16 The licensee must ensure that the terms and conditions of each Evergreen Supply Contract for a Dead Tariff comply with the provisions of standard condition 22D.

22D.16A The licensee must ensure that each Evergreen Supply Contract for a Dead Tariff contains terms and conditions which reflect the effect of:

- (a) sub-paragraph 22D.5(c)(iii) and 22D.5(c)(vii);
- (b) sub-paragraphs 22D.9(e)(i) and 22D.9(e)(iii);
- (c) sub-paragraphs 22D.9(f)(i), 22D.9(f)(iii) and 22D.9(f)(iv);
- (d) paragraph 22D.12;
- (e) paragraph 22D.13;
- (f) paragraph 22D.14;
- (g) paragraph 22D.15;
- (h) any other requirement of standard condition 22D which could reasonably be considered as:
  - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances;
  - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
  - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and
- (i) any provisions of standard condition 22D specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

22D.17 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 22D; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

## **Power to direct restrictions on information included on or with a Notice issued pursuant to paragraph 22D.9**

22D.18 Subject to paragraph 22D.19, the licensee must comply with any directions relating to SLC 22D Information Restrictions which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

22D.19 Unless the licensee otherwise consents, a direction under paragraph 22D.18 will only take effect after the Authority has given the licensee at least two months Notice.

## **Guidance**

22D.20 The licensee must have regard to any guidance on standard condition 22D (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

## **Exception to compliance with condition**

22D.21 The licensee is not required to comply with standard condition 22D to such extent and subject to such conditions as the Authority may from time to time direct.

## **Definitions for condition**

22D.22 For the purposes of this condition:

**"Annual Assessment Period"** means within the period:

(a) commencing 30 days before (but not including) the date the licensee is required to provide the particular Domestic Customer with an Annual Statement pursuant to standard condition 31A; and

(b) ending 150 days after (and commencing with) the date the licensee is required to provide the particular Domestic Customer with an Annual Statement pursuant to standard condition 31A.

**"Completion Date"** means the date which is no later than 150 days after (and commencing with) the date the licensee is required to provide the particular Domestic Customer with an Annual Statement pursuant to standard condition 31A.

**"Dead Tariffs Window"** means the period:

(a) commencing with the date paragraph 22D.1 takes effect; and

(b) ending on 30 June 2014.

**"SLC 22D Exempt Information"** means:

(a) SLC 22D Supplier and Customer Information;

(b) the information required by sub-paragraph 31C.5(e) of standard condition 31C (Tariff Comparison Rate); and

(c) the information required by standard condition 31E.

**“SLC 22D Information Restrictions”** means any or all of the following requirements:

- (a) that the Notice issued pursuant to paragraph 22D.9 only contains information which is specified by the Authority; and/or
- (b) that the Notice issued pursuant to paragraph 22D.9 is not to be provided in conjunction with any other information, including (but not limited to) a Bill, statement of account, Annual Statement or marketing material.

**“SLC 22D Supplier and Customer Information”** means:

- (a) the name of the licensee and its contact details;
- (b) the name and address of the Domestic Customer;
- (c) other information used for the purposes of identifying the Domestic Customer; and
- (d) the date of the Notice.

## 10. Amendments to standard condition 23

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 23 (insertions are shown by underlined text in red (excluding pictures which are underlined in red) and deletions are shown by strikethrough text):

### Notification of Principal Terms

23.1 Before it enters into a Domestic Supply Contract with a Domestic Customer (or, where applicable, before any mutual variation of a Domestic Supply Contract is agreed with a Domestic Customer pursuant to standard condition 23A), the licensee must take (and ensure that any Representative takes) all reasonable steps to ~~bring the~~ communicate the Principal Terms of the Domestic Supply Contract (which in the case of a mutual variation must cover the Principal Terms that will apply as a result of that variation and any Principal Terms of the current Domestic Supply Contract that are not affected by the mutual variation) ~~that contract to the attention of that Domestic customer~~ Customer and ensure that the Principal Terms are communicated (or, where they are provided in Writing, drafted) in plain and intelligible language.

### Notification before Domestic Supply Contract ends

23.2 ~~On or about 30 Working Days~~ No earlier than 49 days and no later than 42 days before a Domestic Supply Contract is due to end (including in circumstances where the Domestic Supply Contract is being terminated by the licensee), 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.

23.2A Paragraph 23.2 does not apply:

(a) in any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff in accordance with standard condition 22C; and

(b) in any circumstances where standard condition 22D applies.

### Notification of increase in Charges for the Supply of Gas and other unilateral variations

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~~ s the Charges for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge); or

(b) unilaterally varies any other term of the contract in any other way that is to the ~~significant~~ disadvantage of the Domestic Customer ("Disadvantageous Unilateral Variation"),

the licensee must give Notice of that increase in the Charges for the Supply of Gas or other unilateral variation to the Domestic Customer in accordance with paragraph 23.4. 23.3A Paragraph 23.3(a) does not apply where the licensee increases the Charges for the Supply of Gas to a Domestic Premises (including by making any reduction in the amount of a Discount that is applied to a Unit Rate or Standing Charge) by:



- (c) a mutual variation made pursuant to standard condition 23A;
- (d) a unilateral variation made pursuant to standard condition 22D; or
- (e) any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff or the duration of a Fixed Term Supply Contract is extended for a further fixed term period in accordance with standard condition 22C.

23.3B Paragraph 23.3(b) does not apply:

- (a) in any circumstances whereby a Domestic Customer becomes subject to the Relevant Cheapest Evergreen Tariff or the duration of a Fixed Term Supply Contract is extended for a further fixed term period in accordance with standard condition 22C; and
- (b) where the licensee is making a Disadvantageous Unilateral Variation by a unilateral variation made pursuant to standard condition 22D.

**23.4** Subject to paragraphs 23.11 and 23.12, tThe Notice referred to in paragraph 23.3 ~~must~~:

- (a) must be given at least 30 days in advance of the date on which the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral V~~variation~~ has effect;
- (b) without prejudice to the Exempt Category 1 Information, must not be provided in conjunction with any other information, including (but not limited to) a Bill, statement of account, Annual Statement or marketing material;
- (c) without prejudice to the Exempt Category 2 Information, and subject to paragraph 23.4A, must only include the information mentioned in sub-paragraphs 23.4(d) to 23.4(y);
- (d) must contain a title which clearly highlights that the Notice relates to an increase in Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation;
- (e) must inform the Domestic Customer of each specific:
  - (i) increase in the Charges for the Supply of Gas (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge) which applies to each particular Domestic Customer; and/or
  - (ii) Disadvantageous Unilateral Variation which applies to each particular Domestic Customer;
- (f) where the licensee is increasing the Charges for the Supply of Gas (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), must provide the Domestic Customer with a comparison of their current Charges for the Supply of Gas and the new Charges for the Supply of Gas;
- (g) where the licensee is increasing the Charges for the Supply of Gas by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), must provide the Domestic Customer with:
  - (i) their Estimated Annual Costs using their current Charges for the Supply of Gas;

- (ii) their Estimated Annual Costs using the new Charges for the Supply of Gas; and
- (iii) the amount in pounds sterling of the difference between (i) and (ii);
- (h) where the licensee is making a Disadvantageous Unilateral Variation, must provide the Domestic Customer with a comparison of the term that currently applies and the new term;
- (i) must inform the Domestic Customer of the date the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral Variation has effect;
- (j) must inform the Domestic Customer of the main reasons for the increase in the Charges for the Supply of Gas and/or the Disadvantageous Unilateral Variation;
- (k) must include the following statement, presented in a manner which is readily distinguishable from the other text presented in the SLC 23 Notice: "Remember – it might be worth thinking about switching your tariff or supplier";
- ~~(b)~~ (l) must inform the Domestic Customer that he may end the Domestic Supply Contract if the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral Variation is unacceptable to him by changing his Gas Supplier or entering into a new contract with his Gas Supplier;
- ~~(c)~~ (m) must inform the Domestic Customer where he may obtain impartial advice and information about changing his Gas Supplier;
- ~~(d)~~ (n) must inform the Domestic Customer that where he has any Outstanding Charges, his Gas Supplier may be able to prevent a Proposed Supply Transfer; ~~and~~
- ~~(e)~~ (o) must explain the effect of paragraph 23.6 in terms of how the Domestic Customer may be able to take steps to avoid the increase in the Charges for the Supply of Gas or Disadvantageous Unilateral Variation (including by indicating that the Domestic Customer would need to enter into a new contract with either his Gas Supplier or another Gas Supplier as soon as possible to facilitate this process);
- (p) where the Domestic Supply Contract provides for a Termination Fee, must explain the effect of sub-paragraph 24.3(c) of standard condition 24;
- (q) where the licensee is increasing the Charges for the Supply of Gas by increasing any Unit Rate or Standing Charge (including, where applicable, where the licensee is making any reduction in the amount of a Discount which is applied to a Unit Rate or Standing Charge), must inform the Domestic Customer of his Annual Consumption Details and display that information in kilowatt hours under a title which clearly highlights that the information relates to the Domestic Customer's actual or estimated (as applicable) annual consumption;
- (r) must inform the Domestic Customer of the following information:
  - (i) the Exact Tariff Name for the Tariff that applies to the Domestic Customer; and
  - (ii) the Exact Payment Method that applies to the Domestic Customer;
- (s) in close proximity to the information required by sub-paragraph 23.4(f) and 23.4(h), must include a statement to the effect that value added tax (at the applicable rate) is

included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

(t) in close proximity to the information required by sub-paragraph 23.4(g), must include a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the Notice may also include a brief statement to the effect that a Warm Home Discount is not included);

(u) subject to paragraphs 31E.1 to 31E.4 of standard condition 31E (Additional Rules for Relevant Cheapest Tariff and Alternative Cheapest Tariff information), must inform the Domestic Customer of:

(i) the Exact Tariff Name of their Relevant Cheapest Tariff and their Estimated Annual Savings; and

(ii) the Exact Tariff Name of their Alternative Cheapest Tariff and their Estimated Annual Savings; and

(v) must inform the Domestic Customer of their Tariff Comparison Rate;

(w) may inform the Domestic Customer where he may obtain impartial advice and information on energy efficiency;

(x) may include a website URL for the Concise Guidance and Energy Consumer Guidance, and, if they do so, must also include a statement to the effect that a hard copy of each can be provided to the Domestic Customer on request; and

(y) must include (as part of the SLC 23 Notice or as separate document) any Energy Literacy Information specified in directions which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

### **Dual Fuel Accounts**

23.4A Where the Domestic Customer is subject to a Dual Fuel Account, the licensee must ensure that a Combined SLC 23 Notice is given to the Domestic Customer.

### **Charges to be displayed inclusive of value added tax**

23.4B Where, as part of a SLC 23 Notice or a Combined SLC 23 Notice, the licensee displays the Charges for the Supply of Gas or any other charges, those charges must be displayed inclusive of value added tax at the applicable rate.

23.5 The licensee must ~~present the information required in paragraph 23.4 in a form that is clear and easy to understand and must place~~ display the information required in sub-paragraphs 23.4 ~~(b) and (c)~~ (d), (f), (g), (h), (i), (k), (q) and (r) in a prominent ~~position~~ manner on the SLC 23 Notice.

23.5A Subject to paragraph 23.5B, the licensee must present the SLC 23 Supplier and Customer Information and information required in sub-paragraphs 23.4 (d), (e), (f), (g), (i),(k) and (u) on the front page of the SLC 23 Notice.

23.5B Paragraph 23.5A does not apply to sub-paragraphs 23.4 (f), (g) and (q) in circumstances where:

(a) the Tariff is a Time of Use Tariff; and

(b) by virtue of the number of time periods that apply to the Time of Use Rates, the licensee would not be able to present the other information referred to in paragraph 5A on the front page of the SLC 23 Notice without compromising its ability to comply with paragraph 23.5.

23.6 The licensee must treat the increase in the Charges for the Supply of Gas and/or the Disadvantageous Unilateral Variation as ineffective and neither enforce nor take advantage of it where –

~~(a) the Domestic Customer notifies the licensee after he becomes aware (by any means) of the variation on or before the date on which the variation has effect that he is ending the Domestic Supply Contract by changing his Gas Supplier; and~~

~~(b) no later than 20 ± 15 Working Days after (but not including) the date on which the increase in the Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation has effect Domestic Customer has notified the licensee in accordance with sub-paragraph 23.6(a), the licensee received Notice under the Network Code by way of the Relevant Gas Shipper that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which that Notice has been given; or and~~

(b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 23.6(a) is given; or

(c) where:

(i) the conditions in sub-paragraphs 23.6(a) and (b) are met; and

(ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer; or

(d) where the Domestic Customer enters into a new Domestic Supply Contract with the licensee which comes into effect no later than 20 Working Days after (but not including) the date on which the increase in the Charges for the Supply of Gas and/or Disadvantageous Unilateral Variation has effect.

### **Exceptions to compliance with condition**

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

23.8 In respect of an increase in Charges for the Supply of Gas, the licensee is not required to comply with paragraph 23.3 if:

(a) all of the following requirements are satisfied:

(i) the Domestic Supply Contract is a Fixed Term Supply Contract; and

(ii) the Domestic Supply Contract provides that variations to the Charges for the Supply of Gas will occur automatically only in a manner which is fully linked to fluctuations in a published and transparent stock exchange

quotation or index or a financial market rate that the licensee does not control; and

(iii) the licensee has complied with paragraph 23.1; and

(iv) the method by which the Charges for the Supply of Gas fluctuate automatically is set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language; or

(b) all of the following requirements are satisfied:

(i) the Domestic Supply Contract is a Fixed Term Supply Contract; and

(ii) the Domestic Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion; and

(iii) the licensee has complied with paragraph 23.1; and

(iv) the precise variations to the Charges for the Supply of Gas are set out in the Domestic Supply Contract in a prominent position and in plain and intelligible language.

### **Terms of Domestic Supply Contracts**

23.9 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard condition 23.

23.9A The licensee must ensure that the terms and conditions of each Domestic Supply Contract contains terms and conditions which reflect the effect of:

(a) paragraph 23.4;

(b) sub-paragraph 23.4(a);

(c) sub-paragraph 23.4(e);

(d) sub-paragraph 23.4(l);

(e) paragraph 23.6;

(f) any other requirement of standard condition 23 which could reasonably be considered as:

(i) giving a particular Domestic Customer a right to receive or do something in any circumstances;

(ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and

(iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and

(g) any provisions of standard condition 23 specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

23.10 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

(a) the inclusion of that term is incompatible with standard condition 23; or

(b) the enforcement or the taking advantage of that term would be so incompatible.

### **Prescriptive format requirements**

23.11 The licensee must comply with sub-paragraphs 23.4(f) and 23.4(g) in accordance with the requirements of Schedules 1, 2, 3 and to standard condition 23.

### **Guidance**

23.12 The licensee must have regard to any guidance on Relevant Matters for SLC 23 which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Definitions for condition**

23.13 In this condition:

"Combined SLC 23 Notice" means a Notice which contains the information required by both:

(a) paragraphs 23.3, 4, 5 and 5A of this condition; and

(b) paragraphs 23.3, 4, 5 and 5A of standard condition 23 of the Electricity Supply Licence.

"Concise Guidance" is to be interpreted in accordance with standard condition 31.

"Energy Consumer Guidance" is to be interpreted in accordance with standard condition 31.

"Energy Literacy Information" means any information designed to assist Domestic Customers with their understanding of the gas and electricity sectors, displayed in a format and manner as may be specified by the Authority.

"Exempt Category 1 Information" means:

(a) a Electricity SLC 23 Notice;

(b) the information required by paragraph 23.1A; and

(c) the information required by sub-paragraph 31C.5(e) of standard condition 31C (Tariff Comparison Rate).

"Exempt Category 2 Information" means:

(a) SLC 23 Supplier and Customer Information;

(b) the information required by sub-paragraph 31C.5(e) of standard condition 31C (Tariff Comparison Rate); and

(c) the information required by standard condition 31E.

**"Relevant Matters for SLC 23" means:**

(a) the format and/or display of any information which must be included in a SLC 23 Notice;

(b) the methodology by which any calculations in relation to any information which must be included in a SLC 23 Notice must be carried out by the licensee (including, but not limited to, any calculations relating to the gas consumption of a Domestic Customer and the monthly and annual costs of a Domestic Customer); and

(c) the interpretation of standard condition 23 (including in respect of definitions which appear in standard condition 1).

**"Electricity SLC 23 Notice" means a Notice referred to in paragraphs 23.3 and 23.4 of standard condition 23 of the Electricity Supply Licence.**

**"SLC 23 Notice" means a Notice referred to in paragraphs 23.3 and 23.4 of this condition.**

**"SLC 23 Supplier and Customer Information" means:**

(a) the name of the licensee and its contact details;

(b) the name and address of the Domestic Customer;

(c) other information used for the purposes of identifying Domestic Customer; and

(d) the date of the SLC 23 Notice.

## **Schedule 1 to standard condition 23: increased prices for single fuel - including Time of Use Rates**

### **Part 1**

S1.1 This paragraph applies to any Tariff, including a Tariff which has Time of Use Rates, except where paragraph S2.1 of Schedule 2 applies in respect of Dual Fuel Accounts.

S1.2 Where paragraph S1.1 applies, the licensee must ensure that the information for the purposes of sub-paragraph 23.4(f) of standard condition 23 is displayed in a format that is fully consistent with the template picture below and, subject to the requirements of Part 2 of Schedule 1 to standard condition 23, contains all of the information that appears in that template picture:

		Current prices until [Entry 1]	New prices from [Entry 2]
Gas	Standing Charge (per day)	[Entry 3]p	[Entry 4]p
	[Entry 5] (per kWh)	[Entry 6]p	[Entry 7]p
	[Entry 8]		

### **Part 2**

S1.3 In respect of each Tariff to which paragraph S1.1 applies, the licensee must ensure that the contents of the template picture shown in paragraph S1.2 are populated in accordance with paragraphs S1.4 to S1.11.

S1.4 The licensee must replace "[Entry 1]" with text setting out the date (in the format of day, month, year) immediately before the date its new Standing Charge and/or Unit Rate(s) has effect.

S1.5 The licensee must replace "[Entry 2]" with text setting out the date (in the format of day, month, year) on which its new Standing Charge and/or Unit Rate(s) has effect.

S1.6 The licensee must replace "[Entry 3]" with text setting out the amount of the Standing Charge (in pence) which applied to the Tariff immediately before the date its new Standing Charge and/or Unit Rate(s) has effect.

S1.7 The licensee must replace "[Entry 4]" with text setting out the amount of the Standing Charge (in pence) which applies to the Tariff on the date its new Standing Charge and/or Unit Rate(s) has effect.

S1.8 Where the Tariff does not have Time of Use Rates, the licensee must replace "[Entry 5]" with the exact text "Unit Rate". Where the Tariff has Time of Use Rates, the licensee must replace "[Entry 5]" with the exact text "Unit Rate" followed by text setting out the first Time Period which applies to the Tariff.

S1.9 Where the Tariff does not have Time of Use Rates, the licensee must replace "[Entry 6]" with text setting out the amount of the Unit Rate (in pence) which applied to the Tariff immediately before the date on which its new Standing Charge and/or Unit Rate(s) has effect. Where the Tariff has Time of Use Rates, the licensee must replace "[Entry 6]" with text setting out the amount of the Unit Rate (in pence) which applied to the Tariff in respect of the first Time Period immediately before the date on which its new Standing Charge and/or Unit Rate(s) has effect.

S1.10 Where the gas Tariff does not have Time of Use Rates, the licensee must replace "[Entry 7]" with text setting out the amount of the Unit Rate (in pence) which applies to the Tariff on the date its new Standing Charge and/or Unit Rate(s) has effect.



Where the Tariff has Time of Use Rates, the licensee must replace "[Entry 7]" with text setting out the amount of the Unit Rate (in pence) which applies to the Tariff in respect of the first Time Period on the date its new Standing Charge and/or Unit Rate(s) has effect.

S1.11 Where the Tariff has Time of Use Rates, the licensee must:

- (a) add one additional row to the template shown in paragraph S1.2 (in the position immediately below the row containing "[Entry 7]", with text replicating the row containing "[Entry 7]") for each additional Unit Rate which applies to the Tariff;
- (b) populate "[Entry 5]", "[Entry 6]" and "[Entry 7]" in each new row which is inserted in accordance with sub-paragraph S1.11(a) in respect of each Unit Rate which applies to each additional Time Period; and
- (c) when populating "[Entry 5]", "[Entry 6]" and "[Entry 7]" for each additional row which is inserted in accordance with sub-paragraph S1.11(b), comply with the requirements of paragraphs S1.8 to S1.10 in respect of each additional row by reading those requirements as if the words "the first" are replaced with a sequential numerical reference to each additional Time Period which applies.

S1.12 The licensee must replace "[Entry 8]" with text setting out a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

## **Schedule 2 to standard condition 23: increased prices for Dual Fuel Account, including Time of Use Rates**

### **Part 1**

S2.1 This paragraph applies to any Tariff which relates to a Dual Fuel Account, including a Tariff which has Time of Use Rates for both gas and electricity or for just gas or electricity.

S2.2 Where paragraph S2.1 applies, the licensee must ensure that the information for the purposes of sub-paragraph 23.4(f) of standard condition 23 is displayed in a format that is fully consistent with the template picture below and, subject to the requirements of Part 2 of Schedule 4 to standard condition 23 of both the Gas Supply Licence and the Electricity Supply Licence, contains all of the information that appears in that template picture:

		Current prices until [Entry 1]	New prices from [Entry 2]
<b>Electricity</b>	Standing Charge (per day)	[Entry 3]p	[Entry 4]p
	[Entry 5] (per kWh)	[Entry 6]p	[Entry 7]p
<b>Gas</b>	Standing Charge (per day)	[Entry 8]p	[Entry 9]p
	[Entry 10] (per kWh)	[Entry 11]p	[Entry 12]p

*[Entry 13]*

### **Part 2**

S2.3 In respect of each Tariff to which paragraph S2.1 applies, the licensee must ensure that the contents of the template picture shown in paragraph S2.2 are populated in accordance with paragraphs S2.4 to S2.18.

S2.4 The licensee must replace "[Entry 1]" with text setting out the date (in the format of day, month, year) immediately before the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.5 The licensee must replace "[Entry 2]" with text setting out the date (in the format of day, month, year) on which its new Standing Charge(s) and/or Unit Rate(s) has effect.

### **Electricity**

S2.6 The licensee must replace "[Entry 3]" with text setting out the amount of the Standing Charge (in pence) which applied to the electricity Tariff immediately before the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.7 The licensee must replace "[Entry 4]" with text setting out the amount of the Standing Charge (in pence) which applies to the electricity Tariff on the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.8 Where the electricity Tariff does not have Time of Use Rates, the licensee must replace "[Entry 5]" with the exact text "Unit Rate". Where the electricity Tariff has Time of Use Rates, the licensee must replace "[Entry 5]" with the exact text "Unit Rate" followed by text setting out the first Time Period which applies to the electricity Tariff.

S2.9 Where the electricity Tariff does not have Time of Use Rates, the licensee must replace "[Entry 6]" with text setting out the amount of the Unit Rate (in pence) which applied to the electricity Tariff immediately before the date on which its new Standing

Charge(s) and/or Unit Rate(s) has effect. Where the electricity Tariff has Time of Use Rates, the licensee must replace "[Entry 6]" with text setting out the amount of the Unit Rate (in pence) which applied to the electricity Tariff in respect of the first Time Period immediately before the date on which its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.10 Where the electricity Tariff does not have Time of Use Rates, the licensee must replace "[Entry 7]" with text setting out the amount of the Unit Rate (in pence) which applies to the electricity Tariff on the date its new Standing Charge(s) and/or Unit Rate(s) has effect. Where the electricity Tariff has Time of Use Rates, the licensee must replace "[Entry 7]" with text setting out the amount of the Unit Rate (in pence) which applies to the electricity Tariff in respect of the first Time Period on the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.11 Where the electricity Tariff has Time of Use Rates, the licensee must:

- (a) add one additional row to the template shown in paragraph S2.2 (in the position immediately below the row containing "[Entry 7]" with text replicating the row containing "[Entry 7]") for each additional Unit Rate which applies to the electricity Tariff;
- (b) populate "[Entry 5]", "[Entry 6]" and "[Entry 7]" in each new row inserted in accordance with sub-paragraph S2.11(a) in respect of each Unit Rate which applies to each additional Time Period; and
- (c) when populating "[Entry 5]", "[Entry 6]" and "[Entry 7]" for each additional row in accordance with sub-paragraph S2.11(b), comply with the requirements of paragraphs S2.8 to S2.10 in respect of each additional row inserted by reading those requirements as if the words "the first" are replaced with a sequential numerical reference to each additional Time Period which applies.

## **Gas**

S2.12 The licensee must replace "[Entry 8]" with text setting out the amount of the Standing Charge which applied to the gas Tariff immediately before the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.13 The licensee must replace "[Entry 9]" with text setting out the amount of the Standing Charge (in pence) which applies to the gas Tariff on the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.14 Where the gas Tariff has Time of Use Rates, the licensee must replace "[Entry 10]" with the exact text "Unit Rate" followed by text (setting out the first each Time Period which applies to the gas Tariff. Where the gas Tariff does not have Time of Use Rates, the licensee must replace "[Entry 10]" with the exact text "Unit Rate".

S2.15 Where the gas Tariff does not have Time of Use Rates, the licensee must replace "[Entry 11]" with text setting out the amount of the Unit Rate (in pence) which applied to the gas Tariff immediately before the date on which its new Standing Charge(s) and/or Unit Rate(s) has effect. Where the gas Tariff has Time of Use Rates, the licensee must replace "[Entry 11]" with text setting out the amount of the Unit Rate (in pence) which applied to the gas Tariff in respect of the first Time Period immediately before the date on which its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.16 Where the gas Tariff does not have Time of Use Rates, the licensee must replace "[Entry 12]" with text setting out the amount of the Unit Rate (in pence) which applies to the gas Tariff on the date its new Standing Charge(s) and/or Unit Rate(s) has effect. Where the gas Tariff has Time of Use Rates, the licensee must replace "[Entry 12]" with text setting out the amount of the Unit Rate (in pence) which applies to the gas Tariff in respect of the first Time Period on the date its new Standing Charge(s) and/or Unit Rate(s) has effect.

S2.17 Where the gas Tariff has Time of Use Rates, the licensee must:

- (a) add one additional row to the template shown in paragraph S2.2 (in the position immediately below the row containing "[Entry 12]" with text replicating the row containing "[Entry 12]") for each additional Unit Rate which applies to the gas Tariff;
- (b) populate "[Entry 10]", "[Entry 11]" and "[Entry 12]" in each new row inserted in accordance with sub-paragraph S2.17(a) in respect of each Unit Rate which applies to each additional Time Period; and
- (c) when populating "[Entry 10]", "[Entry 11]" and "[Entry 12]" for each additional row in accordance with sub-paragraph S2.17(b), comply with the requirements of paragraphs S2.14 to S2.16 in respect of each additional row inserted by reading those requirements as if the words "the first" are replaced with a sequential numerical reference to each additional Time Period which applies.

S2.18 The licensee must replace "[Entry 13]" with text setting out a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

## **Schedule 3 to standard condition 23: Estimated Annual Costs, single fuel**

### **Part 1**

S3.1 This paragraph applies to any Tariff, except where paragraph S4.1 of Schedule 4 applies.

S3.2 Where paragraph S3.1 applies, the licensee must ensure that the information for the purposes of sub-paragraph 23.4(g) of standard condition 23 is displayed in a format that is fully consistent with the template picture below and, subject to the requirements of Part 2 of Schedule 3, contains all of the information that appears in that template picture:

	Current prices until [Entry 1]	New prices from [Entry 2]	Increase in cost
<b>Your personal projection for the year</b> [Entry 6]	£[Entry 3]	£[Entry 4]	£[Entry 5]

### **Part 2**

S3.3 In respect of each Tariff to which paragraph S3.1 applies, the licensee must ensure that the contents of the template picture shown in paragraph S3.2 are populated in accordance with paragraphs S3.4 to S3.9.

S3.4 The licensee must replace "[Entry 1]" with text setting out the date (in the format of day, month, year) immediately before the date its new Standing Charge and/or Unit Rate has effect.

S3.5 The licensee must replace "[Entry 2]" with text setting out the date (in the format of day, month, year) on which its new Standing Charge and/or Unit Rate has effect.

S3.6 The licensee must replace "[Entry 3]" with text setting out the Estimated Annual Costs which applied to the Domestic Customer immediately before the date its new Standing Charge and/or Unit Rate has effect.

S3.7 The licensee must replace "[Entry 4]" with text setting out the Estimated Annual Costs which apply to the Domestic Customer immediately after the date its new Standing Charge and/or Unit Rate has effect.

S3.8 The licensee must replace "[Entry 5]" with text setting out the amount (in pounds sterling) produced by subtracting the amount set out at "[Entry 3]" from the amount set out at "[Entry 4]".

S3.9 The licensee must replace "[Entry 6]" with text setting out a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the Notice may also include a brief statement to the effect that a Warm Home Discount is not included).

## **Schedule 4 to standard condition 23: Estimated Annual Cost, Dual Fuel Account**

### **Part 1**

S4.1 This paragraph applies to a Dual Fuel Account in respect of any Tariff.

S4.2 Where paragraph S4.1 applies, the licensee must ensure that the information for the purposes of sub-paragraph 23.4(g) of standard condition 23 is displayed in a format that is fully consistent with the template picture below and, subject to the requirements of Part 2 of Schedule 4 to standard condition 23 of both the Gas Supply Licence and the Electricity Supply Licence, contains all of the information that appears in that template picture:

		Current prices until [Entry 1]	New prices from [Entry 2]	Increase in cost
<b>Your personal projection for the year</b> [Entry 9]	Electricity	£[Entry 3]	£[Entry 4]	£[Entry 5]
	Gas	£[Entry 6]	£[Entry 7]	£[Entry 8]

### **Part 2**

S4.3 In respect of each Tariff to which paragraph S4.1 applies, the licensee must ensure that the contents of the template picture shown in paragraph S4.2 are populated in accordance with paragraphs S4.4 to S4.12.

S4.4 The licensee must replace "[Entry 1]" with text setting out the date (in the format of day, month, year) immediately before the date its new Standing Charge and/or Unit Rate(s) has effect.

S4.5 The licensee must replace "[Entry 2]" with text setting out the date (in the format of day, month, year) on which its new Standing Charge and/or Unit Rate(s) has effect.

S4.6 The licensee must replace "[Entry 3]" with text setting out the Estimated Annual Costs in respect of electricity which applied to the Domestic Customer immediately before the date its new Standing Charge and/or Unit Rate(s) has effect.

S4.7 The licensee must replace "[Entry 4]" with text setting out the Estimated Annual Costs in respect of electricity which apply to the Domestic Customer immediately after the date its new Standing Charge and/or Unit Rate(s) has effect.

S4.8 The licensee must replace "[Entry 5]" with text setting out the amount (in pounds sterling) produced by subtracting the amount set out at "[Entry 3]" from the amount set out at "[Entry 4]".

S4.9 The licensee must replace "[Entry 6]" with text setting out the Estimated Annual Costs in respect of gas which applied to the Domestic Customer immediately before the date its new Standing Charge and/or Unit Rate(s) has effect.

S4.10 The licensee must replace "[Entry 7]" with text setting out the Estimated Annual Costs in respect of gas which apply to the Domestic Customer immediately after the date its new Standing Charge and/or Unit Rate(s) has effect.

S4.11 The licensee must replace "[Entry 8]" with text setting out the amount (in pounds sterling) produced by subtracting the amount set out at "[Entry 6]" from the amount set out at "[Entry 7]".

S4.12 The licensee must replace "[Entry 9]" with text setting out a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the Notice may also include a brief statement to the effect that a Warm Home Discount is not included).

## 11. Insertion of new standard condition 23A

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 23A in the standard conditions of the Gas supply licence:

### Standard condition 23A. mutual variations

23A.1 This condition applies to any mutual variation or proposed mutual variation to the terms of a Domestic Supply Contract.

23A.2 Without prejudice to paragraph 22C.5 of standard condition 22C, the licensee may only agree a mutual variation to the terms (including the Charges for the Supply of Gas) of a Domestic Supply Contract with a Domestic Customer if:

(a) the mutual variation does not relate to extending the duration of a Domestic Supply Contract or a fixed term period in any way;

(b) the licensee has given the Domestic Customer Notice of the proposed mutual variation and that Notice:

(i) is given in advance of the date the mutual variation is intended to take effect;

(ii) informs the Domestic Customer that the licensee is seeking to agree a mutual variation;

(iii) informs the Domestic Customer of the nature, purpose and effect of the proposed mutual variation; and

(iv) informs the Domestic Customer in a prominent position that they are under no obligation to agree to the mutual variation;

(c) the licensee has complied with paragraph 23.1 of standard condition 23;

(d) in response to the Notice given by the licensee in accordance with sub-paragraph 23A.2(b), the Domestic Customer has contacted the licensee in Writing or by any other means and has expressly agreed to the mutual variation as part of that contact; and

(e) by virtue of the mutual variation the Tariff becomes identical to a Tariff which is one of the licensee's:

(i) Live Fixed Term Tariffs; or

(ii) Live Evergreen Tariffs.

23A.3 Where a Domestic Customer has agreed to a mutual variation, the licensee must provide that Domestic Customer with a Notice containing the following information in a prominent position within 5 Working Days as from (and including) the date the mutual variation was agreed (or must provide that information as soon as reasonably practicable thereafter):

(a) a statement to the effect that the Domestic Customer has agreed to a mutual variation; and

(b) an explanation of the effect of that mutual variation.



## **Terms of Domestic Supply Contracts**

23A.4 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard condition 23A.

23A.4A The licensee must ensure that each Domestic Supply Contract contains terms and conditions which reflect the effect of the provisions of standard condition 23A.

23A.5 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 23A; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

## **Guidance**

23A.6 The licensee must have regard to any guidance on standard condition 23A (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

## **Exception to compliance with condition**

23A.7 The licensee is not required to comply with standard condition 23A to such extent and subject to such conditions as the Authority may from time to time direct.

## 12. Amendments to standard condition 24

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 24 (insertions are shown by underlined text in red and deletions are shown by strikethrough text):

### Termination Fees

[...]

24.3 Subject to standard condition 22B (which takes precedence), ~~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 is required to gives Notice of an increase in the Charges for the Supply of Gas or any Disadvantageous Unilateral Variation ~~unilateral variation of a term of the contract~~ in accordance with paragraph 23.3 of standard condition 23 (Notification of Domestic Supply Contract terms) ~~and sub-paragraph 6(a) of that condition binds the licensee.~~

[...]

### Length of notice period for termination

24.6 The licensee must ensure that any notice period for termination of any Evergreen Supply Contract is no longer than 28 days.

### Termination of Evergreen Supply Contracts

24.7 In relation to any Evergreen Supply Contract, the licensee must ensure that the Domestic Customer is entitled to give notice to terminate the Evergreen Supply Contract at any time.

### Termination of Fixed Term Supply Contracts

24.8 In relation to each Fixed Term Supply Contract, the licensee must ensure that:

(a) a Domestic Customer is entitled to take steps to facilitate changing to any other Gas Supplier (but not complete the process of changing supplier) at any time without having to pay a Termination Fee;

(b) unless the Domestic Customer has already entered into a new Fixed Term Supply Contract with the licensee or paragraph 22C.5 of standard condition 22C applies, a Domestic Customer is entitled to switch to any other Gas Supplier at any time during or after the Switching Window without having to pay a Termination Fee;

(c) a Domestic Customer is not required to give any form of notice to terminate a Fixed Term Supply Contract or to switch supplier.

### **Continuation of Fixed Term Supply Contract terms for interim period**

24.9 In relation to each Fixed Term Supply Contract, unless the Domestic Customer has entered into a new Fixed Term Supply Contract with the licensee or paragraph 22C.5 of standard condition 22C applies, the licensee must ensure that where paragraph 24.10 applies a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions (but not any Termination Fee) that applied to that Fixed Term Supply Contract until they have changed their supplier.

24.10 This paragraph applies where one of the following conditions are satisfied:

(a) no later than 20 Working Days after (but not including) the date on which the fixed term period of a Fixed Term Supply Contract ends, the licensee receives Notice under the Network Code by way of the Relevant Gas Shipper that another Gas Supplier will begin to supply the Domestic Customer's Domestic Premises within a reasonable period of time; and

(b) another Gas Supplier begins to supply the Domestic Customer's Domestic Premises within a reasonable period of time after the date on which the Notice referred to in sub-paragraph 24.10(a) is given; or

(c) where:

(i) the conditions in sub-paragraphs 24.10(a) and (b) are met; and

(ii) the Domestic Customer has paid any Outstanding Charges within 30 Working Days after the Domestic Customer receives Notice that the licensee intends to prevent the Domestic Customer's Proposed Supplier Transfer.

24.11 In relation to each Fixed Term Supply Contract, where paragraph 22C.5 of standard condition 22C does not apply and a Domestic Customer has entered into a new Fixed Term Supply Contract with the licensee, the licensee must ensure that where paragraph 24.12 applies a Domestic Customer will continue to be subject to the same Charges for the Supply of Gas and the same terms and conditions (but not any Termination Fee) that applied to that Fixed Term Supply Contract until the new Fixed Term Supply Contract comes into effect.

24.12 This paragraph applies where a new Fixed Term Supply Contract comes into effect no later than 20 Working Days after (but not including) the date on which the fixed term period of a Fixed Term Supply Contract ends.

### **Treatment of Fixed Term Supply Contracts with changes to terms precisely set out in advance**

24.13 Without prejudice to paragraphs 22C.2 and 22C.5 of standard condition 22C, where, in accordance with paragraph 22C.11 of standard condition 22C, a Fixed Term Supply Contract expressly sets out in advance the precise variation or variations to the Charges for the Supply of Gas which are scheduled to occur automatically by a precise amount (or precise amounts) and on a precise date (or precise dates) which is not subject to the licensee's discretion, the references to "fixed term period" in paragraphs 24.10 and 24.12 are to be read as a reference to the last fixed term period that applies to the Fixed Term Supply Contract.

## **Terms of Domestic Supply Contracts**

24.14 The licensee must ensure that the terms and conditions of each Domestic Supply Contract comply with the provisions of standard condition 24.

24.14A The licensee must ensure that each Domestic Supply Contract contains terms and conditions which reflect the effect of:

- (a) paragraph 24.3;
- (b) paragraph 24.6;
- (c) paragraph 24.7;
- (d) paragraph 24.8;
- (e) paragraph 24.9;
- (f) paragraph 24.10;
- (g) paragraph 24.11; and
- (h) paragraph 24.12.

24.15 The licensee must not enforce or take advantage of any term of a Domestic Supply Contract if:

- (a) the inclusion of that term is incompatible with standard condition 24; or
- (b) the enforcement or the taking advantage of that term would be so incompatible.

## **Guidance**

24.16 The licensee must have regard to any guidance on standard condition 24 (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

## **Definitions for condition**

24.17 For the purposes of this condition “**Switching Window**” means the period which begins 49 days before date the fixed term period of a Fixed Term Supply Contract is due to end and which ends on the date the fixed term period of a Fixed Term Supply Contract is due to end.

### 13. Amendments to standard condition 31A

The text below which is highlighted by track changes constitutes the envisaged modifications to standard condition 31A (insertions are shown by underlined text in red (excluding pictures which are underlined in red) and deletions are shown by strikethrough text):

#### **Condition 31A. ~~Information about gas consumption patterns~~ Bills, statements of account and Annual Statements**

##### **Section A: Bills and statements of account**

31-A.1 The licensee must provide the information contained in—

~~(a) paragraph 31-A.2~~ and Schedules 1-3 to Standard Condition 31A in Writing on every Bill or statement of account sent to a Domestic Customer, ~~and~~

~~(b) sub-paragraph 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.~~

31-A.2 The information provided for in paragraph 31-A.1 is: –

(a) subject to paragraph 31-A.3, a comparison of the Domestic Customer's gas consumption for the period covered by the Bill or statement of account, with the Domestic Customer's gas consumption for the corresponding period in the previous year (for the purposes of this condition, the "corresponding period");

(b) the Domestic Customer's Exact Tariff Name;

(c) the Domestic Customer's Annual Consumption Details; ~~except where a Domestic Customer has held their Domestic Supply Contract for less than 12 months—~~

~~(i) the quantity of gas supplied to the Domestic Customer's Domestic Premises during the previous 12 months; and~~

~~(ii) an illustrative projection of the cost in pounds sterling of the quantity of gas supplied to the Domestic Customer's Domestic Premises for the forthcoming 12 months assuming those premises are supplied with the same quantity of gas as during the previous 12 months.~~

(d) the Domestic Customer's Estimated Annual Costs;

(e) the Domestic Customer's:

(i) Relevant Cheapest Tariff information and Estimated Annual Savings; and

(ii) Alternative Cheapest Tariff information and Estimated Annual Savings;

(f) the Domestic Customer's Tariff Comparison Rate, where applicable;

(g) the following exact text: "Remember – it might be worth thinking about switching your tariff or supplier";

(h) the Exact Payment Method which applies to the Domestic Customer;

(i) in the case of a Fixed Term Supply Contract which does not have a Staggered Charging Tariff, the date (in the format of day, month, year) when the fixed term period ends (or if that date is not ascertainable the duration of the fixed term period);

(j) in the case of Fixed Term Supply Contract which has a Staggered Charging Tariff, the date (in the form of day, month, year) when the last fixed term period ends (or if that date is not ascertainable the total duration of all the fixed term periods);

(k) the amount (in pounds sterling) of any Termination Fee, if applicable.

31-A.3 The requirement in sub-paragraph 31-A.2(a) only applies if the licensee has been contracted to supply gas to the same Domestic Customer at the same Domestic Premises throughout the period:

(a) commencing with the start of the corresponding period; and

(b) ending with the end of the period to which the Bill or statement of account relates.

31A.4 The licensee must:

(a) when providing information about Annual Consumption Details in accordance with paragraph 31A.2:

(i) include details of any Time of use Tariffs which may apply to the Domestic Supply Contract; and

(ii) display the quantity of Gas in kilowatt-hours;

(b) make it clear on the Bill or statement of account whether any estimates of the Domestic Customer's gas consumption have been used in producing the information.

### **Terms of Domestic Supply Contracts**

31A.5 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of section A of standard condition 31A.

31A.5A The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

(a) any requirement of section A of standard condition 31A which could reasonably be considered as:

(i) giving a particular Domestic Customer a right to receive or do something in any circumstances;

(ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and

(iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and

(b) any provisions of section A of standard condition 31A specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).

### **Prescriptive format requirements**

31A.6 The licensee must comply with sub-paragraphs 31A.2 (b) to (f) (including in conjunction with the information required by standard condition 31E) in accordance with the requirements of Schedules 1 to 3 to standard condition 31A.

### **Exception to compliance with condition**

31A.6A The licensee is not required to comply with section A of standard condition 31A to such extent and subject to such conditions as the Authority may from time to time direct.

### **Guidance**

31A.7 The licensee must have regard to any guidance on Relevant Matters for Section A of SLC 31A which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Definitions for section A of standard condition 31A**

31A.8 For the purposes of this condition “**Relevant Matters for Section A of SLC 31A**” means:

(a) the format and/or display of any information which must be included in a Bill and statement of account;

(b) the methodology by which any calculations in relation to any information which must be included in a Bill and statement of account must be carried out by the licensee (including, but not limited to, any calculations relating to the gas consumption of a Domestic Customer and the monthly and annual costs of a Domestic Customer); and

(c) the interpretation of section A of standard condition 31A (including in respect of definitions which appear in standard condition 1).

### **Schedule 1 to standard condition 31A: the "Could you pay less?" label for Bills and statements of account**

S1.1 In order to comply with its obligations under paragraph 31A.2, the licensee must ensure that a "Could you pay less?" label is displayed in a box on the first page of every Bill or statement of account.

S1.2 The licensee must ensure that the "Could you pay less?" label:

- (a) subject to S1.11 in respect of Dual Fuel Accounts, contains only the information required by S1.3 to S1.10; and
- (b) presents the information in text of an equal size and prominence, which may not be smaller than ten points in size, using the desktop publishing system, except that headings or titles may be afforded more prominence whether by capital letters, underlining, larger or bold print or otherwise.

S1.3 The licensee must include a title with the exact text "Could you pay less?".

S1.4 The licensee must include a statement informing the Domestic Customer of their Estimated Annual Costs.

S1.5 The licensee must include a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the licensee may also include a brief statement to the effect that a Warm Home Discount is not included);

S1.6 The licensee must include a statement informing the Domestic Customer of:

- (a) the Exact Tariff Name of the Tariff which is the Relevant Cheapest Tariff; and
- (b) the Estimated Annual Savings for the Relevant Cheapest Tariff.

S1.7 The licensee must include a statement informing the Domestic Customer of:

- (a) the Exact Tariff Name of the Tariff which is the Alternative Cheapest Tariff; and
- (b) the Estimated Annual Savings for the Alternative Cheapest Tariff.

S1.8 The licensee must include any information required by paragraphs 31E.1 to 31E.4 of standard condition 31E.

S1.9 The licensee must include a switching reminder with the exact text: "Remember – it might be worth thinking about switching your tariff or supplier."

S1.10 The licensee must include a statement to the effect that the Domestic Customer can access more information about their Tariff or Tariffs on the second page of their Bill or statement of account.

### **Dual Fuel Accounts**

S1.11 Where the licensee supplies the Domestic Customer with electricity and gas under a Dual Fuel Account, the licensee must populate the "Could you pay less?" with:

- (a) the information required by paragraphs S1.3, S1.9 and S1.10 in respect of gas;
- and



(b) the information required by S1.4 to S1.8 in respect of both electricity and gas.

S1.12 Where S1.11 applies, the licensee must display information that is provided in respect of both electricity and gas separately, except that the licensee may choose to display:

(a) the statement of Estimated Annual Savings required by sub-paragraph S1.6(b) as an aggregated figure for both gas and electricity;

(b) the statement of Estimated Annual Savings required by sub-paragraph S1.7(b) as an aggregated figure for both gas and electricity.

**Schedule 2 to standard condition 31A: the "About your tariff" label for Bills and statements of account**

S2.1 In order to comply with its obligations under paragraph 31A.2, the licensee must ensure that an "About your tariff" label is displayed in a box on the second page of every Bill or statement of account.

S2.2 The licensee must ensure that the "About your tariff" label:

- (a) subject to S2.13 in respect of Dual Fuel Accounts, contains only the information required by this S2.4 to S2.12; and
- (b) presents the information in text of an equal size and prominence which may not be smaller than ten points in size, using the desktop publishing system, except that headings may be afforded more prominence whether by capital letters, underlining, larger or bold print or otherwise.

S2.3 The licensee must arrange the information which must be included pursuant to this Schedule 2 as a list which must be arranged vertically, in the same order in which the requirement for the information appears in this Schedule 2. Accordingly, the information required in S2.4 must appear above that required in S2.5 and so on.

S2.4 The licensee must include a title with the exact text "About your tariff".

S2.5 The licensee must include a statement explaining that the "About your tariff" label presents the Domestic Customer with information about their current Tariff or Tariffs (where applicable), in order to help the Domestic Customer to compare their current Tariff or Tariffs with other available Tariffs.

S2.6 The licensee must include a statement setting out the Exact Tariff Name of the Domestic Customer's current Tariff.

S2.7 The licensee must include a statement setting out the Exact Payment Method which applies to the Domestic Customer.

S2.8 The licensee must include:

- (a) in the case of a Fixed Term Supply Contract which does not have a Charging Tariff, text setting out the date (in the format of day, month, year) when the fixed term period ends;
- (b) in the case of a Fixed Term Contract which has a Staggered Charging Tariff, text setting out the date (in the format of day, month, year) when the last fixed term period ends (or if that date is not ascertainable the total duration of all the fixed term periods); and
- (c) in the case of an Evergreen Supply Contract or a Deemed Contract, text which briefly describes the fact that there is no end date.

S2.9 The licensee must include a statement setting out, where a Termination Fee applies, the amount (in pounds sterling) of the Termination Fee. If a Termination Fee does not apply, the licensee must include a statement to the effect that no Termination Fee applies.

S2.10 The licensee must include a brief statement explaining what a Termination Fee is.

S2.11 The licensee must include a statement setting out the Domestic Customer's Annual Consumption Details.

S2.12. The licensee must include a statement setting out:

(a) where sub-paragraph (a) of the definition of Annual Consumption Details in standard condition 1 applies, that the Domestic Customer's Annual Consumption Details are based on the Domestic Customer's actual gas usage over the previous 12 months; or

(b) where sub-paragraph (b) of the definition of Annual Consumption Details in standard condition 1 applies, that the Domestic Customer's Annual Consumption Details are based on the Domestic Customer's estimated gas usage over a 12-month period.

S2.13 Where the licensee supplies the Domestic Customer with electricity and gas under a Dual Fuel Account, the licensee must populate the "About your tariff" with the information required by:

(a) S2.4, S2.5, S2.9 and S2.10 in respect of gas; and

(b) S2.6 to S2.8 and S2.11 and S2.12 in respect of both gas and electricity.

S2.14 Where S2.13 applies, the licensee must display the information that is provided in respect of gas and electricity separately.

### **Schedule 3 to standard condition 31A: "About your TCR" label for Bills and statements of account**

S3.1 Except where paragraph S3.2 applies, in order to comply with its obligations under paragraph 31A.2, the licensee must ensure that an "About your TCR" label is displayed on every Bill or statement of account.

S3.2 This paragraph applies where the Domestic Customer's current Tariff is either:

(a) a Time of Use Tariff; or

(b) an Excluded Staggered Charging Tariff,

unless the Authority has issued a direction under paragraph 31B.9 which applies to the Tariff.

S3.3 The licensee must ensure that the "About your TCR" label:

(a) subject to S3.10 in respect of Dual Fuel Accounts, contains only the information required by S3.4 to S3.9;

(b) presents the information in text of an equal size and prominence which may not be smaller than ten points in size, using the desktop publishing system, except that headings may be afforded more prominence whether by capital letters, underlining, larger or bold print or otherwise.

S3.4 The licensee must include a title with the exact text "About your TCR".

S3.5 The licensee must include a statement setting out the Tariff Comparison Rate which applies to the Domestic Customer.

S3.6 The licensee must include a statement (which is designed to promote the benefits of the Tariff Comparison Rate) which explains that the Tariff Comparison Rate can be used as a guide to compare the price of Gas Tariffs.

S3.7 The licensee must include a statement to the effect that the Tariff Comparison Rate is based on a typical or average user of Gas.

S3.8 The licensee must include a statement that the Tariff Comparison Rate is not based on the Domestic Customer's personal consumption of Gas and should be used as a guide only.

S3.9 The licensee must include a statement that the Domestic Customer can telephone the licensee or visit the licensee's website for more details on the Domestic Customer's Tariff or Tariffs, and on how Tariff Comparison Rates are calculated.

### **Dual Fuel Account**

S3.10 Where the licensee supplies the Domestic Customer with electricity and gas under a Dual Fuel Account, the licensee must ensure that the "About your TCR" label is populated with the information required by:

(a) S3.4 and S3.9 in respect of gas; and

(b) paragraphs S3.5 to S3.8 in respect of both gas and electricity.

S3.11 Where S3.10 applies, the licensee must display information that is provided in respect of gas and electricity separately.

## Section B: Annual Statements

31-A.94 The licensee must provide the following information to every Domestic Customer at least once in respect of every 12 month period Month Period at the Relevant Time a Written document (hereafter referred to as an "Annual Statement") which has the title "Your Annual Gas Summary" and which, subject to the requirements of Schedule 4 of this standard condition and without prejudice to the SLC 31A Exempt Information, only contains the following information: –

(a) the Domestic Customer's Exact Tariff Name;

(b) the Domestic Customer's Annual Consumption Details; ~~except where the Domestic Customer has held their Domestic Supply Contract for less than 12 months—~~

(i) ~~the quantity of gas supplied to the Domestic Customer's Domestic Premises during the previous 12 months;~~

(ii)

(c) the Domestic Customer's Estimated Annual Costs ~~an illustrative projection of the cost in pounds sterling of the quantity of gas supplied to the Domestic Customer's Domestic Premises for the forthcoming 12 months assuming those premises are supplied with the same quantity of gas as during the previous 12 months;~~

(d) ~~(e)~~ the Domestic Customer's:

(i) Relevant Cheapest Tariff information and Estimated Annual Savings; and

(ii) Alternative Cheapest Tariff information and Estimated Annual Savings;

(e) ~~(d)~~ an explanation of the purpose of the Annual Statement;

(f) a statement of the 12 Month Period to which the Annual Statement relates;

(g) the Domestic Customer's Estimated Annual Costs calculated on the basis of the Charges for the Supply of Gas which applied during the 12 Month Period;

(h) a bar chart or other graph, diagram or infographic displaying information about the Domestic Customer's energy usage;

(i) details of the Relevant Principal Terms of the Domestic Customer's Domestic Supply Contract;

(j) ~~e)~~ a reminder in a prominent position that the Domestic Customer may change their Gas Supplier, the following exact text: "Remember – it might be worth thinking about switching your tariff or supplier"; and

(k) ~~(f)~~ information about where the Domestic Customer may obtain impartial advice and information about changing their Gas Supplier;

(l) information on where the Domestic Customer may obtain impartial advice and information on energy efficiency;

(m) a website URL for the Concise Guidance and Energy Consumer Guidance and, where this information is provided, a statement to the effect that a hard copy of each can be provided to the Domestic Customer on request;

- (n) a statement providing the Domestic Customer with information regarding the Confidence Code and a website URL where further information on the Confidence Code can be found;
- (o) a description of the Tariff Type which applies to the Domestic Customer's Tariff;
- (p) the Exact Payment Method which applies to the Domestic Customer's Domestic Supply Contract;
- (q) in the case of a Fixed Term Supply Contract which does not have a Staggered Charging Tariff, the date (in the format of day, month, year) when the fixed term period ends (or if that date is not ascertainable the duration of the fixed term period);
- (r) in the case of Fixed Term Supply Contract which has a Staggered Charging Tariff, the date (in the form of day, month, year) when the last fixed term period ends (or if that date is not ascertainable the total duration of all the fixed term periods);
- (s) where a Termination Fee applies to a Domestic Supply Contract, the amount (in pounds sterling) of the Termination Fee;
- (t) a statement setting out any Discounts (excluding any Bundled Products which are Discounts and any Reward Points Discounts) and additional charges (excluding charges which relate to Bundled Products) which apply to the Tariff including the relevant amount in pounds sterling (which must be inclusive of value added tax at the applicable rate) and a brief description of the Discount or additional charge and/or additional charges which apply to the Tariff;
- (u) a statement setting out:
  - (i) a brief description (including information about any charges, which must be inclusive of value added tax at the applicable rate) of any Tied Bundle (including a Tied Bundle which is a Discount) and any Reward Points Discounts included in the Tariff;
  - (ii) where applicable, a statement to the effect that Optional Bundles apply;
- (v) brief, easy-to-understand explanations of key industry terminology;
- (w) the Domestic Customer's Tariff Comparison Rate; and
- (x) no more than one optical machine-readable label which the licensee may place on the Annual Statement in order to direct the Domestic Customer to Additional Information.

31-A.5~~9~~10 The licensee must:

~~(a) present the information in a form that is clear and easy to understand which does not mislead the Domestic Customer to whom it is directed and is otherwise fair both in terms of its content and how it is presented;~~

ensure that the Annual Statement is not combined with any other document (including, but not limited to, a Bill or statement of account) and is provided to the Domestic Customer separately from any other document (including, but not limited to, a Bill or statement of account) with the exception of the following distinct documents which may be provided to the Domestic Customer in the same envelope as the Annual Statement:

- (i) an Annual Statement in respect of electricity; and
- (ii) any document setting out any Energy Literacy Information specified in directions which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

(b) when providing information about Annual Consumption Details the quantity of gas supplied or to be supplied in accordance with paragraph 31.A.2 or 4, 31A.9:

- (i) include details of any Time of use Tariffs which may apply to the Domestic Supply Contract; and
- (ii) display the quantity of Gas in kilowatt-hours;

(c) make it clear on the ~~Bill, statement of account or~~ Annual Statement whether any estimates of the Domestic Customer's gas consumption have been used in producing the information; and

~~(d) when providing an illustrative projection of costs under paragraphs 31.A.2 or 4, set out the Charges for the Supply of Gas that have been used.~~

(d) subject to paragraph S4.16(a) of Schedule 4 to this standard condition, when providing details of the Relevant Principal Terms in accordance with sub-paragraph 31A.9(i), provide all the Relevant Principal Terms together in the same part of the Annual Statement.

31-A.6<sup>11</sup> The licensee must send the first Annual Statement on or before 31 December 2010 to every existing Domestic Customer who has held their Domestic Supply Contract with the licensee for at least 12 months on 1 April 2010.

### **Terms of Domestic Supply Contracts**

31A.12 The licensee must ensure that the terms and conditions of each Domestic Supply Contract and Deemed Contract comply with the provisions of section B of standard condition 31A.

31A.13 The licensee must ensure that each Domestic Supply Contract and Deemed Contract contains terms and conditions which reflect the effect of:

- (a) any requirement of section B of standard condition 31A which could reasonably be considered as:
  - (i) giving a particular Domestic Customer a right to receive or do something in any circumstances;
  - (ii) giving a particular Domestic Customer a right to avoid being subject to something in any circumstances; and
  - (iii) providing for a specific form of protection for a particular Domestic Customer in any circumstances; and
- (b) any provisions of section B of standard condition 31A specified in directions, which following consultation, the Authority may issue and may from time to time revise (following further consultation).



### **Prescriptive format requirements**

31A.14 The licensee must comply with paragraph 31A.9 (including in conjunction with the information required by standard condition 31E) in accordance with the requirements of Schedule 4 to standard condition 31A.

### **Exception to compliance with condition**

31A.15 The licensee is not required to comply with section B of standard condition 31A to such extent and subject to such conditions as the Authority may from time to time direct.

### **Guidance**

31A.16 The licensee must have regard to any guidance on Relevant Matters for Section B of SLC 31A which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Definitions for section B of standard condition 31A**

31-A.7~~17~~ For the purposes of this condition:

**"12 Month Period"** means either:

- (a) 12 months from the date the licensee began to supply the Domestic Customer; or
- (b) 12 months from the last date on which the licensee provided the Domestic Customer with an Annual Statement.

**"Additional Information"** means information which may not include marketing materials and cannot be used as a substitute for any of the information that the licensee is required to include in the Annual Statement under this standard condition 31A.

**"Annual Statement"** means the document described in ~~information to be provided by the licensee to a Domestic Customer in accordance with standard condition 31A.9.~~

**"Exact Tariff Name"** means the full and exact name of the tariff that is used to calculate Charges for the Supply of Gas under the relevant Domestic Supply Contract.

**"Confidence Code"** means the code of practice which sets out the requirements a provider of price comparison services must meet in order to be, and remain, accredited by the Authority (or such other person as may from time to time be responsible for such accreditations).

**"Relevant Matters for Section B of SLC 31A"** means:

- (a) the format and/or display of any information which must be included in an Annual Statement;
- (b) the methodology by which any calculations in relation to any information which must be included in an Annual Statement must be carried out by the licensee (including, but not limited to, any calculations relating to the gasconsumption of a Domestic Customer and the monthly and annual costs of a Domestic Customer); and

(c) the interpretation of section B of standard condition 31A (including in respect of definitions which appear in standard condition 1).

**"Relevant Principal Terms"** means, in respect of any form of Contract or Deemed Contract, the terms that relate to:

(a) Charges for the Supply of Gas;

(aa) where the licensee is relying on sub-paragraph 11(a) of Standard Condition 22C or sub-paragraph 8(a) of Standard Condition 23, the method by which Charges for the Supply of Gas fluctuate automatically;

(ab) where the licensee is relying on sub-paragraph 11(b) of Standard Condition 22C or sub-paragraph 8(b) of Standard Condition 23, the precise variations to the Charges for the Supply of Gas;

(b) the duration of the Contract or Deemed Contract (including, but not limited to, the duration of any fixed term periods and any arrangements for renewing or extending the duration of the Contract or any fixed term periods);

(c) the rights to end the Contract (including any obligation to pay a Termination Fee) or the circumstance in which a Deemed Contract will end; and

(d) any other terms that may reasonably be considered to significantly affect the evaluation by the Customer whether to change their Gas Supplier.

**"Relevant Time"** means as soon as possible after the last month of each 12 Month Period, but in any event no later than 30 days after the end of that 12 Month Period.

**"SLC 22C Exempt Information"** means:

(a) the SLC 31A Supplier and Customer Information;

(b) the information required by sub-paragraph 31C.5(e) of standard condition 31C (Tariff Comparison Rate); and

(c) the information required by standard condition 31E.

**"SLC 31A Supplier and Customer Information"** means:

(a) the name of the licensee and its contact details;

(b) the name and address of the Domestic Customer;

(c) other information used for the purposes of identifying the Domestic Customer; and

(d) the date of the Annual Statement.

**"Zones"** means the areas labelled "A", "B", "C", "D", "E" and "F" in the template picture set out in part 1 of schedule 4 to standard condition 31A.

## **Schedule 4 to standard condition 31A: the Annual Statement**

### **Part 1**

S4.1 The licensee must use the “Annual Statement Template” set out in the template picture below to comply with its obligations to send an Annual Statement to each Domestic Customer under paragraph 31A.9, subject to the requirements in Part 2 of this Schedule 4.

**A**  
**YourPower**  
ENERGY FOR YOU AND YOURS

**Any questions after reading your summary?**  
Visit [yourpower.co.uk](http://yourpower.co.uk)  
Or call 0800 123 1234  
(8am–8pm Mon–Fri, 8am–2pm Sat)

Mr A Jones  
4 Scenario Street  
Sample Ville  
SAMPLE

Your account number:  
123 123 123 123

Summary date:  
15 Jan 2012

Supply address:  
4 Scenario Street  
Sample Ville  
SAM PLE

**B**  
Mr Jones,  
**Your annual electricity summary**  
For 01 January 2011 to 01 January 2012

→ This is important information about your electricity usage and tariff – we hope you find it helpful. You can use this information to compare your current tariff with others that are available, either from us, or from other suppliers. Please keep this summary for your records.

See below and overleaf for more information on switching your supplier or tariff →

**Remember – it might be worth thinking about switching your tariff or supplier.**

**C**  
**Your electricity usage summary**

- Over the last 12 months you've used 3,900 kWh (including estimated readings)
- Your total costs were £529.89

Quarter	2012 (kWh)	2011 (kWh)
Jan – Mar	1,100	1,000
Apr – Jun	700	800
Jul – Sep	850	800
Oct – Dec	1,000	900

Based on your current tariff and usage, your personal projection for the next 12 months is £529.89\*.

\*Based on our current prices and includes some discounts and added charges, like VAT. If the price of your tariff changes or you change your tariff, or the amount you use, this forecast will change too.

**D**  
**Could you pay less?**

**Our cheapest similar tariff**  
Name: Clear and Simple  
You could save: £XX.XX

**Our cheapest overall tariff**  
Name: Online Saver  
You could save: £XX.XX

*Please note that switching tariffs may involve changing to materially different terms and conditions.*

*For more information on switching your tariff see overleaf...*



## Need independent advice about switching tariff or supplier?

For impartial advice on switching suppliers contact Citizens Advice:

[adviceguide.org.uk](https://adviceguide.org.uk) 08454 04 05 06

Consumer Focus has a Confidence Code for online switching sites to ensure consumers receive accurate, detailed and unbiased price comparisons:

[consumerfocus.org.uk](https://consumerfocus.org.uk)

The Staying Connected Energy Consumer Checklist contains key information for energy consumers to get and stay connected to their energy supply.

[xxxxxxxx.org.uk/consumerchecklist](https://xxxxxxxx.org.uk/consumerchecklist)

## You could also reduce your costs by using less energy

Contact Energy Saving Advice Service for impartial advice on how to save energy:

0300 123 1234



## About your electricity tariff

Tariff details	
Tariff name	Standard
Tariff type	Standard
Payment method	Cash/Cheque
Unit rate	14.01p per kWh
Standing charge	17.41p per day
Tariff ends on	No end date
Price guaranteed until	Does not apply
Exit fees (if you cancel this tariff before the end date)	Does not apply
Discounts and additional charges	No discounts
Additional products or services included	Loyalty points
Estimated electricity cost for you on this tariff	
Your annual consumption (based on your actual consumption)	3,900 kWh
Personal projection (based on current prices and including VAT)	£529.89
Tariff Comparison Rate (TCR)	15.94p per kWh

## Key contractual terms

### Cancellation fees and arrangements for ending the contract

You may end your contract at any time without being charged a cancellation fee, but you must give us 28 days' notice, provide a final meter reading and settle any outstanding debt for electricity.

### Other terms

#### Discounts

Your tariff includes our [x] discount of [x]. This discount will continue to apply if you continue to meet the following conditions [x]. If we decide to withdraw this discount we will notify you in advance and inform you of your rights.

#### Moving house

If you move house you must give us at least 2 days' advance notice or you will continue to be liable for the supply until the earlier of:

- the second working day after you have subsequently notified us of that you have moved house; or
- the date another person begins to own or occupy the premises and starts to consume electricity.

#### Additional charges

We may charge you for any additional visits, tests or work carried out at your request. Details of these charges are provided in the enclosed leaflet.

## Glossary

**kWh (kilowatt hour)** – one kilowatt of power being used for one hour. It's the same as a 40-watt light bulb being left on for 25 hours. Also known as a 'unit' of energy.

**Personal projection** – this is based on your actual consumption and is a projection of your future yearly charge. You could compare the personal projection for your current tariff with a personal projection given to you for an alternative tariff by your current supplier, an alternative supplier or a switching site.

**Switch** – to change from the current supplier to a different supplier, or to change from the current tariff to a different tariff with the same supplier.

**Tariff** – the package of charges and conditions that a supplier offers you for providing electricity.

**Tariff Comparison Rate (TCR)** – TCR is a figure that can be used to compare the price of the tariff you are on against alternative tariffs from your own or other suppliers. The TCR is calculated as the estimated yearly bill, divided by the amount of energy used each year by a typical medium user of electricity. The TCR takes account of any standing charge and the unit rates(s) that make up the tariff. The TCR is not based on your personal consumption and should be used as a guide only.

## **Part 2**

S4.2 In respect of its obligations to send an Annual Statement to each Domestic Customer under paragraph 31A.9, the licensee must ensure that the Zones labelled A to F set out in the Annual Statement Template set out in Part 1 of this Schedule 4 are populated in accordance with paragraphs S4.3 to S4.16.

S4.3 The licensee must produce the Annual Statement Template in standard A4 size.

S4.4 The Zones on the Annual Statement Template indicate where the information that must be included in the Annual Statement must be positioned. For example, the information with which Zone A must be populated (see paragraph S4.9) must always be on the first page of the Annual Statement, and positioned above the information with which Zone B must be populated (see paragraph S4.10). The information with which Zone C must be populated (see paragraph S4.11 below) must always be on the front page of the Annual Statement, and positioned to the left of the information with which Zone D must be populated (see paragraph S4.12 below).

S4.5 The dimensions of the Zones are not fixed.

S4.6 Except where specifically provided for in this Part 2 of Schedule 4, the exact format and text used to populate the Zones is not prescribed.

S4.7 Notwithstanding paragraphs S4.5 and S4.6 above, the licensee must set the dimensions of the Zones and populate the Zones in a manner consistent with the general requirements set out in paragraph 31E.6 of standard condition 31E (Plain and intelligible language and presentation requirements).

S4.8 With the exception of the information specified in sub-paragraph 31A.9(x) of Standard Condition 31A, the licensee may not include any additional information in the Zones beyond that which is specified in this Part 2 of Schedule 4

S4.9 The licensee must populate Zone A with:

- (a) the brand name (the "Supply Brand") under which it supplies the Domestic Customer;
- (b) a title which communicates that the Domestic Customer may contact the licensee in relation to any questions he may have about the Annual Summary and, in close proximity, the licensee's and/or the Supply Brand's current contact details, including as a minimum a customer services telephone number and a website URL.
- (c) the Domestic Customer's postal address;
- (d) the Domestic Customer's account number;
- (e) the date on which the licensee sends the Annual Statement to the Domestic Customer; and
- (f) the address at which the Domestic Customer is supplied with energy under the Domestic Supply Contract.

S4.10 The licensee must populate Zone B with:

- (a) a salutation to the Domestic Customer: e.g. "Dear Mr Jones" or "Dear Ms Jones";

- (b) the title: 'Your annual gas summary';
- (c) a statement informing the Domestic Customer of the dates on which the 12 Month Period to which the Annual Statement relates began and ended;
- (d) an explanation of the purpose of the Annual Statement;
- (e) a reminder that the Domestic Customer can use the Annual Statement to compare their existing Tariff with other Tariffs that are available;
- (f) a reminder that the Domestic Customer should keep the Annual Statement for their records; and
- (g) the exact text: "Remember – it might be worth thinking about switching your tariff or supplier." This text must be clear and legible, and it must be printed in bold text no smaller than the text which is used to populate the rest of Zone B (with the exception of the text used for the title required by sub-paragraph S4.10(b)).

S4.11 The licensee must populate Zone C with:

- (a) the subheading 'Your gas usage summary';
- (b) a statement of the Domestic Customer's Annual Consumption Details (in kWh) in respect of the 12 Month Period. This statement must be clear and legible and the figure expressing the Annual Consumption Details must be printed in bold text no smaller than the text which is used to populate the rest of Zone C, with the exception of the text which is used for the subheading required in sub-paragraph S4.11(a), above. Where sub-paragraph (b) of the definition of Annual Consumption Details in standard condition 1 applies, the licensee must inform the customer that the Annual Consumption Details are partially or wholly based on the licensee's best estimate.
- (c) the Domestic Customer's Estimated Annual Costs calculated on the basis of the Charges for the Supply of Gas which applied during the 12 Month Period;
- (d) a bar chart or other graph, diagram or infographic displaying:
  - (i) a comparison of the amount of energy (in the format of kWh) used by the Domestic Customer during two separate periods; or
  - (ii) information about the amount of energy (in the format of kWh) used by the Domestic Customer;
- (e) a statement informing the Domestic Customer of their Estimated Annual Costs. This statement must be clear and legible. In particular, the figure expressing the Estimated Annual Costs must be printed in bold text no smaller than the text which is used to populate the rest of Zone C, with the exception of the title required by sub-paragraph S4.11(a);
- (f) a brief statement explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax (and, where the Domestic Customer is subject to a Warm Home Discount, the licensee may also include a brief statement to the effect that a Warm Home Discount is not included); and

(g) where the Domestic Customer has an Evergreen Supply Contract, a statement to the effect that the Charges for the Supply of Gas may be increased by the licensee in future.

S4.12 The licensee must populate Zone D with:

(a) the subheading: "Could you pay less?";

(b) a statement informing the Domestic Customer of:

(i) the Exact Tariff Name of the Tariff which is the Relevant Cheapest Tariff;  
and

(ii) the Estimated Annual Savings for the Relevant Cheapest Tariff;

(c) a statement informing the Domestic Customer of:

(i) the Exact Tariff Name of the Tariff which is the Alternative Cheapest Tariff;  
and

(ii) the Estimated Annual Savings for the Alternative Cheapest Tariff;

(d) a statement to the effect that changing Tariffs may involve changing to materially different terms and conditions; and

(e) any information required by paragraphs 31E.1 to 31E.4 of standard condition 31E (Additional Rules for Relevant Cheapest Tariff and Alternative Cheapest Tariff information).

S4.13 The licensee must populate Zone E with:

(a) a reminder that the Domestic Customer may wish to consider reducing his energy usage in order to reduce costs;

(b) a statement informing the Domestic Customer where he may obtain impartial advice and information on energy efficiency;

(c) a statement informing the Domestic Customer where he may obtain impartial advice and information about changing his Gas Supplier;

(d) a website URL for the Concise Guidance and Energy Consumer Guidance, and a statement to the effect that a hard copy of each can be provided to the Domestic Customer on request;

(e) a statement providing the Domestic Customer with information regarding the Confidence Code and a website URL where further information on the Confidence Code can be found.

S4.14 Subject to paragraph S4.15, the licensee must populate Zone F with the following template:

### About your [Entry 1] tariff

Tariff details	
Tariff name	[Entry 2]
Tariff type	[Entry 3]
Payment method	[Entry 4]
Unit rate	[Entry 5]
Standing charge	[Entry 6]
Tariff ends on	[Entry 7]
Price guaranteed until	[Entry 8]
Exit fees (if you cancel this tariff before the end date)	[Entry 9]
Discounts and additional charges	[Entry 10]
Additional products or services included	[Entry 11]
Estimated [Entry 12] cost for you on this tariff	
Your annual consumption [Entry 13]	[Entry 14]
Personal Projection	[Entry 15]
Tariff Comparison Rate (TCR)	[Entry 16]
[Entry 17]	

S4.15 In respect of the template set out in paragraph S4.14, the licensee must replace:

- (a) "[Entry 1]" with the text "Gas";
- (b) "[Entry 2]" text setting out the Exact Tariff Name of the Tariff under which the licensee supplies the Domestic Customer;
- (c) "[Entry 3]" with text setting out a description of the Tariff Type which applies to the Tariff;
- (d) "[Entry 4]" with text setting out the Exact Payment Method;
- (e) "[Entry 5]" with text setting out in pence per kWh:
  - (i) the Relevant Unit Rate (which must be inclusive of value added tax at the applicable rate) which applies to the Tariff under which the licensee supplies the Domestic Customer; or
  - (ii) where applicable, the Relevant Unit Rates (which must be inclusive of value added tax at the applicable rate) which apply to the Tariff under which the licensee supplies the Domestic Customer (adding additional rows where necessary);
- (f) "[Entry 6]" with text setting out in pence per day:



- (i) the Relevant Standing Charge (which must be inclusive of value added tax at the applicable rate) which applies to the Tariff under which the licensee supplies the Domestic Customer; or
  - (ii) where applicable, the Relevant Standing Charges (which must be inclusive of value added tax at the applicable rate) which apply to the Tariff under which the licensee supplies the Domestic Customer (adding additional rows where necessary);
- (h) "[Entry 7]" with:
- (i) in the case of a Fixed Term Supply Contract which does not have a Staggered Charging Tariff, text setting out the date (in the format of day, month, year) when the fixed term period ends (or if that date is not ascertainable the duration of the fixed term period);
  - (ii) in the case of a Fixed Term Supply Contract which has a Staggered Charging Tariff, text setting out the date (in the format of day, month, year) when the last fixed term period ends (or if that date is not ascertainable the total duration of all the fixed term periods); and
  - (iii) in the case of an Evergreen Supply Contract or a Deemed Contract, text which briefly describes the fact that there is no end date.
- (i) "[Entry 8]" with text setting out, where the Charges for the Supply of Gas of a Domestic Supply Contract are guaranteed for a fixed term period, the date (in the form of day, month, year) when the fixed term period ends. If the Charges for the Supply of Gas of the Domestic Supply Contract are not guaranteed for a fixed term period, the licensee may replace "[Entry 8]" with the text "N/A".
- (j) "[Entry 9]" with, where a Termination Fee applies to a Domestic Supply Contract in respect of gas, the amount (in pounds sterling) of the Termination Fee. If a Termination Fee does not apply, the licensee must replace "[Entry 9]" with a statement to the effect that no Termination Fee applies;
- (k) "[Entry 10]" with text setting out any Discounts (excluding any Bundled Products which are Discounts and any Reward Points Discounts), any Warm Home Discount and additional charges (excluding charges which relate to Bundled Products) which apply to the Tariff including the relevant amount in pounds sterling (which must be inclusive of value added tax at the applicable rate) and a brief description of the Discount, Warm Home Discount and additional charge. If no Discounts, Warm Home Discount or additional charges apply, the licensee must replace "[Entry 10]" with the text "N/A".
- (l) "[Entry 11]" with text setting out:
- (i) a brief description (including information about any charges, which must be inclusive of value added tax at the applicable rate) of any Tied Bundle (including a Tied Bundle which is a Discount) and any Reward Points Discounts included in the Tariff (If neither Bundled Products nor Reward Points Discounts are included, the licensee must replace "[Entry 11]" with the text "N/A"); and

- (ii) where applicable, a statement to the effect that Optional Bundles apply;
- (m) "[Entry 12]" with the same text with which it replaces "[Entry 1]";
- (n) "[Entry 13]" with:
  - (i) where sub-paragraph (a) of the definition of Annual Consumption Details in standard condition 1 applies, a statement to the effect that the Domestic Customer's Annual Consumption Details are calculated on the basis of his actual energy usage; and
  - (ii) where sub-paragraph (b) of the definition of Annual Consumption Details in standard condition 1 applies, a statement to the effect that the Domestic Customer's Annual Consumption Details are calculated on the basis of his estimated energy usage;
- (o) "[Entry 14]" with text setting out (in kWh) the Domestic Customer's Annual Consumption Details;
- (p) "[Entry 15]" with text setting out the Domestic Customer's Estimated Annual Costs;
- (q) "[Entry 16]" with text setting out the Tariff Comparison Rate which applies to the Domestic Customer. Unless the Authority has issued a direction under paragraph 31B.9 which applies to the Tariff, where the Tariff to which the Tariff Information Label applies is either:
  - (i) a Time of Use Tariff; or
  - (ii) an Excluded Staggered Charging Tariff;
- the licensee must replace "[Entry 16]" with the text "N/A";
- (r) "[Entry 17]" with text setting out:
  - (i) a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account; and
  - (ii) the information required by paragraphs 31E.9 and 31E.11 of Standard Condition 31E.

S4.16 The licensee must also populate Zone F with:

- (a) under the subheading "Key contractual terms", text setting out the Relevant Principal Terms which are not included in the Embedded Tariff Information Label, where necessary using an additional page;
- (b) under a suitable heading, text setting out brief, easy-to-understand explanations of key industry terminology;

(c) under a suitable heading, text setting out the information required by sub-paragraph 31C.5(e), to the extent that the information is not already incorporated in the Embedded Tariff Information Label; and

(d) any other information that must be included to comply with the licensee's regulatory obligations, where necessary using an additional page.

## **14. Insertion of new standard condition 31B**

The text set out below in red (and pictures which are underlined in red) constitutes the envisaged drafting in respect of the proposed insertion of condition 31B in the standard conditions of the Gas supply licence:

### **Standard condition 31B. Tariff Information Label**

#### **Tariff Information Label**

31B.1 In respect of each of its Tariffs which are Operational, the licensee must prepare and keep up-to-date information (hereafter referred to as the "Tariff Information Label") which:

- (a) is set out in Writing;
- (b) has text which must not be smaller than nine points in size, using the desktop publishing point system;
- (c) uses the precise format specified in Part 1 of Schedule 1 to standard condition 31B;
- (d) contains the information which is required or permitted by virtue of Schedule 1 to standard condition 31B; and
- (e) contains no other information.

31B.2 Subject to paragraph 31C.6 of standard condition 31C in respect of the Tariff Comparison Rate, where any change or changes will take place that affect the information required to be included on a Tariff Information label, the licensee must take all reasonable steps to ensure that Tariff Information Label is updated on or before the date the change or changes take effect.

#### **Provision and publication of Tariff Information Labels**

31B.3 If any Relevant Person requests a copy of any Tariff Information Label, the licensee must provide a Written copy to that person free of charge within 5 days after the day the request was received or as soon as reasonably practicable thereafter.

31B.4 If the licensee or any Affiliate Licensees have a Website, the licensee must publish each Tariff Information Label prepared pursuant to paragraph 31B.1 on that Website in a position that is capable of easily being accessed by any person and which does not require a person to input any information apart from their address or postcode.

31B.5 If the licensee or any Affiliate Licensees have a Website, the licensee may also, in the same position as it publishes each Tariff Information Label pursuant to 31B.4, offer any person the opportunity to obtain Tariff Information Labels that are tailored to that person's individual circumstances or preferences, by allowing that person to enter additional information.

31B.6 Where the licensee or Affiliate Licensee offers a person the opportunity to obtain tailored Tariff Information Labels as provided by paragraph 31B.5 above, the licensee or Affiliate Licensee must include on the same page of the Website a prominent statement to the effect that any person can obtain a Tariff Information Label by entering no more information than their address or postcode.

31B.7 Where any Representative of the licensee provides information about the licensee's Tariffs, the licensee must take all reasonable steps to ensure that the Representative provides an up-to-date Tariff Information Label in relation to each of the licensee's Tariffs on which the Representative provides information.

31B.8 Subject to paragraph 31B.9 and Schedule 1 to standard condition 31B, the information which is required by virtue of Schedule 1 to standard condition 31B does not require the licensee to provide details of TIL Estimated Annual Costs for:

(a) a Time of Use Tariff; and

(b) an Excluded Staggered Charging Tariff.

**Power to direct the use of the TIL Estimated Annual Costs in respect of Time of Use Tariffs and/or Staggered Charging Tariffs**

31B.9 Subject to paragraph 31B.10, the licensee must comply with any directions relating to SLC 31B Relevant Time of Use Matters and/or SLC 31B Staggered Charging Matters which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

31B.10 Unless the licensee otherwise consents, a direction under paragraph 31B.9 will only take effect after the Authority has given the licensee at least two months Notice.

**Guidance**

31B.11 The licensee must have regard to any guidance on standard condition 31B (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

**Exception to compliance with condition**

31B.12 The licensee is not required to comply with standard condition 31B to such extent and subject to such conditions as the Authority may from time to time direct.

**Definitions for condition**

31B.13 In this condition:

**"Operational"** means any Tariff which is available to Domestic Customers or which still applies to any Domestic Customers (including, but not limited to, Live Evergreen Tariffs, Closed Fixed Term Tariffs, and Dead Tariffs).

**"SLC 31B Relevant Staggered Charging Matters"** means, in respect of a Staggered Charging Tariff of a particular description specified by the Authority, any or all of the following:

(a) requirements to use the TIL Estimated Annual Costs;

(b) requirements as to how the TIL Estimated Annual Costs is used, displayed and communicated;

(c) requirements relating to information which has to be displayed or communicated in conjunction with the TIL Estimated Annual Costs; and

(d) the methodology which must be used to calculate the TIL Estimated Annual Costs.

**“SLC 31B Relevant Time of Use Matters”** means, in respect of all Time of Use Tariffs or any Time of Use Tariffs of a particular description specified by the Authority, any or all of the following:

- (a) requirements to use the TIL Estimated Annual Costs;
- (b) requirements as to how the TIL Estimated Annual Costs is used, displayed and communicated;
- (c) requirements relating to information which has to be displayed or communicated in conjunction with the TIL Estimated Annual Costs; and
- (d) the methodology which must be used to calculate the TIL Estimated Annual Costs.

**TIL Estimated Annual Costs”** means the total amount in pounds sterling (inclusive of value added tax) based on the following calculation: the Tariff Comparison Rate multiplied by the Ofgem Consumption Details and then divided by 100.

## Schedule 1 to standard condition 31B

### Part 1

S1.1 The licensee must ensure that the Tariff Information Label is displayed in a format that is fully consistent with the template picture below and, subject to the requirements of Part 2, contains all of the information that appears in the template picture:

## Your tariff information

About your [Entry 1] tariff	
Supplier	[Entry 2]
Tariff name	[Entry 3]
Tariff type	[Entry 4]
Payment method	[Entry 5]
Unit rate	[Entry 6]
Standing charge	[Entry 7]
Tariff ends on	[Entry 8]
Price guaranteed until	[Entry 9]
Exit fees (if you cancel this tariff before the end date)	[Entry 10]
Discounts and additional charges	[Entry 11]
Additional products or services included	[Entry 12]
Illustrative [Entry 13] cost on this tariff	
Assumed annual consumption	[Entry 14]
Estimated annual cost	[Entry 15]
Tariff Comparison Rate (TCR)	[Entry 16]
[Entry 17]	

### Frequently asked questions

- What is a kWh (kilowatt-hour)?  
[Entry 18]
- What is the Tariff Comparison Rate (TCR)?  
[Entry 19]
- [Entry 20]

## Part 2

S1.2 In respect of each of its Tariffs for which a Tariff Information Label must be prepared and kept up-to-date pursuant to paragraph 31B.1, the licensee must ensure that the contents of the template picture shown in Schedule 1 are populated in accordance with paragraphs S.1.3 to S.1.26.

S1.3 The licensee must replace "[Entry 1]" with the text Gas.

S.1.4 The licensee must replace "[Entry 2]" with text setting out the brand name it uses to refer to the relevant supplier, followed by the registered company name of the licensee in round brackets.

S1.5 The licensee must replace "[Entry 3]" with text setting out the Exact Tariff Name.

S1.6 The licensee must replace "[Entry 4]" with text setting out a brief description of the Tariff Type.

S1.7 Subject to paragraph S1.7B, the licensee must replace "[Entry 5]" with text setting out the Exact Payment Method.

S1.7A This paragraph applies where:

- (a) two or more Tariffs are identical apart from having different terms and conditions in respect of payment methods (other than Charges for the Supply of Gas) and would have identical Tariff Information Labels on that basis (a "No Payment Method Differential Tariff Information Label"); and
- (b) the licensee:
  - (i) does not supply a Domestic Customer and the licensee or any Representative provides that Domestic Customer with a Tariff Information Label, except where, pursuant to paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms), the Tariff Information Label is being provided at the same time as Principal Terms; or
  - (ii) does supply a Domestic Customer and the licensee or any Representative provides that Domestic Customer with a Tariff Information Label in respect of a Tariff which is different to the Tariff which applies to the Domestic Customer's Domestic Supply Contract or Deemed Contract.

S1.7B Where paragraph S1.7A applies, instead of providing a separate Tariff Information Label for each separate Tariff which has a different payment method, the licensee must provide a single Tariff Information Label along with information setting out all of the Exact Payment Methods which are applicable to the No Payment Method Differential Tariff Information Label.

S1.8 The licensee must replace "[Entry 6]" with text setting out the Relevant Unit Rate (or, where applicable, Relevant Unit Rates, adding additional rows where necessary) for the Tariff which must be inclusive of value added tax at the applicable rate.

S1.9 The licensee must replace "[Entry 7]" with text setting out the Relevant Standing Charge (or, where applicable, Relevant Standing Charges, adding additional rows where necessary) for the Tariff which must be inclusive of value added tax at the applicable rate.



S1.10 The licensee must replace "[Entry 8]" with:

- (a) in the case of a Fixed Term Supply Contract which does not have a Staggered Charging Tariff, text setting out the date (in the format of day, month, year) when the fixed term period ends (or if that date is not ascertainable the duration of the fixed term period); or
- (b) in the case of a Fixed Term Supply Contract which does have a Staggered Charging Tariff, text setting out the date (in the format of day, month, year) when the last fixed term period ends (or if that date is not ascertainable the total duration of all the fixed term periods); or
- (c) in the case of an Evergreen Supply Contract or a Deemed Contract, text which briefly describes the fact that there is no end date.

S1.11 The licensee must replace "[Entry 9]" with text setting out, where the Charges for the Supply of Gas of a Domestic Supply Contract are guaranteed for a fixed term period, the date (in the format of day, month, year) when the fixed term period ends. Where the Charges for the Supply of Gas of a Domestic Supply Contract are not guaranteed for a fixed term period, the licensee must replace "[Entry 9]" with the text "N/A".

S1.12 The licensee must replace "[Entry 10]" with text setting out the amount in pounds sterling of any Termination Fee. If a Termination Fee does not apply, the licensee must replace "[Entry 10]" with the text "N/A".

S1.13 The licensee must replace "[Entry 11]" with text setting out any Discounts (excluding any Bundled Products which are Discounts and any Reward Points Discounts) and additional charges (excluding charges which relate to Bundled Products) which apply to the Tariff including the relevant amount in pounds sterling (which must be inclusive of value added tax at the applicable rate) and a brief description of the Discount or additional charge. If neither Discounts nor additional charges apply, the licensee must replace "[Entry 11]" with the text "N/A".

S1.14 The licensee must replace "[Entry 12]" with text setting out:

- (a) a brief description (including information about any charges, which must be inclusive of value added tax at the applicable rate) of any Tied Bundle (including a Tied Bundle which is a Discount) and any Reward Points Discounts included in the Tariff (If neither Bundled Products nor Reward Points Discounts are included, the licensee must replace "[Entry 12]" with the text "N/A"); and
- (b) where applicable, a statement to the effect that Optional Bundles may be available.

S1.15 The licensee must replace "[Entry 13]" with the same text with which it replaces "[Entry 1]".

S1.16 Subject to S1.17 and S1.18 below, the licensee must replace "[Entry 14]" with text setting out in kWh the Ofgem Consumption Details.

S1.17 Unless the Authority has issued a direction under paragraph 31C.10 of standard condition 31C which applies to the Tariff, where the Tariff to which the Tariff Information Label applies is either:

- (a) a Time of Use Tariff; or
- (b) an Excluded Staggered Charging Tariff,

the licensee must replace "[Entry 14]" with the text "N/A".

S1.18 Where the licensee provides the Domestic Customer with:

(a) the Domestic Customer's Estimated Annual Costs in relation to a Tariff; and

(b) at the same time, a Tariff Information Label in relation to that Tariff,

the licensee must replace "[Entry 14]" with text setting out a statement to the effect that Domestic Customer's Estimated Annual Costs is provided separately.

S1.19 Subject to S1.20 below, the licensee must replace "[Entry 15]" with text setting out the TIL Estimated Annual Costs applicable to the Ofgem Consumption Details. Unless the Authority has issued a direction under paragraph 31B.9 which applies to the Tariff, where the Tariff to which the Tariff Information Label applies is either:

(a) a Time of Use Tariff; or

(b) an Excluded Staggered Charging Tariff,

the licensee must replace "[Entry 15]" with the text "N/A".

S1.20 Where the licensee provides the Domestic Customer with:

(a) the Domestic Customer's Estimated Annual Costs in relation to a Tariff; and

(b) at the same time, a Tariff Information Label in relation to that Tariff,

the licensee must replace "[Entry 15]" with text setting out a statement to the effect that the Domestic Customer's Estimated Annual Costs is provided separately.

S1.21 The licensee must replace "[Entry 16]" with text setting out the Tariff Comparison Rate applicable to the Ofgem Consumption Details. Unless the Authority has issued a direction under paragraph 31B.9 which applies to the Tariff, where the Tariff to which the Tariff Information Label applies is either:

(a) a Time of Use Tariff; or

(b) an Excluded Staggered Charging Tariff,

the licensee must replace "[Entry 16]" with the text "N/A".

S1.22 The licensee must replace "[Entry 17]" with text setting out:

(a) a statement to the effect that value added tax (at the applicable rate) is included in any Charges for the Supply of Gas and any other charges which are subject to value added tax and that this may be different to the way such charges are displayed on a Bill or statement of account;

(b) the information required by paragraphs 31E.9 and 31E.11 of Standard Condition 31E; and

(c) any brief additional text the licensee considers necessary to ensure that the contents of the Tariff Information Label are not misleading.

S1.23 The licensee must replace “[Entry 18]” with text setting out a brief answer to the question: “What is a kWh (kilowatt-hour)?”

S1.24 The licensee must replace “[Entry 19]” with text setting out a brief answer (which is designed to promote the benefits of the Tariff Comparison Rate) to the question: “What is the Tariff Comparison Rate (TCR)?”.

S1.25 The licensee may replace “[Entry 20]” with:

- (a) text relating to up to three additional frequently asked questions; or
- (b) a blank space.

## 15. Insertion of new standard condition 31C

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 31C in the standard conditions of the Gas supply licence:

### Standard condition 31C. Tariff Comparison Rate

31C.1 Subject to paragraph 31C.3, in respect of each of its Tariffs, the licensee must provide or display (and must ensure that any Representative provides or displays) the Tariff Comparison Rate in all circumstances where the licensee or any Representative provides or is required to provide information about the licensee's Charges for the Supply of Gas.

31C.2 Subject to paragraph 31C.3, where the licensee or any Representative makes any form of comparative claim in respect of one or more of its Tariffs and any other Tariff or Tariffs which are not the licensee's Tariffs, the licensee must provide or display (and must ensure that any Representative provides or displays) the Tariff Comparison Rate in respect of the Tariff or Tariffs which are the licensee's Tariffs.

31C.3 Subject to paragraph 31C.10, paragraphs 31C.1 and 31C.2 do not apply in respect of:

- (a) Relevant Cheapest Tariff information and Alternative Cheapest Tariff information;
- (b) a Time of Use Tariff; and
- (c) an Excluded Staggered Charging Tariff.

31C.4 If the licensee or any Affiliate Licensees have a Website, the licensee must publish each Tariff Comparison Rate on that Website in a position that is capable of easily being accessed by any person and which does not require a person to input any information apart from their address or postcode.

31C.4A If the licensee or any Affiliate Licensees have a Website, the licensee may also, in the same position as it publishes each Tariff Comparison Rate pursuant to 31C.4, offer any person the opportunity to obtain Tariff Comparison Rates that are tailored to that person's individual circumstances or preferences, by allowing that person to enter additional information.

31C.4B Where the licensee or Affiliate Licensee offers a person the opportunity to obtain tailored Tariff Comparison Rates as provided by paragraph 31C.4A above, the licensee or Affiliate Licensee must include on the same page of the Website a prominent statement to the effect that any person can obtain a Tariff Comparison Rate by entering no more information than their address or postcode.

31C.5 Where, in accordance with paragraph 31C.1 or any other standard condition, a Tariff Comparison Rate is provided or displayed, the licensee must ensure that:

- (a) the Tariff Comparison Rate is referred to using either the name "TCR" or "Tariff Comparison Rate" (and thereafter is referred to in a consistent manner);
- (b) the Tariff Comparison Rate is, when displayed in Writing, displayed in a colour which is readily distinguishable from the background medium;
- (c) the Tariff Comparison Rate is clearly visible when displayed in Writing or otherwise clearly communicated; and

- (d) where the Tariff Comparison Rate is displayed on a Specified Medium, the following information is provided or displayed in conjunction with the Tariff Comparison Rate:
- (i) the Exact Tariff Name that relates to the Tariff Comparison Rate;
  - (ii) subject to paragraph 31C.5B, the Exact Payment Method that relates to the Tariff Comparison Rate;
  - (iii)(where applicable and where the Discount is permitted by standard condition 22B) information about the existence and amount of any Non-Contingent Discounts (and a statement to the effect that this amount is included in the Tariff Comparison Rate calculation);
  - (iv)(where applicable) information about the existence and amount of a Dual Fuel Discount (and a statement to the effect that this amount is included in the Tariff Comparison Rate calculation);
  - (v) (where applicable) information about the existence of an Online Account Management Discount (and a statement to the effect that this amount is included in the Tariff Comparison Rate calculation);
  - (vi)(where applicable and where the Discount is permitted by standard condition 22B) information about the existence and amount of any Contingent Discounts (and a statement to the effect that this amount is not included in the Tariff Comparison Rate calculation);
  - (vii) information about the existence and amount of any Termination Fee (and a statement to the effect that this amount is not included in the Tariff Comparison Rate calculation);
  - (viii) information about the existence and amount of any late payment fee (and a statement to the effect that this amount is not included in the Tariff Comparison Rate calculation);
  - (ix)where a Dual Fuel Discount applies, a statement to the effect that the Tariff Comparison Rate is based on the assumption that the Domestic Customer would be supplied with both electricity and gas from the licensee or the licensee and an Affiliate Licensee;
  - (x) where a Tied Bundle or Opt-Out Bundle applies, the following information about the applicable Bundled Product:
    - (1) the name of the applicable Bundled Product;
    - (2) the charges (if any) which apply in respect of the applicable Bundled Product;
    - (3) in the case of a Tied Bundle, a statement to the effect that any charges for the Tied Bundle are included or excluded (as applicable) in the Tariff Comparison Rate calculation;
    - (4) in the case of an Opt-Out Bundle, a statement to the effect that any charges for the Opt-Out Bundle are not included in the Tariff Comparison Rate calculation;

- (5) a statement to the effect that the nature of the Bundled Product means that it is either a Tied Bundle or an Opt-Out Bundle;
  - (6) a brief description of the goods and/or services which are provided as part of the Bundled Product;
  - (xi) a statement to the effect that the Tariff Comparison Rate is based on assumed consumption values and that the actual charges applicable to the Domestic Customer would be dependent on the amount of energy used;
  - (xii) a statement (which is designed to promote the benefits of the Tariff Comparison Rate) to the effect that the Tariff Comparison Rate can be used as a guide, but does not indicate actual prices; and
  - (xiii) a statement explaining where the Domestic Customer can obtain further information about the Tariff to which the Tariff Comparison Rate applies; and
- (da) where the Tariff Comparison Rate is displayed on a Tariff Information Label which is provided via a Durable Medium, the information specified in sub-paragraphs 31C.5(d)(i) to (xiii) is provided or displayed in conjunction with the Tariff Comparison Rate on a separate page; and
- (e) where the Tariff Comparison Rate is not displayed on a Specified Medium, the following information is provided or displayed in conjunction with the Tariff Comparison Rate:
- (i) the Exact Tariff Name that relates to the Tariff Comparison Rate;
  - (ii) subject to paragraph 31C.5B, the Exact Payment Method that relates to the Tariff Comparison Rate;
  - (iii) (where applicable) information about the existence of a Dual Fuel Discount;
  - (iv) (where applicable) information about the existence of an Online Account Management Discount;
  - (v) a statement to the effect that the Tariff Comparison Rate is based on assumed consumption values and that the actual charges applicable to the Domestic Customer would be dependent on the amount of energy used;
  - (vi) a statement (which is designed to promote the benefits of the Tariff Comparison Rate) to the effect that the Tariff Comparison Rate can be used as a guide, but does not indicate actual prices; and
  - (vii) a statement explaining where the Domestic Customer can obtain further information about the Tariff to which the Tariff Comparison Rate applies.

31C.5A This paragraph applies where:

- (a) the licensee:
  - (i) does not supply a Domestic Customer and the licensee or any Representative provides that Domestic Customer with a Tariff Comparison Rate, except where, pursuant to paragraph 31E.8 of standard condition 31E (Provision of Tariff Information Label and Estimated Annual Costs at the same time as

Principal Terms), a Tariff Information Label is being provided at the same time providing Principal Terms; or

- (ii) does supply a Domestic Customer and the licensee or any Representative provides that Domestic Customer with a Tariff Comparison Rate in respect of a Tariff which is different to the Tariff which applies to the Domestic Customer's Domestic Supply Contract or Deemed Contract; and
- (b) two or more Tariffs are identical apart from having different terms and conditions in respect of payment methods (other than Charges for the Supply of Gas) and would have identical Tariff Comparison Rates on that basis (a "No Payment Method Differential TCR").

31C.5B Where paragraph 31C.5A applies, instead of providing a separate Tariff Comparison Rate for each separate Tariff which has a different payment method, the licensee must provide a single Tariff Comparison Rate along with information setting out all of the Exact Payment Methods which are applicable to the No Payment Method Differential TCR.

31C.6 Where any change or changes will take place that affect the calculation of any Tariff Comparison Rate that continues to be used by the licensee or any Representative, the licensee must take all reasonable steps to ensure that each Tariff Comparison Rate is updated on the following basis:

- (a) in the case of a Fixed Term Supply Contract which complies with sub-paragraph 22C.11(a) of standard condition 22C or sub-paragraph 23.8(a) of standard condition 23:
  - (i) in respect of information displayed on a Website or other website, within one Working Day of the time the change or changes take effect; and
  - (ii) in respect of information displayed or provided in any other manner, within five Working Days from the time the change or changes take effect; and
- (b) in the case of any other Tariff, before the change or changes take effect.

### **Provision of Tariff Comparison Rates**

31C.7 If any Relevant Person requests a copy of any Tariff Comparison Rate, the licensee must provide a Written copy of that information (in accordance with paragraph 31C.5) to that person free of charge within 5 days after the day the request was received or as soon as reasonably practicable thereafter.

### **Guidance**

31C.8 The licensee must have regard to any guidance on standard condition 31C (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Exception to compliance with condition**

31C.9 The licensee is not required to comply with standard condition 31C to such extent and subject to such conditions as the Authority may from time to time direct.

## **Power to direct the use of the Tariff Comparison Rate in respect of Time of Use Tariffs and/or Staggered Charging Tariffs**

31C.10 Subject to paragraph 31C.11, the licensee must comply with any directions relating to Relevant Time of Use Matters and/or Staggered Charging Matters which, following consultation, the Authority may issue and may from time to time revise (following further consultation).

31C.11 Unless the licensee otherwise consents, a direction under paragraph 31C.10 will only take effect after the Authority has given the licensee at least two months Notice.

### **Definitions for condition**

31C.12 In this condition:

**“Durable Medium”** means in a form in which information:

- (a) cannot be edited; and
- (b) can be retained and reproduced by a Domestic Customer.

**“Relevant Staggered Charging Matters”** means, in respect of a Staggered Charging Tariff of a particular description specified by the Authority, any or all of the following:

- (a) requirements to use the Tariff Comparison Rate;
- (b) requirements as to how the Tariff Comparison rate is used, displayed and communicated;
- (c) requirements relating to information which has to be displayed or communicated in conjunction with the Tariff Comparison Rate; and the methodology which must be used to calculate the Tariff Comparison Rate.

**“Relevant Time of Use Matters”** means, in respect of all Time of Use Tariffs or any Time of Use Tariffs of a particular description specified by the Authority, any or all of the following:

- (a) requirements to use the Tariff Comparison Rate;
- (b) requirements as to how the Tariff Comparison rate is used, displayed and communicated;
- (c) requirements relating to information which has to be displayed or communicated in conjunction with the Tariff Comparison Rate; and
- (d) the methodology which must be used to calculate the Tariff Comparison Rate.

**“Specified Medium”** means any of the following:

- (a) a Tariff Information Label where it is not provided via a Durable Medium;
- (b) a website; and
- (c) where a Written copy of any Tariff Comparison Rate must be provided to a Relevant Person pursuant to paragraph 31C.7.



## 16. Insertion of new standard condition 31D

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 31D in the standard conditions of the Gas supply licence:

### Standard condition 31D. Temporary provisions for White Label Tariffs

#### Treatment of restrictions on Tariff numbers

31D.1 Sub-paragraph 22B.2(b) of standard condition 22B does not apply to a White Label Tariff.

#### Treatment of Dual Fuel Discounts

31D.2 Where the licensee has White Label Tariffs, paragraph 22B.5 of standard Condition 22B is replaced with the following paragraphs:

22B.5 With the exception of White Label Tariffs, the licensee must ensure that any Dual Fuel Discount is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer a Dual Fuel Discount) offered and available with all the licensee's Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (d) of the same monetary amount throughout Great Britain in respect of all Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24, only presented as a monetary amount in pounds sterling per year.

22B.5A In respect of White Label Tariffs, the licensee must ensure that any Dual Fuel Discount used in respect of a White Label Tariff of the same White Label Tariff Provider is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer a Dual Fuel Discount for White Label Tariffs) offered and available with all the licensee's White Label Tariffs of the same White Label Tariff Provider which are Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;

- (d) of the same monetary amount throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24, only presented as a monetary amount in pounds sterling per year.

### **Treatment of Online Account Management Discounts**

31D.3 Where the licensee has White Label Tariffs, paragraph 22B.6 of standard Condition 22B is replaced with the following paragraphs:

22B.6 With the exception of White Label Tariffs, the licensee must ensure that any Online Account Management Discount is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer an Online Account Management Discount) offered and available with all the licensee's Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (d) of the same monetary amount throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24, only presented as a monetary amount in pounds sterling per year.

22B.6A In respect of White Label Tariffs, the licensee must ensure that any Online Account Management Discount used in respect of a White Label Tariff of the same White Label Tariff Provider is:

- (a) a Discount of a precise monetary amount that is Continuously Applied on a daily basis;
- (b) (if the licensee wishes to offer an Online Account Management Discount for White Label Tariffs) offered and available with all the licensee's White Label Tariffs of the same White Label Tariff Provider which are Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (c) subject to the same terms and conditions throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (d) of the same monetary amount throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs;
- (e) not expressed as a percentage; and
- (f) subject to paragraph 22B.24 only presented as a monetary amount in pounds sterling per year.

## **Treatment of adjustments for payment methods**

31D.4 Where the licensee has White Label Tariffs, paragraph 22B.7 of standard Condition 22B is replaced with the following paragraphs:

22B.7 With the exception of White Label Tariffs, the licensee must ensure that any differences in the Charges for Supply of Gas as between payment methods:

- (a) comply with standard condition 27;
- (b) are applied in the same way to all Domestic Customers with the same payment method;
- (c) are subject to the same terms and conditions and are of the same monetary amount throughout Great Britain for the same payment method in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs; and
- (d) are fully incorporated in:
  - (i) where the Domestic Supply Contract or Deemed Contract is for a Non-Time of Use Tariff, the Unit Rate or the Standing Charge; and
  - (ii) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff, any or all of the Time of Use Rates or the Standing Charge.

22B.7A In respect of White Label Tariffs, the licensee must ensure that any differences in the Charges for Supply of Gas as between payment methods that apply in respect of a White Label Tariff of the same White Label Tariff Provider:

- (a) comply with standard condition 27;
- (b) are applied in the same way to all Domestic Customers with the same payment method;
- (c) are subject to the same terms and conditions and are of the same monetary amount throughout Great Britain for the same payment method in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs; and
- (d) are fully incorporated in:
  - (i) where the Domestic Supply Contract or Deemed Contract is for a Non-Time of Use Tariff, the Unit Rate or the Standing Charge; and
  - (ii) where the Domestic Supply Contract or Deemed Contract is for a Time of Use Tariff, any or all of the Time of Use Rates or the Standing Charge.

## **Treatment of Bundled Products**

31D.5 Where the licensee has White Label Tariffs, paragraph 22B.10 of standard Condition 22B is replaced with the following paragraphs:

22B.10 With the exception of White Label Tariffs, for the purposes of paragraphs 22B.12, 22B.14 and 22B.15, a Bundled Product (including a Bundled Product which constitutes a Discount) would not be regarded as having similar Features to another Bundled Product where the Bundled Product also includes one or more distinct additional Features.

22B.10A In respect of White Label Tariffs, for the purposes of paragraphs 22B.12AA, 22B.14AA and 22B.15A, a Bundled Product (including a Bundled Product which constitutes a Discount) would not be regarded as having similar Features to another Bundled Product where the Bundled Product also includes one or more distinct additional Features.

31D.6 Where the licensee has White Label Tariffs, paragraph 22B.11 of standard Condition 22B is replaced with the following paragraphs:

22B.11 With the exception of White Label Tariffs, the licensee may use any one particular Tied Bundle (including a Bundled Product which constitutes a Discount) as a mandatory part of any selection of its Core Tariffs.

22B.11A In respect of White Label Tariffs, the licensee may use any one particular Tied Bundle (including a Bundled Product which constitutes a Discount) as a mandatory part of any selection of its White Label Tariffs of the same White Label Tariff Provider.

31D.7 Where the licensee has White Label Tariffs, paragraph 22B.12 of standard Condition 22B is replaced with the following paragraphs:

22B.12 With the exception of White Label Tariffs, where pursuant to paragraph 22B.11, a particular Tied Bundle is a mandatory part of any selection of its Core Tariffs, the licensee must not:

(a) use any additional Tied Bundles with those Core Tariffs; and

(b) use a Tied Bundle with similar Features to any Optional Bundle used with any Core Tariffs.

22B.12AA In respect of White Label Tariffs, where pursuant to paragraph 22B.11A, a particular Tied Bundle is a mandatory part of any selection of its White Label Tariffs of the same White Label Tariff Provider, the licensee must not:

(a) use any additional Tied Bundles with those White Label Tariffs; and

(b) use a Tied Bundle with similar Features to any Optional Bundle used with White Label Tariffs of the same White Label Tariff Provider.

31D.7A Where the licensee has White Label Tariffs, paragraph 22B.12A of standard Condition 22B is replaced with the following paragraphs:

22B.12A With the exception of White Label Tariffs, where, pursuant to paragraph 22B.11, the licensee uses a Tied Bundle (including a Bundled Product which constitutes a Discount) with any selection of its Core Tariffs, the licensee must ensure that the Tied Bundle is available to all Domestic Customers which are subject to those Core Tariffs.

22B.12AB In respect of White Label Tariffs, where, pursuant to paragraph 22B.11A, the licensee uses a Tied Bundle (including a Bundled Product which constitutes a Discount) with any selection of its White Label Tariffs of the same White Label Tariff Provider, the licensee must ensure that the Tied Bundle is available to all Domestic Customers which are subject to those White Label Tariffs.

31D.8 Where the licensee has White Label Tariffs, paragraph 22B.13 of standard Condition 22B is replaced with the following paragraphs:

22B.13 With the exception of White Label Tariffs, the licensee may offer Optional Bundles (including a Bundled Product which constitutes a Discount) with ~~to~~ all their Core Tariffs (including a Core Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain and may restrict the number of Optional Bundles a Domestic Customer may choose to receive.

22B.13A In respect of White Label Tariffs, the licensee may offer Optional Bundles (including a Bundled Product which constitutes a Discount) with all their White Label Tariffs of the same White Label Tariff Provider (including a White Label Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain and may restrict the number of Optional Bundles a Domestic Customer may choose to receive.

31D.9 Where the licensee has White Label Tariffs, paragraph 22B.14 of standard Condition 22B is replaced with the following paragraphs:

22B.14 With the exception of White Label Tariffs, where pursuant to paragraph 22B.13, an Optional Bundle is offered with all Core Tariffs (including a Core Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain, the licensee must not offer or use an Optional Bundle with similar Features to another Optional Bundle or a Tied Bundle used with any Core Tariffs.

22B.14AA In respect of White Label Tariffs, where pursuant to paragraph 22B.13A, an Optional Bundle is offered with all White Label Tariffs of the same White Label Tariff Provider (including a White Label Tariff which has a Tied Bundle as a mandatory part of it) throughout Great Britain, the licensee must not offer or use an Optional Bundle with similar Features to another Optional Bundle or a Tied Bundle used in respect of White Label Tariffs of the same White Label Tariff Provider.

31D.9A Where the licensee has White Label Tariffs, paragraph 22B.14A of standard Condition 22B is replaced with the following paragraphs:

22B.14A With the exception of White Label Tariffs, where, pursuant to paragraph 22B.13, the licensee offers an Optional Bundle (including a Bundled Product which constitutes a Discount) with all Core Tariffs, the licensee must ensure that the Optional Bundle is available to all Domestic Customers which are subject to those Core Tariffs.

22B.14AB In respect of White Label Tariffs, where, pursuant to paragraph 22B.13A, the licensee offers an Optional Bundle (including a Bundled Product which constitutes a Discount) with all White Label Tariffs of the same White Label Tariff Provider, the licensee must ensure that the Optional Bundle is available to all Domestic Customers which are subject to those White Label Tariffs.

31D.10 Where the licensee has White Label Tariffs, paragraph 22B.15 of standard Condition 22B is replaced with the following paragraphs:

22B.15 With the exception of White Label Tariffs, the licensee must ensure that, throughout Great Britain, each Bundled Product (including a Bundled Product which constitutes a Discount and a Bundled Product which is subject to paragraph 22B.28):

(a) contains the same terms and conditions and is of the same monetary amount (or, where paragraph 22B.26 applies, of the same methodology) in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Bundled Product which has similar Features to another Bundled Product;

(b) is not:

(i) pounds sterling or any currency of any other country;

(ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;

(iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and

(iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer;

(c) is not expressed as a percentage; and

(d) subject to paragraph 22B.24, is only presented as a monetary amount in either:

(i) pounds sterling per year; or

(ii) pence per kWh.

22B.15A In respect of White Label Tariffs, the licensee must ensure that, throughout Great Britain, each Bundled Product (including a Bundled Product which constitutes a Discount and a Bundled Product which is subject to paragraph 22B.28) used in respect of a White Label Tariff of the same White Label Tariff Provider:

(a) contains the same terms and conditions and is of the same monetary amount (or, where paragraph 22B.26 applies, of the same methodology) in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Bundled Product which has the same or similar Features to another Bundled Product;

(b) is not:

(i) pounds sterling or any currency of any other country;

(ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;

(iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and

(iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer;

(c) is not expressed as a percentage; and

(d) subject to paragraph 22B.24, is only presented as a monetary amount in either:

(i) pounds sterling per year; or

(ii) pence per kWh.

### **Treatment of Reward Points Discounts**

31D.11 Where the licensee has White Label Tariffs, paragraph 22B.18 of standard Condition 22B is replaced with the following paragraphs:

22B.18 With the exception of White Label Tariffs, for the purposes of paragraphs 22B.20, 22B.22 and 22B.23, a Reward Points Discount would not be regarded as having similar Features to another Reward Points Discount where the Reward Points Discount also includes one or more distinct additional Features.

22B.18A In respect of White Label Tariffs, for the purposes of paragraphs 22B.20AA, 22B.22AA and 22B.23A, a Reward Points Discount would not be regarded as having similar Features to another Reward Points Discount where the Reward Points Discount also includes one or more distinct additional Features.

31D.12 Where the licensee has White Label Tariffs, paragraph 22B.19 of standard Condition 22B is replaced with the following paragraphs:

22B.19 With the exception of White Label Tariffs, the licensee may use any one particular Tied Reward Points Discount as a mandatory part of any selection of its Core Tariffs.

22B.19A In respect of White Label Tariffs, the licensee may use any one particular Tied Reward Points Discount as a mandatory part of any selection of its White Label Tariffs of the same White Label Tariff Provider.

31D.13 Where the licensee has White Label Tariffs, paragraph 22B.20 of standard Condition 22B is replaced with the following paragraphs:

22B.20 With the exception of White Label Tariffs, where pursuant to paragraph 22B.19, a particular Tied Reward Points Discount is a mandatory part of any selection of its Core Tariffs, the licensee must not:

(a) use any additional Tied Reward Points Discounts as a mandatory part of those Core Tariffs; and

(b) use a Tied Reward Points Discount with similar Features to any Optional Reward Points Discount used with any Core Tariffs.

22B.20AA In respect of White Label Tariffs, where pursuant to paragraph 22B.19A, a particular Tied Reward Points Discount is a mandatory part of any selection of its White Label Tariffs of the same White Label Tariff Provider, the licensee must not:

(a) use any additional Tied Reward Points Discounts as a mandatory part of those White Label Tariffs; and

- (b) use a Tied Reward Points Discount with similar Features to any Optional Reward Points Discount used with any White Label Tariffs of the same White Label Tariff Provider.

31D.13A Where the licensee has White Label Tariffs, paragraph 22B.20A of standard Condition 22B is replaced with the following paragraphs:

22B.20A With the exception of White Label Tariff, where, pursuant to paragraph 22B.19, the licensee uses a Tied Reward Points Discount with any selection of its Core Tariffs, the licensee must ensure that the Tied Reward Points Discount is available to all Domestic Customers which are subject to those Core Tariffs.

22B.20AB In respect of White Label Tariffs, where, pursuant to paragraph 22B.19A, the licensee uses a Tied Reward Points Discount with any selection of its White Label Tariffs of the same White Label Tariff Provider, the licensee must ensure that the Tied Reward Points Discount is available to all Domestic Customers which are subject to those White Label Tariffs.

31D.14 Where the licensee has White Label Tariffs, paragraph 22B.21 of standard Condition 22B is replaced with the following paragraphs:

22B.21 With the exception of White Label Tariffs, the licensee may offer Optional Reward Points Discounts with all Core Tariffs throughout Great Britain and may restrict the number of Reward Points Discounts a Domestic Customer may choose to receive.

22B.21A In respect of White Label Tariffs, the licensee may offer Optional Reward Points Discounts with all White Label Tariffs of the same White Label Tariff Provider throughout Great Britain and may restrict the number of Reward Points Discounts a Domestic Customer may choose to receive.

31D.15 Where the licensee has White Label Tariffs, paragraph 22B.22 of standard Condition 22B is replaced with the following paragraphs:

22B.22 With the exception of White Label Tariffs, where, pursuant to paragraph 22B.21, an Optional Reward Points Discount is offered with all Core Tariffs throughout Great Britain, the licensee must not offer or use an Optional Reward Points Discount with similar Features to another Optional Reward Points Discount or Tied Reward Points Discount used with any Core Tariffs.

22B.22AA In respect of White Label Tariffs, where, pursuant to paragraph 22B.21A, an Optional Reward Points Discount is offered with all White Label Tariffs of the same White Label Tariff Provider throughout Great Britain, the licensee must not use an Optional Reward Points Discount with similar Features to another Optional Reward Points Discount or Tied Reward Points Discount used with any White Label Tariff of the same White Label Tariff Provider.

31D.15A Where the licensee has White Label Tariffs, paragraph 22B.22A of standard Condition 22B is replaced with the following paragraphs:

22B.22A With the exception of White Label Tariffs, where, pursuant to paragraph 22B.21, the licensee offers an Optional Reward Points Discount with all Core Tariffs, the licensee must ensure that the Optional Reward Points Discount is available to all Domestic Customers which are subject to those Core Tariffs.



22B.22AB In respect of White Label Tariffs, where, pursuant to paragraph 22B.21A, the licensee offers an Optional Reward Points Discount all White Label Tariffs of the same White Label Tariff Provider, the licensee must ensure that the Optional Reward Points Discount is available to all Domestic Customers which are subject to those White Label Tariffs.

31D.16 Where the licensee has White Label Tariffs, paragraph 22B.23 of standard Condition 22B is replaced with the following paragraphs (including a Reward Points Discount which is subject to paragraph 22B.28):

22B.23 With the exception of White Label Tariffs, the licensee must ensure that each Reward Points Discount used:

- (a) subject to paragraph 22B.28, is Continuously Applied on a daily or per kWh basis;
- (b) is subject to the same terms and conditions and of the same amount of points throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Reward Points Discount which has the same or similar Features to another Reward Points Discount (excluding Reward Points Discounts with distinct additional Features);
- (c) is not:
  - (i) pounds sterling or any currency of any other country;
  - (ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;
  - (iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and
  - (iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer; and
- (d) is not expressed as a percentage.

22B.23A In respect of White Label Tariffs, the licensee must ensure that each Reward Points Discount used in respect of a White Label Tariff of the same White Label Tariff Provider (including a Reward Points Discount which is subject to paragraph 22B.28A):

- (a) subject to paragraph 22B.28A, is Continuously Applied on a daily or per kWh basis;
- (b) is subject to the same terms and conditions and of the same amount of points throughout Great Britain in respect of Live Evergreen Tariffs, Live Fixed Term Tariffs and Dead Tariffs for every Reward Points Discount which has the same or similar Features to another Reward Points Discount (excluding Reward Points Discounts with distinct additional Features);
- (c) is not:
  - (i) pounds sterling or any currency of any other country;

- (ii) capable of being directly redeemed (rather than sold) for pounds sterling or any currency of any other country;
  - (iii) in any way applied to (rather than incorporated within) a Unit Rate or Standing Charge; and
  - (iv) in any way capable of being applied to a Unit Rate or Standing Charge by a Domestic Customer; and
- (d) is not expressed as a percentage.

**Additional rules for Discounts, Bundled Products etc being of the same monetary amount throughout Great Britain**

31D.17 Where the licensee has White Label Tariffs, paragraph 22B.26 of standard Condition 22B is replaced with the following paragraphs:

22B.26 With the exception of White Label Tariffs, where paragraph 22B.27 applies, the licensee must use a methodology which is clear and easy to understand.

22B.26A In respect of White Label Tariffs, where paragraph 22B.27 applies, the licensee must use a methodology for White Label Tariff of the same White Label Tariff Provider which is clear and easy to understand.

**Exception to Continuously Applied rule for Bundled Products which constitute a Discount and Reward Points Discounts**

31D.18 Where the licensee has White Label Tariffs, paragraph 22B.28 of standard Condition 22B is replaced with the following paragraphs:

22B.28 With the exception of White Label Tariffs, the licensee may provide Bundled Products which constitute a Discount and Reward Points Discounts (the "Relevant Product") if all of the following requirements are satisfied:

- (a) the Relevant Product is not a Discount of a type which is subject to paragraphs 22B.5, 22B.6, and 22B.7; and
- (b) where the Domestic Customer terminates their Domestic Supply Contract:
  - (i) the Domestic Customer is not required to pay back or otherwise return a Relevant Product which has already been received; and
  - (ii) the Domestic Customer will receive a Compensation Payment in respect of any Relevant Product (excluding any Bundled Product which involves a service of an enduring nature) which they would otherwise have been entitled to receive at a future date.

22B.28A In respect of White Label Tariffs, the licensee may provide in respect of White Label Tariffs of the same White Label Tariff Provider Bundled Products which constitute a Discount and Reward Points Discounts (the "Relevant Product") if all of the following requirements are satisfied:

- (a) the Relevant Product is not a Discount of a type which is subject to paragraphs 22B.5A, 22B.6A, and 22B.7A; and
- (b) where the Domestic Customer terminates their Domestic Supply Contract:
  - (i) the Domestic Customer is not required to pay back or otherwise return a Relevant Product which has already been received; and
  - (ii) the Domestic Customer will receive a Compensation Payment in respect of any Relevant Product (excluding any Bundled Product which involves a service of an enduring nature) which they would otherwise have been entitled to receive at a future date.

**Schedule to standard condition 22B**

31D.19 Where the licensee has White Label Tariffs, paragraph S22B.2 of the schedule to standard Condition 22B is replaced with the following paragraphs:

S22B.2 With the exception of White Label Tariffs, the licensee must ensure that all charges (excluding the charges referred to in sub-paragraph S22B.1(p)) and fees (including a Termination Fee) referred to in paragraph S22B.1 are:

- (a) subject to the same terms and conditions throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (b) subject to paragraph 22B.26, of the same monetary amount throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (c) not expressed as a percentage; and
- (d) subject to paragraph 22B.24, expressed as a monetary amount in either:
  - (i) pounds sterling per year; or
  - (ii) pence per kWh.

S22B.2A In respect of White Label Tariffs, the licensee must ensure that all charges (excluding the charges referred to in sub-paragraph S22B.1(p)) and fees (including a Termination Fee) referred to in paragraph S22B.1 in respect of White Label Tariffs of the same White Label Tariff Provider are:

- (a) subject to the same terms and conditions throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (b) subject to paragraph 22B.26A, of the same monetary amount throughout Great Britain for each charge or fee (including a Termination Fee) of the same type;
- (c) not expressed as a percentage; and
- (d) subject to paragraph 22B.24, expressed as a monetary amount in either:
  - (i) pounds sterling per year; or
  - (ii) pence per kWh.

### **Relevant Cheapest Tariff definition**

31D.20 Where the licensee has White Label Tariffs, the definition of "Relevant Cheapest Tariff" in standard condition 1 is replaced with the following definition:

**Relevant Cheapest Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensee) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;
- (b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;
- (c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with the Prepayment Meter installed at the Domestic Customer's premises;
- (d) their Account Management Arrangement;
- (e) where the Domestic Customer is subject to an Evergreen Supply Contract, an Evergreen Supply Contract;
- (f) where the Domestic Customer is subject to a Fixed Term Supply Contract, a Fixed Term Supply Contract;
- (g) where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider;
- (h) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff; and
- (i) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs.

### **Alternative Cheapest Tariff definition**

31D.21 Where the licensee has White Label Tariffs, the definition of "Alternative Cheapest Tariff" in standard condition 1 is replaced with the following definition:

**Alternative Cheapest Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff, rather than the Tariff the Domestic Customer is currently subject to;
- (b) where the Domestic Customer is not subject to a Prepayment Meter, the cheapest Tariff compatible with the Gas Meter installed at the Domestic Customer's premises;

- (c) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff compatible with any Gas Meter which could be installed at the Domestic Customer's premises;
- (d) here the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider;
- (e) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff; and
- (f) consideration of both Time of Use Tariffs for which appropriate consumption data is available and Non-Time of Use Tariffs.

### **Relevant Cheapest Evergreen Tariff definitions**

31D.22 In respect of White Label Tariffs, the definition of "Relevant Cheapest Evergreen Tariff" in standard condition 1 is replaced with the following definition:

**Relevant Cheapest Evergreen Tariff** means, in comparison with the Estimated Annual Costs for each specific Domestic Customer's Tariff, the cheapest Tariff for an Evergreen Supply Contract available from the licensee (or, where there are any Affiliate Licensees, the licensee and any Affiliate Licensees) for that Domestic Customer based on:

- (a) their Estimated Annual Costs applied in respect of the cheapest Tariff for an Evergreen Supply Contract, rather than the Tariff the Domestic Customer is currently subject to;
- (b) their current payment method;
- (c) their current Relevant Meter Type;
- (d) where the Domestic Customer is subject to a Prepayment Meter, the cheapest Tariff for an Evergreen Supply Contract compatible with the Prepayment Meter installed at the Domestic Customer's premises; and
- (e) their Account Management Arrangement;
- (f) where the Domestic Customer is subject to a White Label Tariff, a White Label Tariff of the same White Label Tariff Provider; and
- (g) where the Domestic Customer is not subject to a White Label Tariff, a Tariff which is not a White Label Tariff.

### **Replacement of White Label Tariffs**

31D.23 Whilst the licensee may (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees may) replace a White Label Tariff, the licensee must ensure (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees must collectively ensure) that the total number of White Label Tariffs which are in use does not exceed the total number of White Label Tariffs which were in use on 1 March 2013.

### **Commencement of condition**

31D.24 Each separate paragraph in this condition which relates to standard condition 22B will come into effect on the date the corresponding paragraph in standard condition 22B comes into effect.

31D.25 Paragraph 31D.20 will come into effect on the date the definition of "Relevant Cheapest Tariff" in standard condition 1 comes into effect.

31D.26 Paragraph 31D.21 will come into effect on the date the definition of "Alternative Cheapest Evergreen Tariff" in standard condition 1 comes into effect.

31D.27 Paragraph 31D.22 will come into effect on the date the definition of "Relevant Cheapest Evergreen Tariff" in standard condition 1 comes into effect.

### **Termination of condition**

31D.28 Subject to paragraph 31D.29, standard condition 31D will stop having effect on and from 31 December 2014.

31D.29 The Authority may on more than one occasion issue directions providing that paragraph 31D.28 will continue to have effect for a further period of time.

### **Exception to compliance with condition**

31D.30 The licensee is not required to comply with standard condition 31D to such extent and subject to such conditions as the Authority may from time to time direct.

### **Definitions for condition**

31D.31 In this condition:

**"White Label Tariff"** means a Tariff in existence as at 1 March 2013 which is:

- (a) offered by virtue of a Gas Supply Licence of the licensee or an Affiliate Licensee; and
- (b) uses the brand name of a person that does not hold a Gas Supply Licence (excluding any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which does not hold a Gas Supply Licence);

**"White Label Tariff Provider"** means the person that owns the brand name used for a White Label Tariff.

## 17. Insertion of new standard condition 31E

The text set out below in red constitutes the envisaged drafting in respect of the proposed insertion of condition 31E in the standard conditions of the Gas supply licence:

### Standard condition 31E. overarching requirements

#### Additional rules for Relevant Cheapest Tariff and Alternative Cheapest Tariff information

31E.1 Where pursuant to a standard condition the licensee provides a Domestic Customer with information about their Relevant Cheapest Tariff and/or Alternative Cheapest Tariff, the licensee must provide, in Writing, in close proximity on the same page:

- (a) a statement to the effect that changing to a Relevant Cheapest Tariff and/or to an Alternative Cheapest Tariff may involve changing to materially different terms and conditions;
- (b) where applicable, a statement to the effect that the Relevant Cheapest Tariff and/or Alternative Cheapest Tariff is subject to limited availability and/or will only be available for a limited period of time; and
- (c) where the Domestic Customer has a Prepayment Meter and changing to the Alternative Cheapest Tariff would require the Gas Meter to be changed:
  - (i) a statement to the effect that changing to the Alternative Cheapest Tariff would require the Gas Meter to be changed;
  - (ii) an estimate of the costs (in pounds sterling), if any, of changing the Gas Meter; and
  - (iii) a statement to the effect that there may be restrictions on, or conditions attached to, changing the Gas Meter.

31E.2 This paragraph applies where:

- (a) the licensee only has one Tariff (or, where there are any Affiliate Gas Licensees, the licensee and any Affiliate Gas Licensees only have one Tariff); and/or
- (b) the Domestic Customer is already subject to the licensee's (or, where there are any Affiliate Gas Licensees, the licensee's and any Affiliate Gas Licensee's) Relevant Cheapest Tariff and/or Alternative Cheapest Tariff (as applicable).

31E.3 Where paragraph 31E.2 applies, the licensee must provide a statement in Writing to the effect that the Domestic Customer is already subject to the Relevant Cheapest Tariff and/or Alternative Cheapest Tariff (as applicable) and that they will be informed at least once a year if the position changes.

31E.4 Where the Domestic Customer is using a Prepayment Meter, in addition to providing that Domestic Customer with information about their Alternative Cheapest Tariff, the licensee must provide a statement in Writing to the effect that a Domestic Customer with Outstanding Charges may be able to change their supplier by agreeing with a new Gas Supplier that the Outstanding Charges may be assigned by the licensee in accordance with the Protocol.

31E.5 Where the licensee is required to provide a Domestic Customer with information about their Relevant Cheapest Tariff and/or Alternative Cheapest Tariff, it must take all reasonable steps to ensure that:

(a) the calculation of Annual Consumption Details and all other relevant calculations and assessments are made at a point in time which is of a close proximity to the point in time at which the information is to be provided to the Domestic Customer; and

(b) the assessment of the Relevant Cheapest Tariff and/or Alternative Cheapest Tariff is based on the most up to date Tariff information available.

### **Plain and intelligible language and presentation requirements**

31E.6 Where, by virtue of any standard condition, the licensee is required to provide a Domestic Customer with information, the licensee must ensure that the information is:

(a) drafted (or, where provided orally, communicated) in plain and intelligible language;

(b) where the information is required to be provided in Writing, presented in:

(i) text of a colour which is readily distinguishable from the background medium; and

(ii) unless a standard condition otherwise provides, text of an equal size and prominence except that headings may be afforded more prominence whether by capital letters, underlining, larger or bold print or otherwise.

### **Overarching requirement to refer to Estimated Annual Costs as “Personal Projection”**

31E.7 Where the licensee or any Representative is required by any standard condition to provide a Domestic Customer’s Estimated Annual Costs, the licensee must ensure that the Estimated Annual Costs are communicated to the Domestic Customer using the name “Personal Projection”.

### **Provision of Tariff Information Label and Estimated Annual Costs at the same time as Principal Terms**

31E.8 Where the licensee or any Representative is required by any standard condition to provide information about Principal Terms, the licensee must take (and ensure that any Representative takes) all reasonable steps to communicate the following information to the Domestic Customer and ensure that the information is communicated (or, where the information is provided in Writing, drafted) in plain and intelligible language:

(a) the Tariff Information Label or, in the case of oral communications, the information contained in the Tariff Information Label (in respect of any Domestic Supply Contract offered to the Domestic Customer); and

(b) the Domestic Customer’s Estimated Annual Costs (in respect of any Domestic Supply Contract offered to the Domestic Customer).

### **Provision of information about things included in Estimated Annual Costs**

31E.9 Where Estimated Annual Costs are provided to a Domestic Customer by the licensee or any Representative (either by virtue of a standard condition or on a voluntary basis), the licensee must provide (and take all reasonable steps to ensure that any



Representative provides) a brief statement (in Writing where the Estimated Annual Cost are provided in Writing or orally where the Estimated Annual Cost are provided orally) explaining what is included in the Estimated Annual Costs, including, but not limited to, value added tax.

#### **Provision of information regarding inclusion or exclusion of value added tax**

31E.10 Where the licensee provides a Domestic Customer with any information about the Charges for the Supply of Gas or any other type of charge or fee (the "Applicable Charges"), the licensee must inform the Domestic Customer of whether the Applicable Charges include or exclude value added tax.

#### **Provision of information regarding future increases in charges**

31E.11 Where the licensee provides a Domestic Customer with any information about their Estimated Annual Costs in respect of an Evergreen Supply Contract, the licensee must provide the Domestic Customer with a statement to the effect that the nature of the contract means that the Charges for the Supply of Gas may be increased by the licensee in the future.

#### **Provision of information regarding Opt-out Bundles**

31E.12 Where any Opt-out Bundle is offered to a Domestic Customer, the licensee must inform (and take all reasonable steps to ensure that any Representative informs) the Domestic Customer:

- (a) that an Opt-out Bundle applies;
- (b) that the Domestic Customer is able to opt out from receiving the Opt-out Bundle; and
- (c) of the consequences of the Domestic Customer not opting out from receiving the Opt-out Bundle.

#### **Overarching requirements for Staggered Charging Tariffs**

31E.13 Where a Staggered Charging Tariff has more than one Standing Charge, the licensee must comply with any requirement in a standard condition to use, provide or display information in respect of a Standing Charge on the basis that the requirement is read as a requirement to use, provide or display (as the case may be) information in respect of all of the Standing Charges that apply along with information specifying the duration of time each Standing Charge applies to.

31E.14 Where a Staggered Charging Tariff has more than one Unit Rate, the licensee must comply with any requirement in a standard condition to use, provide or display information in respect of a Unit Rate on the basis that the requirement is read as a requirement to use, provide or display (as the case may be) information in respect of all of the Unit Rates that apply along with information specifying the duration of time each Unit Rate applies to.

#### **Overarching requirements where Tariffs have Time of Use Rates**

31E.15 Where a Tariff has Time of Use Rates, the licensee must comply with any requirement in a standard condition to use, provide or display information in respect of a Unit Rate on the basis that the requirement is read as a requirement to use, provide or

display (as the case may be) information in respect of all of the Unit Rates that apply along with information specifying the Time Period each Unit Rate applies to.

### **Guidance**

31E.16 The licensee must have regard to any guidance on standard condition 31E (including in respect of definitions which appear in standard condition 1) which, following consultation (which may be conducted before this condition takes effect), the Authority may issue and may from time to time revise (following further consultation).

### **Exception to compliance with condition**

31E.17 The licensee is not required to comply with standard condition 31E to such extent and subject to such conditions as the Authority may from time to time direct.