

To: All holders of an electricity supply licence who are relevant licence holders for the purposes of section 11A(10) of the Electricity Act 1989.

**ELECTRICITY ACT 1989
SECTION 11A**

**MODIFICATIONS PURSUANT TO SECTION 11A OF THE ELECTRICITY ACT 1989
OF THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE
GRANTED OR TREATED AS GRANTED UNDER SECTION 6(1)(d) OF THE
ELECTRICITY ACT 1989.**

**NOTICE OF REASONS FOR THE DECISION TO MODIFY THE STANDARD
CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE UNDER SECTION 49A OF
THE ELECTRICITY ACT 1989.**

WHEREAS:

1. Each of the companies to whom this notice is addressed holds an electricity supply licence granted, or treated as granted, pursuant to section 6(1)(d) of the Electricity Act 1989 ("the Act").

2. In accordance with section 11A(2) of the Act, the Gas and Electricity Markets Authority ("the Authority") gave notice on 22 March 2013 ("the Notice") that it proposed to make modifications to the standard conditions of the electricity supply licence by:

- (a) amending standard condition 1;
- (b) amending standard condition 7A; and
- (c) inserting new standard condition 7B.

The Notice required any representations with respect to the proposed modifications to be made on or before 1 May 2013.

3. In accordance with section 11A(4)(b)(ii) of the Act, the Authority sent a copy of the Notice to the Secretary of State and has not received a direction not to make the modifications.

4. The Authority received 14 representations in relation to the proposed modifications. All non-confidential representations made in relation to the proposed licence modifications are available free of charge from the Ofgem Research and Information Centre, 9 Millbank, London SW1P 3GE or from the Ofgem website at www.ofgem.gov.uk.

5. Minor changes were made to the licence drafting consulted on and these are set out in schedule 1 to this modification direction.

6. The Authority has carefully considered the representations made and, subject to the minor changes set out in schedule 1, has decided to proceed with all the modifications proposed in the Notice.

7. In accordance with section 49A of the Act, the reasons for making the licence modifications are to implement remedies for non-domestic customers pursuant to the Retail Market Review. Further details of reasons for the licence modifications are stated in the following documents:

- (a) Implementation of the Retail Market Review non-domestic proposals – decision to make licence modifications (108/13), 28 June 2013;

- (b) The Retail Market Review – Final non-domestic proposals (38/13), 22 March 2013;
- (c) The Retail Market Review – Updated proposals for businesses (134/12), 26 October 2012;
- (d) The Retail Market Review: Non-domestic Proposals (157/11), 1 December 2011;
- (e) 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.

8. The effects of the licence modifications are described in the following documents:

- (a) Implementation of the Retail Market Review non-domestic proposals – decision to make licence modifications (108/13), 28 June 2013; and
- (b) The Retail Market Review – Final non-domestic proposals (38/13), 22 March 2013.

9. Where an application for permission to appeal the Authority's decision is made to the Competition Commission under section 11C of the Act, Rule 5.7 of the Competition Commission's Energy Licence Modification Appeals Rules requires the appellant to send to any relevant licence holders who are not parties to the appeal a non-confidential notice setting out the matters required in Rule 5.2. The attached schedule 2 provides a list of the relevant licence holders in relation to this modification. The meaning of "relevant licence holder" is set out in section 11A(10) of the Act.

Now therefore

In accordance with the powers contained in section 11A(1)(b) of the Act, the Authority hereby modifies the standard conditions for all electricity supply licences in the manner specified in the attached schedule 3 with effect on and from the following times and dates:

Modifications	Date
Standard condition 1	On and from 00:00 on 26 August 2013.
Standard condition 7A (excluding paragraph 7A.14 of standard condition 7A)	On and from 00:00 on 31 March 2014.
Paragraph 7A.14 of standard condition 7A (for the purposes of standard condition 7A)	On and from 00:00 on 31 March 2014.
Paragraph 7A.14 of standard condition 7A (for the purposes of standard condition 7B)	On and from 00:00 on 26 August 2013.
Standard condition 7B	On and from 00:00 on 26 August 2013.

This document constitutes a notice of reasons for the decision to modify the standard conditions of the electricity supply licence under section 49A of the Act.

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



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Maxine Frerk

Partner Retail Markets & Research

Ofgem

Duly Authorised on behalf of the Gas and Electricity Markets Authority

28 June 2013

SCHEDULE 1

MINOR CHANGES TO THE DRAFTING OF THE MODIFICATIONS FOLLOWING STATUTORY CONSULTATION

Standard condition	Change following statutory consultation	Reason for change
Paragraph 7A.10A of standard condition 7A	Insertion of "7A." before "10B" in the reference to "paragraph 10B".	Typographical error.
Sub-paragraph 7A.10B(a) of standard condition 7A	Replaced "Non-Domestic" with "Micro Business Consumer".	Consistency with references to "Micro Business Consumer Contract" elsewhere in the licence condition.
Sub-paragraph 7A.10B(b)(ii) of standard condition 7A	Replaced "Non-Domestic" with "Micro Business Consumer".	Consistency with references to "Micro Business Consumer Contract" elsewhere in the licence condition.
Paragraph 7A.12A of standard condition 7A	Changed text in the heading above 7A.12A. "for a period of indefinite length" replaced by "which do not include a fixed term period".	Reflects the drafting of 7A.12A more closely.
Paragraph 7A.12B of standard condition 7A	Changed text in the heading above 7A.12B. "for" replaced by "which include".	Reflects the drafting of 7A.12B more closely.

SCHEDULE 2

LIST OF RELEVANT LICENCE HOLDERS

Name	Address
Domestic & Non-Domestic	
Angel Energy Limited	8 Church Meadows Toddington, Cheltenham Gloucestershire GL54 5DB Great Britain
Axis Telecom Limited	37-43 Shirethorn House Prospect Street Hull HU2 8PX Great Britain
AXPO UK Limited	38 Threadneedle Street London EC2R 8AY Great Britain
Bayswater Energy Limited	1 Minster Court Tuscam Way Camberley Surrey GU15 3YY Great Britain
Better Energy Supply Limited	68 Musters Road West Bridgford Nottingham NG2 7PR Great Britain
BizzEnergy Limited	Millstream Maidenhead Road Windsor Berkshire SL4 5GD Great Britain
Callisto Energy Supply Limited	Alliance House Clayton Green Business Park Library Road, Clayton-le Woods Chorley PR6 7EN Great Britain
Co-Operative Energy Limited	Co-operative House Warwick Technology Park Gallows Hill, Warwick Warwickshire CV34 6DA Great Britain
Coulomb Energy Supply Limited	PX House Westpoint Road Stockton-on-Tees Cleveland TS17 6BF United Kingdom

Crown Oil Limited	The Oil Centre Bury New Road Heap Bridge Bury BL9 7HY Great Britain
Dong Energy Power Sales UK Limited	1-3 The Strand London WC2N 5EJ United Kingdom
Donnington Energy Limited	Lambourne House 311-321 Banbury Road, Oxford OX2 7JH, United Kingdom
E.ON Energy Solutions Limited	Rapide House Siskin Parkway West Coventry Warwickshire CV3 4PB Great Britain
Economy Power Limited	Westwood Way Westwood Business Park Coventry CV4 8LG Great Britain
EDF Energy Customers Plc	40 Grosvenor Place Victoria London SW1X 7EN Great Britain
Electricity Plus Supply Limited	Network HQ 333 Edgware Road London NW9 6TD Great Britain
Energy COOP Limited	Co-operative House Warwick Technology Park Gallows Hill, Warwick Warwickshire CV34 6DA United Kingdom
Europa Energy Supply Limited	Arkwright House 2 Arkwright Court Commercial Road, Darwen Lancashire BB3 0FG United Kingdom
Farmoor Energy Limited	Lambourne House 311-321 Banbury Road Oxford OX2 7JH United Kingdom
First Utility Limited	19 Red Lodge Road Bexley Kent

	DA5 2JW Great Britain
Flow Energy Limited	Felaw Maltings Ground Floor 48 Felaw Street Ipswich IP2 8PN United Kingdom
Ganymede Energy Supply Limited	Alliance House Clayton Green Business Park Library Road, Clayton-le Woods Chorley PR6 7EN Great Britain
Good Energy Limited	Monkton Reach Monkton Hill Chippenham SN15 1EE Great Britain
Green Energy Limited	Black Swan House 23 Baldock Street Ware Hertfordshire SG12 9DH Great Britain
Haven Power Limited	Drax Power Station Selby North Yorkshire YO8 8PH Great Britain
Holborn Energy Limited	8 Church Meadows Toddington, Cheltenham Gloucestershire GL54 5DB Great Britain
Home Counties Energy Plc	17 Hanover Square Fasken Martineau LLP London W1S 1HU Great Britain
I Supply Electricity 2 Limited	c/o Gilmond Consulting Richmond House Yelverton Road, Bournemouth Dorset BH1 1DA Great Britain
I Supply Electricity 3 Limited	c/o Gilmond Consulting Richmond House Yelverton Road, Bournemouth Dorset BH1 1DA Great Britain
I Supply Electricity Limited	c/o Gilmond Consulting Richmond House Yelverton Road, Bournemouth Dorset

	BH1 1DA Great Britain
I Supply Energy Limited	37 Commercial Road Poole Dorset BH14 0HU Great Britain
I.C.S. 1989 Limited	1 Minster Court Tuscam Way, Camberley Surrey GU15 3YY Great Britain
KAL-Energy Limited	39-43 Bridge Street Mexborough South Yorkshire S64 8AP Great Britain
Kensington Power Limited	119 Wren Way Farnborough Hampshire GU14 8TA United Kingdom
Nationwide Electricity Limited	Unit One Maple Court Maple Road Tankersley, Barnsley South Yorkshire S75 3DP Great Britain
Neas Energy Limited	35 Catherine Place London SW1E 6DY United Kingdom
Npower Direct Limited	Windmill Hill Business Park Whitehill Way Wiltshire SN5 6PB Great Britain
Npower Limited	Windmill Hill Business Park Whitehill Way Wiltshire SN5 6PB Great Britain
Npower Northern Limited	Windmill Hill Business Park Whitehill Way Wiltshire SN5 6PB Great Britain
Npower Northern Supply Limited	Windmill Hill Business Park Whitehill Way Wiltshire SN5 6PB Great Britain
Npower Yorkshire Limited	Windmill Hill Business Park Whitehill Way Wiltshire

	SN5 6PB Great Britain
Oberon Energy Supply Limited	Alliance House Clayton Green Business Park Library Road, Clayton-le Woods Chorley PR6 7EN Great Britain
Open4Energy Limited	8 Forty Green Drive Marlow Buckinghamshire SL7 2JY Great Britain
Opus Energy (Corporate) Limited	c/o Opus Energy Lambourne House 311-321 Banbury Road Summertown Oxford OX2 7JH United Kingdom
Opus Energy Limited	c/o Opus Energy Lambourne House 311-321 Banbury Road Summertown Oxford OX2 7JH United Kingdom
Opus Energy Renewables Limited	Lambourne House 311-321 Banbury Road Summertown Oxford OX2 7JH United Kingdom
OVO Electricity Limited	Wellington House Kemble Enterprise Park Kemble, Cirencester Gloucestershire GL7 6BQ Great Britain
Pan-Utility Limited	Onega House 112 Main Road Sidcup Kent DA14 6NE Great Britain
Reuben Power Supply Limited	Level 5 2 More London Riverside London SE1 2AP Great Britain
Scottish Power Energy Retail Limited	1 Atlantic Quay Robertson Street Glasgow G2 8SP Great Britain
SEEBOARD Energy Limited	40 Grosvenor Place

	Victoria London SW1X 7EN Great Britain
Simply Electricity Limited	c/o Gilmond Consulting Richmond House Yelverton Road, Bournemouth Dorset BH1 1DA Great Britain
Smart Electricity Limited	Suite 25 Ladyburn Business Centre Pottery Street, Greenock Renfrewshire PA15 2UH United Kingdom
South Wales Electricity Limited	55 Vastern Road Reading RG1 8BU Great Britain
Spark Energy Supply Limited	55 Vastern Road Reading RG1 8BU Great Britain
Supply Energy Limited	C/O Gilmond Consulting Richmond House Richmond Hill Bournemouth BH2 6EQ Great Britain
Symbio Energy LLP	Westbury House 23-25 Bridge Street Pinner Middlesex HA5 3HR Great Britain
The Renewable Energy Company Limited	Unicorn House 7 Russell Street Stroud Gloucestershire GL5 3AX Great Britain
UK Healthcare Corporation Limited	Portland Buildings 127-129 Portland Street Manchester M1 4PZ Great Britain
Utilita Energy Limited	Secure House Moorside Road Winchester Hampshire SO23 7RX Great Britain
Non-Domestic	
Abacus Financial Limited	Quadrant House Floor 6

	4 Thomas More Square London E1W 1YW, Great Britain
AMRECS LLC	44 Wall Street 12th Floor New York NY 10005 USA
BES Commercial Electricity Limited	Parkside Stand Fleetwood Town Football Club Park Avenue Fleetwood FY7 6TX United Kingdom
Better Business Energy Limited	Unit 18 The Bridge Business Centre Chesterfield Derbyshire S41 9FG Great Britain
Blizzard Utilities Limited	Swan Court Waterhouse Street Hemel Hempstead Hertfordshire HP1 1DS Great Britain
BP Energy Europe Limited	1 Wellheads Avenue Dyce Aberdeen AB21 7PB Great Britain
Brilliant Energy Limited	Barnett Way Barnwood Gloucester GL4 3RS Great Britain
Dual Energy Direct Limited	Premium House The Esplanade Worthing West Sussex BN11 2BJ Great Britain
E.ON UK Plc	Westwood Way Westwood Business Park Coventry CV4 8LG Great Britain
Ecotrade Solutions Limited	Premier House 112 Station Road Edgware Middlesex HA8 &BJ Great Britain
Electricity Direct (UK) Limited	Millstream Maidenhead Road

	Windsor Berkshire SL4 5GD Great Britain
Eneco Energy Trade BV	Rivium Quadrant 75 Capelle a/d IJssel 2909LC The Netherlands
Energy Data Company Limited	Hurst House 131-133 New London Road Chelmsford Essex CM2 0QT Great Britain
EPG Energy Limited	22 The Ropewalk Nottingham Nottinghamshire NG1 5DT United Kingdom
F & S Energy Limited	23 Oliver House Hall Street Chelmsford Essex CM2 0HG Great Britain
Gazprom Marketing & Trading Retail Limited	20 Triton Street London NW1 3BF Great Britain
GDF Suez Marketing Limited	No 1 Leeds 26 Whitehall Road Leeds LS12, 1BE United Kingdom
Immingham CHP LLP	Portman House 2 Portman Street London W1H 6DU Great Britain
IPM Energy Retail Limited	No 1 Leeds 26 Whitehall Road Leeds LS12, 1BE United Kingdom
Lourdes Associates Limited	25 Maney Corner Sutton Coldfield West Midlands B72 1QL United Kingdom
MA Energy Limited	The Corporation Trust Company The Corporation Trust Centre 1209 Orange Street Wilmington DE 19801 USA
Nordjysk Elhandel A/S	Skelagervej 1

	9000 Aalborg Denmark
Power4All Limited	Legal Department Asda House Southbank Great Wilson Street Leeds West Yorkshire LS11 5AD Great Britain
S. C. Isramart SRL	Str. Carpatilor No 55 Bl. D19 Sc.B Ap.11 500269 Brasov Brasov Romania
SmartestEnergy Limited	Dashwood House 69 Old Broad Street London EC2M 1QS Great Britain
Statkraft Markets GmbH	Derendorfer Allee 2a 40476 Dusseldorf Germany
Team Gas and Electricity Limited	Derry Lodge 37 Leeds Road Harrogate HG2 8AY United Kingdom
The Nuclear Decommissioning Authority	10 Upper Bank Street Canary Wharf London E14 5BF Great Britain
Tradelink Solutions Limited	Barkhill House Shire Lane Rickmansworth Herts WD3 5NT Great Britain
Universal Bioenergy Limited	117 Dartford Road Dartford Kent DA1 3EN Great Britain
Utility Partnership Limited	Prennau House Copse Walk Cardiff CF23 8XH Great Britain
Uttily (UK) Limited	118 Piccadilly Mayfair London W1J 7NW United Kingdom
Wilton Energy Limited	Sembcorp UK Headquarters

	Wilton International Middlesbrough Cleveland TS90 8WS Great Britain
Winnington Networks Limited	570 - 572 Etruria Road Newcastle-under-Lyme Staffordshire ST5 0SU Great Britain

SCHEDULE 3

MODIFICATIONS PURSUANT TO SECTION 11A OF THE ELECTRICITY ACT 1989 OF THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE GRANTED OR TREATED AS GRANTED UNDER SECTION 6(1)(d) OF THE ELECTRICITY ACT 1989.

1. Modification to standard condition 1

The text set out below in red is to be inserted in paragraph 1.3 of standard condition 1 of the electricity supply licence:

Affiliate Electricity Licensee means any Subsidiary, Holding Company, or Subsidiary of a Holding Company of the licensee which holds an electricity supply licence granted or treated as granted pursuant to section 6(1)(d) of the Electricity Act 1989.

2. Modifications to standard condition 7A

The text below which is highlighted by track changes constitutes the modifications to standard condition 7A of the electricity supply licence (insertions are shown by underlined text in red and deletions are shown by strikethrough text):

Condition 7A. Supply to Micro Business Consumers

Identification and treatment of Micro Business Consumers

7A.1 If the licensee intends to:

- (a) enter into a Non-Domestic Supply Contract with a Customer; or
- (b) extend the duration of a Non-Domestic Supply Contract (including the duration of any fixed term period which may form part of a Contract of an indefinite length)

the licensee must either take all reasonable steps to identify whether that Non-Domestic Customer is a Micro Business Consumer, or deem that Non-Domestic Customer to be a Micro Business Consumer.

7A.2 Where any Contract or Contract extension as described in paragraph 7A.1 is entered into with a Non-Domestic Customer that has been identified as, or deemed to be, a Micro Business Consumer, that Contract shall be a "Micro Business Consumer Contract" for the purposes of this Condition.

7A.3 The licensee must not include a term in a Micro Business Consumer Contract which enables it to terminate the Contract or apply different terms and conditions to that Contract during a fixed term period on the grounds that the Customer no longer satisfies the definition of Micro Business Consumer.

Notification of Micro Business Consumer Contract terms and other information

7A.4 Before the licensee enters into a Micro Business Consumer Contract, it must take all reasonable steps to bring the following information to the attention of the

Micro Business Consumer and ensure that the information is communicated in plain and intelligible language:

- (a) a statement to the effect that the licensee is seeking to enter into a legally binding Contract with the Micro Business Consumer; and
- (b) the Principal Terms of the proposed Contract.

7A.5 The licensee must ensure that all the express terms and conditions of a Micro Business Consumer Contract are:

- (a) set out in Writing; and
- (b) drafted in plain and intelligible language.

7A.6 Where the licensee enters into, or extends the duration of, a Micro Business Consumer Contract for a fixed term period, it must prepare a statement (hereafter referred to as a "Statement of Renewal Terms") which:

- (a) is set out in Writing;
- (b) is drafted in plain and intelligible language;
- (c) displays the following information in a prominent manner:
 - (i) the date the fixed term period is due to end, or if that date is not ascertainable the duration of the fixed term period;
 - (ii) the Relevant Date, or if not known at the time of providing the Statement of Renewal Terms, a description of how the Relevant Date will be calculated by reference to the end of the fixed term period;
 - (iii) a statement to the effect that the Micro Business Consumer may send a notification in Writing to the licensee at any time before the Relevant Date in order to prevent the licensee from extending the duration of the Micro Business Consumer Contract for a further fixed term period and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies;
 - (iv) a postal and Electronic Communication address to which the Customer may send a notification in Writing for that purpose; and
 - (v) a statement explaining the consequences of the Micro Business Consumer not renewing the Micro Business Consumer Contract or agreeing a new Contract before the Relevant Date.

7A.7 Where the licensee enters into or extends the duration (including the duration of any fixed term period) of a Micro Business Consumer Contract, it must take all reasonable steps to provide the Micro Business Consumer with the following information within 10 days, or do so as soon as reasonably practicable thereafter:

- (a) a copy of all the express terms and conditions of the Micro Business Consumer Contract; and
- (b) if the Micro Business Consumer Contract contains a fixed term period, the Statement of Renewal Terms.

- 7A.8 On or about 30 days before the Relevant Date, the licensee must provide the Micro Business Consumer with:
- (a) the Statement of Renewal Terms (unless the licensee has already prevented the Micro Business Consumer from extending the duration of the Micro Business Consumer Contract);
 - (b) a copy of any relevant Principal Terms that might apply to the Micro Business Consumer after the fixed term period of the Micro Business Consumer Contract ends, including:
 - (i) terms that would apply in the event the Customer does nothing;
 - (ii) terms that would apply if the Customer sends (or has already sent) a notification in Writing before the Relevant Date to prevent renewal of the Micro Business Consumer Contract but does not appoint another supplier.
- 7A.9 Where pursuant to paragraph 7A.8 the licensee is required to provide a Micro Business Consumer with any relevant Principal Terms, it must ensure that the Principal Terms are:
- (a) set out in Writing; and
 - (b) drafted in plain and intelligible language.
- 7A.10 Where pursuant to paragraph 7A.8(b) the licensee provides a Micro Business Consumer with any offers of terms that relate to Charges for the Supply of Electricity, it must ensure that at least one offer is made in Writing which may be accepted at any time before the Relevant Date.

Information on Bills etc

7A.10A Where the licensee has entered into a Micro Business Consumer Contract for a fixed term period, the licensee must provide the information specified in paragraph 7A.10B on each Bill and statement of account and display that information in a prominent position and ensure that it is drafted in plain and intelligible language.

7A.10B The specified information is:

- (a) the date the fixed term period of a Micro Business Consumer Contract is due to end;
- (b) where the licensee has entered into a Micro Business Consumer Contract for a fixed term period and it may, in accordance with that Micro Business Consumer Contract, be extended for a further fixed term period:
 - (i) the Relevant Date (or, where applicable, such a later date as may be specified in the Micro Business Consumer Contract);
 - (ii) a statement to the effect that the Micro Business Consumer may send a notification in Writing to the licensee before the Relevant Date (or, where applicable, such a later date as may be specified in the Micro Business Consumer Contract) in order to prevent the licensee from extending the duration of the Micro Business Consumer Contract for a further fixed term period and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and

(c) where the licensee has entered into a Micro Business Consumer Contract for a fixed term period and it does not have the ability to extend that Micro Business Consumer Contract for a further fixed term period:

(i) the latest date the Micro Business Customer could give notice in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and

(ii) a statement to the effect that this is the latest date the Micro Business Customer could give notice in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies.

Length of notice periods in Micro Business Consumer Contracts

7A.11 The notice period for termination of a Micro Business Consumer Contract must be no longer than 90 days.

7A.12 Paragraph 7A.11 is without prejudice to the licensee's ability to enter into a Micro Business Consumer Contract with a Customer for a fixed term period which is longer than 90 days.

Termination of Micro Business Consumer Contracts which do not include a fixed term period

7A.12A Without prejudice to any notice period that complies with paragraph 7A.11, in relation to any Micro Business Consumer Contract that does not include a fixed term period, the licensee must ensure that the Micro Business Consumer is entitled to give notice to terminate the Micro Business Consumer Contract at any time.

Termination of Micro Business Consumer Contracts which include a fixed term period

7A.12B In relation to any Micro Business Consumer Contract which includes a fixed term period, the licensee must ensure that:

(a) a Micro Business Consumer is entitled to give notice of termination before the Relevant Date (or, where applicable, such a later date as may be specified in the Micro Business Supply Contract) in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and

(b) without prejudice to any notice period which complies with paragraph 7A.11, if, at the end of any fixed term period, a Micro Business Consumer is not subject to a further fixed term period, the Micro Business Consumer is entitled to give notice to terminate the Micro Business Consumer Contract at any time.

Extending the duration of Micro Business Consumer Contracts

7A.13 Where the licensee has entered into a Micro Business Consumer Contract for a fixed term period, it may only extend the duration of that Contract for a further fixed term period if:

(a) it has complied with paragraphs 7A.7 and 7A.8;

(b) the Micro Business Consumer has not sent the licensee a notification in Writing before the Relevant Date in order to prevent it from extending the

duration of the Micro Business Consumer Contract for a further fixed term period and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and

(c) the duration of the further fixed term period is 12 months or less.

Definitions for condition

7A.14 In this condition:

"Micro Business Consumer"	<u>means a Non-Domestic Customer:</u> <u>(a) which is a</u> has the meaning given to "relevant consumer" (in respect of premises other than domestic premises) <u>for the purposes of</u> in article 2(1) of The Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (S.I. 2008/2268); <u>or</u> <u>(b) which has an annual consumption of not more than 100,000 kWh.</u>
"Relevant Date"	means the date which is at least 30 days, and no longer than 90 days, before the date any fixed term period of a Micro Business Consumer Contract is due to end.

3. Insertion of new standard condition 7B

The text set out below in red is to be inserted after existing standard condition 7A of the electricity supply licence:

Standard Condition 7B – Customer Objective and Standards of Conduct for non-domestic supply activities

Application of standard condition

7B.1 Standard condition 7B applies to all Designated Activities in respect of a Micro Business Consumer.

Customer Objective

7B.2 The objective of this condition is for the licensee to ensure that each Micro Business Consumer is treated fairly ('the Customer Objective').

7B.3 For the purposes of this condition, the licensee would not be regarded as treating a Micro Business Consumer fairly if their actions or omissions:

- (a) significantly favour the interests of the licensee; and
- (b) give rise to a likelihood of detriment to the Micro Business Consumer.

Standards of Conduct

7B.4 The Standards of Conduct are that:

(a) the licensee behaves and carries out any actions in a Fair, honest, transparent, appropriate and professional manner;

(b) the licensee provides information (whether in Writing or orally) to each Micro Business Consumer which:

(i) is complete, accurate and not misleading (in terms of the information provided or omitted);

(ii) is communicated (and, if provided in Writing, drafted) in plain and intelligible language;

(iii) relates to products or services which are appropriate to the Micro Business Consumer to whom it is directed; and

(iv) is otherwise Fair both in terms of its content and in terms of how it is presented (with more important information being given appropriate prominence);

(c) the licensee:

(i) makes it easy for a Micro Business Consumer to contact the licensee,

(ii) acts promptly to put things right when the licensee makes a mistake, and

(iii) otherwise ensures that customer service arrangements and processes are fit for purpose and transparent.

Compliance with the Standards of Conduct

7B.5 The licensee must take all reasonable steps to achieve the Standards of Conduct and ensure that it interprets and applies the Standards of Conduct in a manner consistent with the Customer Objective.

7B.6 In the event of a conflict between this condition and paragraph 14.2 of standard condition 14, this condition will prevail.

Exception to scope of condition

7B.7 Apart from any matters relating to Deemed Contracts, standard condition 7B does not apply in respect of the amount or amounts of any Charges for the Supply of Electricity or any other type of charge.

Provision and publication of information

7B.8 The licensee must prepare and update annually information (hereafter referred to as the "Treating Customers Fairly Statement") which:

(a) is set out in Writing;

(b) uses a heading which clearly highlights that the information relates to how the licensee is seeking to treat customers fairly; and

(c) includes the following information:

(i) the main actions taken and being taken by the licensee in line with the Customer Objective and Standards of Conduct; and

(ii) the service and treatment Micro Business Consumers can expect from the licensee.

7B.9 If the licensee or any Affiliate Electricity Licensee has a Website, the licensee must publish the Treating Customers Fairly Statement on that Website in a position that is capable of easily being accessed by any person.

7B.10 If any person requests a copy of Treating Customers Fairly Statement, the licensee must provide a Written copy to that person free of charge as soon as reasonably practicable.

Guidance

7B.11 The licensee must have regard to any guidance on standard condition 7B (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

7B.12 For the purposes of this condition:

"Billing" all matters relating to the provision of a Bill or statement of account to a Customer, including the content and calculations relating to such a Bill or statement of account and the collection and use of information relating to the consumption of electricity.

"Contractual Information" includes the drafting and content of a Non-domestic Supply Contract or Deemed Contract and the provision of information relating to the Non-domestic Supply Contract or Deemed Contract that applies to a Micro Business Consumer which is being supplied by the licensee.

"Customer Objective" is to be interpreted in accordance with paragraph 7B.2.

"Customer Transfers" includes, but is not limited to, any matters that relate to a Customer's ability to change supplier and/or affect the timeframe for changing supplier (including related terms and conditions of a Non-domestic Supply Contract or Deemed Contract that applies to a Micro Business Consumer).

"Designated Activities" mean each of the following:

(a) the accuracy of a Bill or statement of Account;

(b) the timeframe for a Micro Business Consumer receiving a Bill or statement of account and the timeframe for the payment of a Bill;

(c) any written or oral communications regarding Billing or Contractual Information;

(d) Customer Transfers;

(e) any matters relating to Deemed Contracts; and

(f) any matters which fall within the scope of standard conditions 7A, 14, 14A and 21B (in so far as they relate to a Micro Business Consumer).

"Fair" and cognate expressions are to be interpreted in accordance with paragraph 7B.3.

"Micro Business Consumer" has the meaning given in standard condition 7A.

"Standards of Conduct" means one or more of sub-paragraphs 7B.4(a) to (c).

"Treating Customers Fairly Statement" is to be interpreted in accordance with paragraph 7B.8.