## Supplementary annex 1: Draft RIIO-ED1 SLC licence changes

Gas and Electricity Markets Authority

## ELECTRICITY ACT 1989 Standard conditions of the Electricity Distribution Licence

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## SECTION A: STANDARD CONDITIONS FOR ALL ELECTRICITY DISTRIBUTORS

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

[The following definitions are to be amended and/or added to this condition, in alphabetical order and in the manner set out below. For clarity, current definitions that are not being amended are not included in this paragraph.]

presented in a coherent	means a complete and documented explanation, presented in a coherent and consistent manner, of the methods, principles, and assumptions that apply:
	(a) in relation to Use of System, for determining the licensee's Use of System Charges; and
	(b) in relation to connections, for determining the licensee's Connection Charges,
	as approved by the Authority by virtue of the provisions of standard conditions 13, 13A, 13B and 22A <del>50 and 50A</del> (as the case may be).
DG Standards Direction	has the meaning given to it in Part C of standard condition 15A (Connection Policy and Connection Performance)

## Condition 11. Reporting on performance

## Introduction

11.1 This condition requires the licensee to report on a number of matters in relation to its dealings with its Customers.

## Part A: Licensee's obligation

- 11.2 The licensee must provide the Authority and the Consumer Council-Citizens Advice or Citizens Advice Scotland, as relevant, with information specified by the Authority that relates to matters that the Authority reasonably considers are relevant to the licensee's dealings:
  - (a) with Customers under standard condition 9 (Arrangements for access to premises);
  - (b) with Domestic Customers under standard condition 10 (Special services); and
  - (c) with Customers under the Electricity (Standards of Performance) Regulations 2015[XX] (SI [XXX/XXX]) ("the Rregulations"); and-
  - (d) with customers under the Electricity (Connection Standards of Performance) Regulations 2015[XX] (SI [XXX/XX]) ("the Connections Regulations") and in relation to any DG Standards Direction issued pursuant to Standard Licence Condition 15A (Connection Policy and Connection Performance).
- 11.3 The information that is referred to in paragraph 11.24 may, in particular, include information about:
  - (a) the number of Domestic Customers covered by password arrangements;
  - (b) the services offered by the licensee to Domestic Customers on its Priority Services Register;
  - (c) the number of Domestic Customers who are listed on that register;
  - (d) the number of performance failures by the licensee under the Rregulations, and the Connections Regulations and in relation to the DG Standards Direction; and
  - (e) the number and value of compensation payments made by the licensee under the Rregulations, the Connections Regulations and in relation to the DG Standards Direction.

### Part B: Reporting format and timeframes

11.4 The information provided by the licensee under paragraph 11.21 must be in the form of a statistical record which that has such content and is presented in such a format and at such intervals of time as the Authority may from time to time direct, for the purposes of this condition generally, after consultation with the licensee and the Consumer Council Citizens Advice or Citizens Advice Scotland.timescales and format for reporting are specified in the RIGs.

# Condition 12. Requirement to offer terms for Use of System and connection

## Part A: Agreement for Use of System

- 12.1 The licensee must, on receiving a request from any person ("the requester") asking it to do so, offer to enter into an agreement for Use of System under which it will:
  - (a) accept into the licensee's Distribution System, at any Entry Point and in any quantity that was specified by the requester in the request, electricity that is provided by or on behalf of the requester; and
  - (b) distribute that quantity of electricity (subject to any distribution losses) to such Exit Point on the licensee's Distribution System and to any person as the requester may specify.

## Part B: Treatment of requests for connection

- 12.2 On receiving a request from any person asking it to make a connection, the licensee:
  - (a) must not treat that request as anything other than a Notice given under section 16A of the Act requiring it to make the connection pursuant to section 16(1) of the Act; and
  - (b) to the extent that the request does not comply with the requirements of section
     16A of the Act, must take all reasonable steps to ensure that it does so comply.

## Part C: Provision of information about connection terms

- 12.3 Where the licensee makes an offer to make a connection under section 16(1) of the Act, it must in that offer make detailed provision in relation to:
  - (a) any works required to connect the licensee's Distribution System to any other Distribution System or a Transmission System, and any consents needed for that purpose;
  - (b) any works to extend or reinforce the licensee's Distribution System which in the opinion of the licensee are necessary or appropriate in consequence of the connection, or modification of an existing connection and any consents needed for that purpose;
  - (c) the installation of any switchgear or other apparatus required for the interruption of supply; and
  - (d) except to the extent included in any agreement offered in accordance with standard condition 34 (Requirement to offer terms for the provision of Legacy Metering Equipment) or standard condition 35 (Requirement to offer terms for the provision of Data Services), the installation of:

- (i) any Electricity Meters required to enable the licensee to measure electricity that is being accepted into or leaving the licensee's Distribution System at specified Entry Points or Exit Points, and
- (ii) any special metering, telemetry, or Data Processing equipment for the purpose of enabling any party to the Balancing and Settlement Code to comply with its obligations under that code in respect of metering or the licensee's performance of any related service.

## Part D: Charges and other terms for Use of System and connection

- 12.4 Where the licensee makes an offer to enter into an agreement for Use of System under paragraph 12.1 or to make a connection under section 16(1) of the Act, it must in that offer set out:
  - (a) the charges to be paid, which must (unless clearly inappropriate):
    - be consistent with the relevant Charging Methodology within the meaning of standard condition 13 (Charging Methodologies for Use of System and connection);
    - (ii) be presented so as to be referable to the Use of System Charging Statement or the Connection Charging Statement (as the case may be) of the licensee under standard condition 14 (Charges for Use of System and connection); and
    - (iii) in the case only of an offer to make a connection, be presented in accordance with the common connection charging template referred to in standard condition 14;
  - (b) such other detailed terms as may be appropriate for the purposes of the agreement; and
  - (c) in the case only of an offer to make a connection, the date by which any works required for connection to the licensee's Distribution System, including any works to extend or reinforce that system, will be completed (time being of the essence unless otherwise agreed with the person who requires the connection to be made).

## Part E: Timing of offer of Use of System and connection terms

- 12.5 The licensee must offer terms for an agreement for Use of System under paragraph 12.1 and for the making of a connection under section 16(1) of the Act:
  - (a) as soon as is reasonably practicable after its (or its agent's) receipt of the request from the requester or of the Notice under section 16A of the Act (as the case may be); and
  - (b) in any event, except and so far as the Authority otherwise consents, not more than the period set out in paragraph 12.6 after the receipt by the licensee of all the information that it may reasonably require for the purpose of formulating the terms of the offer.

- 12.6 The period set out in this paragraph is:
  - (a) in the case of a request for an agreement for Use of System only, 28 days;
  - (b) in the case of a request for an agreement for both Use of System and a connection, three months 65 Working Days; and
  - (c) in the case of a request for a connection, three months 65 Working Days.

#### Part F: Exceptions to the obligation to offer terms

- 12.7 The licensee is not obliged under paragraph 12.1 to offer to enter into an agreement for Use of System or under paragraph 12.2 to offer to enter into an agreement for connection if doing so would be likely to cause it to be in breach of:
  - (a) its duties under section 9 of the Act;
  - (b) any regulations made under section 29 of the Act, or any other enactment that relates to safety or standards applicable to the Distribution Business;
  - (c) the Grid Code or the Distribution Code; or
  - (d) any of the Conditions of this licence,

or if the requester does not agree to be bound, to the extent applicable to him, by the terms of the Grid Code or the Distribution Code.

12.8 Where the licensee refuses to offer to enter into an agreement for Use of System for one of the reasons in paragraph 12.7 duly substantiated reasons must be given for such refusal.

### Part G: Settlement of disputes

12.9 Disputes arising under this condition are subject to the provisions of standard condition 7 (Determinations by the Authority) to the extent provided for in that condition.

### Part H: Application Regulations

- 12.10 The licensee must, within 28 days of receiving a request from any person, give him any information held by the licensee that he reasonably requires for the purpose of completing an application under the Application Regulations.
- 12.11 Where the licensee has made a connection to premises under section 16(1)(a) of the Act or under sStandard cCondition 15 (Standards for the provision of Non-Contestable Connection Services) and such premises become and remain Green Deal Premises, it may not disconnect those Green Deal Premises unless it is permitted to do so under the Electricity Safety, Quality and Continuity Regulations 2002 (as amended), Schedule 6 to the Act or any other legislation.
- 12.12 Where in respect of Green Deal Premises:
  - (a) the owner or occupier; or

(b) the relevant energy supplier

requests the licensee to disconnect those premises and the licensee is not permitted to do so, the licensee must give the owner, occupier or relevant energy supplier (whichever of these made the request) a Notice to that effect.

## **Part I: Interpretation**

12.13 In this condition: any reference to a connection to be made under or pursuant to section 16(1) of the Act includes a reference to a connection to be made in accordance with the terms of a special connection agreement under section 22 of the Act.

### 12.14 For the purposes of this condition

relevant energy	has the meaning given to it in regulation $4(2)$ of the
supplier	Green Deal Framework (Disclosure,
	Acknowledgment, Redress etc.) Regulations 2012.

# Condition 13. Charging Methodologies for Use of System and connection

## Part A: Requirements for Charging Methodology

- 13.1 The licensee must at all times have in force:
  - (a) a Use of System Charging Methodology which the Authority has approved on the basis that it achieves the Relevant Objectives; and
  - (b) a Connection Charging Methodology (which, if the licensee is a Distribution Services Provider, must include the Common Connection Charging Methodology ("the CCCM") as set out in the Distribution Connection and Use of System Agreement ("the DCUSA") and as amended in accordance with the DCUSA) approved by the Authority on the basis that it achieves the Relevant Objectives

(each, separately, "the Charging Methodology"),

and, except with the consent of the Authority, must comply with the Charging Methodology as modified from time to time in accordance with this condition.

13.2 The licensee must, for the purpose of ensuring that the Charging Methodology continues to achieve the Relevant Objectives:

- (a) review the methodology at least once every year;
- (b) subject to paragraph 13.4, make such modifications (if any) of the methodology as are necessary for the purpose of better achieving the Relevant Objectives; and
- (c) if the licensee is a Distribution Services Provider, include any modifications made to the CCCM in its Connection Charging Methodology.

### Part B: The Relevant Objectives

- 13.3 The Relevant Objectives in relation to the Charging Methodology are:
  - (a) that compliance with the methodology facilitates the discharge by the licensee of the obligations imposed on it under the Act and by this licence;
  - (b) that compliance with the methodology facilitates competition in the generation and supply of electricity, and does not restrict, distort, or prevent competition in the transmission or distribution of electricity;
  - (c) that compliance with the methodology results in charges which reflect, as far as is reasonably practicable (taking account of implementation costs), the costs incurred by the licensee in its Distribution Business;

(d) that, so far as is consistent with subparagraphs (a), (b), and (c), the methodology, as far as is reasonably practicable, properly takes account of developments in the licensee's Distribution Business; and

(e) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

## Part C: Procedure for modifications

- 13.4 Unless otherwise directed by the Authority under subparagraph (b), or unless the modification is one described in paragraph 13.5, before making a modification of the Charging Methodology the licensee must:
  - (a) give the Authority a report which sets out:
    - (i) the terms proposed for the modification,
    - (ii) how the modification would better achieve the Relevant Objectives, and
    - (iii) a timetable for implementing the modification and the date with effect from which the modification (if made) is to take effect
       (which must not be a date earlier than the date on which the period referred to in paragraph 13.7 will end); and
  - (b) if the Authority has directed that subparagraph (a) should not apply, comply with such other requirements (if any) as the Authority may specify in its direction.
- 13.5 Paragraph 13.4 will not apply if the licensee is a Distribution Services Provider and the purpose of the modification is to include modifications made to the CCCM.
- 13.6 Subject to paragraph 13.7, where the licensee has complied with the requirements of paragraph 13.4 it must, before making the modification:
  - (a) revise the relevant statement of the Charging Methodology (or the most recent version of that statement) published in accordance with paragraph 13.15 so that it sets out the changed methodology and specifies the date from which that is to have effect; and
  - (b) give the Authority a copy of the revised statement.
- 13.7 The licensee may not make a modification of the Charging Methodology if, within 28 days of receiving the licensee's report under paragraph 13.4, the Authority has either:
  - (a) directed the licensee not to make the modification; or
  - (b) notified the licensee that it intends to consult and then within three months of giving that notification has directed the licensee not to make the modification.
- 13.8 A direction given by the Authority under paragraph 13.7(a) or (b) must include:
  - (a) a decision that the licensee's proposed modification would not better achieve the Relevant Objectives; and
  - (b) the Authority's reasons for that decision.

### Part D: Requirements for reports

- 13.9 The licensee must give or send a copy of any report under paragraph 13.4 or statement under paragraph 13.15 to any person who requests it.
- 13.10 The licensee may make a charge for any report or statement given or sent under paragraph 13.9 but this must not exceed the amount specified in directions issued by

the Authority for the purposes of this condition generally, based on its estimate of the licensee's reasonable costs of providing the report or statement.

## Part E: Approvals process

- 13.11 The following paragraphs 13.12 to 13.14 of this condition will not apply if the licensee is a Distribution Services Provider and the purpose of the modification is to include modifications made to the CCCM.
- 13.12 An approval by the Authority under paragraph 13.1 may only be withheld where the Authority has decided that the Charging Methodology does not achieve the Relevant Objectives and by Notice given to the licensee has set out its reasons for that decision.
- 13.13 Subject to paragraph 13.14, an approval by the Authority under paragraph 13.1 may be granted subject to such conditions as the Authority considers appropriate, having regard, in particular, to:
  - (a) the need for any further action to be undertaken by the licensee to ensure that the Charging Methodology would better achieve the Relevant Objectives; and
  - (b) the time by which such action must be completed.
- 13.14 No condition imposed under paragraph 13.13 is effective unless, before granting the relevant approval, the Authority has informed the licensee of its intention to impose the condition in a Notice which:
  - (a) sets out the nature and contents of the condition; and
  - (b) specifies a period of at least 28 days within which representations or objections with respect to the condition may be made,

and has considered any representations or objections duly made by the licensee and not withdrawn.

## Part F: Publication of Charging Methodology

13.15 The licensee must ensure that each Charging Methodology that is in force under this condition is set out in a statement (which must be combined, in the case of the Connection Charging Methodology, with the Connection Charging Statement issued under paragraph 1 of standard condition 14) that is published in such manner as the licensee believes will ensure adequate publicity for it (including on the licensee's Website, if it has one).

### Part G: Arrangements applying because of other conditions

- 13.16 If the licensee is a Distribution Services Provider:
  - (a) standard condition 13A (Common Distribution Charging Methodology) applies in relation to certain obligations of the licensee under this condition 13 with effect from 1 July 2009;
  - (b) standard condition 13B<del>50A</del> (Development and implementation of an EHV Distribution Charging Methodology) applies in relation to certain obligations of the licensee under this condition 13B with effect from 1 October 2009; and

(c) this standard condition 13 does not apply to the extent that standard condition 13A (Common Distribution Charging Methodology) and standard condition 13B (EHV Distribution Charging Methodology) apply.

13.15 The Authority may, after consulting all Electricity Distributors, make such consequential modifications of this condition 13 and, so far as is relevant, of standard condition 14 (Charges for Use of System and connection) at such time, in such manner, and to such extent as may be necessary to ensure that, as from 1 April 2010 or 1 April 2012, as the case may be, those provisions properly reflect the effects of the introduction into this licence of standard condition 13A (Common Distribution Charging Methodology) and standard condition 13B (EHV Distribution Charging Methodology).

13.16 Modifications made by the Authority under paragraph 13.17 may make different provision for different categories of Electricity Distributor.

# Condition 15. Standards for the provision of Non-Contestable Connection Services

## Introduction

15.1 This condition applies where:

- (a) a person ("the applicant") has asked the licensee to provide any of the services mentioned in paragraph 15.2 in relation to the connection of Premises to the licensee's Distribution System; and
- (b) the applicant's request is limited to the provision of Non-Contestable Connection Services by the licensee.
- 15.2 The services covered by this condition are the services of:
  - (a) providing Quotations (including Point of Connection information) in relation to the provision referred to in sub-paragraph 15.1(b);
  - (b) responding to design submissions in relation to connections; and
  - (c) completing Final Works and Phased Energisations as Non-Contestable Connection Services.

## Part A: The relevant services and their standards

- 15.3 Where this condition applies, the licensee, in relation to each of the services specified in Column 1 of the Table of Services and Standards ("the Table") set out in Appendix 1, which is part of this condition, must:
  - (a) take reasonable steps in every case to provide the relevant service to the applicant; and
  - (b) without limiting the general effect of that obligation, provide the relevant services, calculated on an annual basis, in at least 90 per cent of all cases in each of the following categories of each of the following cases for:
    - (i) 15.2 (a)
    - (ii) 15.2 (b)
    - (iii) 15.2 (c)
  - (c) in accordance with the corresponding standard specified in Column 2 of the Table.
- 15.3 Those services and the standards that apply to them are specified in greater detail in the Table of Services and Standards ("the Table") set out at Appendix 1, which is part of this condition.

- 15.4 A request received by the licensee under paragraph 15.1, in relation to a service referred to in paragraph 15.2, becomes effective for the purposes of this condition when the applicant has supplied:
  - (a) information on contact details, the work-site location, the service required and, where relevant, the total load required-minimum information that the licensee, in statements it has made available relating to the purposes of this condition, has specified is reasonably required to enable it to provide that service; and
  - (b) payment of any charges that apply in relation to the provision of that service.
- 15.5 If a request received by the licensee under paragraph 15.1, in relation to a service referred to in paragraph 15.2, does not contain all of the information required under paragraph 15.4, the licensee must inform the applicant within five Working Days of receiving the request.
- Part A: The relevant services and their standards
- 15.6 Where this condition applies, the licensee, in relation to each of the services specified in Column 1 of the Table, must:
  - (a) take all reasonable steps in every case to provide the relevant service to the applicant; and
  - (b) without limiting the general effect of that obligation, provide the relevant service to the applicant in at least 90 per cent of all cases,
  - (c) in accordance with the corresponding standard specified in Column 2of the Table.
- 15.5 The licensee is not required to comply with its obligations under paragraph 15.3:
  - (a) if and to the extent that the Authority consents otherwise;
  - (b) if the applicant asks for a lower standard than is set out in the Table to be applied to a relevant service in any particular case;
  - (c) if compliance by the licensee would be likely to cause the licensee to breach regulations made under section 29 of the Act (so long as the licensee has taken all reasonable steps to prevent such breach from occurring);
  - (d) if the licensee is prevented from doing so by circumstances not within its control, as may be further clarified in the RIGs; or
  - (e) if it is not reasonable in all the circumstances of the case for the licensee to be required to do so, as may be further clarified in the RIGs.

### Audit of service provision and information reporting

- 15.8 The licensee must, by 30 June each year, unless otherwise agreed by the Authority:
  - (a) undertake an audit relating to its provision during the previous Regulatory Year of the services to which paragraph 15.2 refers;
  - (b) inform the Authority of the nature and scope of that audit; and

- (c) if asked to do so by the Authority in Writing, review the audit and the manner in which it is being operated, with a view to determining whether any change should be made to it or the manner of its operation.
- 15.9 The licensee must, by 30 June each year, provide the following information in respect of the previous Regulatory Year to the Authority:
  - (a) the number of requests that the licensee has responded to for each of the services specified in Column 1 of the Table;
  - (b) the time taken in each case to provide the relevant service;
  - (c) for requests where the licensee's provision of the service failed to meet the corresponding standard specified in Column 2 of the Table, a commentary on those failures;
  - (d) the number of requests in relation to which any of sub-paragraphs (a) to (e) of paragraph 15.7 has applied; and
  - (e) the results of any audit carried out under paragraph 15.8.

## Part B: Power to direct exemption

- 15.6 The Authority may give a direction to the licensee that this condition does not have effect in its licence from the date and for the duration specified in that direction.
- 15.7 The Authority's power to give a direction under paragraph 15.6 includes power to revoke that direction upon reasonable Notice to the licensee following consultation

### **Guidance concerning this condition**

- 15.12 The Authority may issue, and may from time to time revise, guidance on any of the provisions of this condition, with a view to:
  - (a) removing or reducing inconsistencies between Electricity Distributors in their interpretation and application of those provisions; and
  - (b) improving the form or manner in which, or changing the frequency with which, information is to be collected, provided, or reported under any requirement of this condition,

so as more effectively to achieve its purposes.

- 15.13 Where any guidance is in force under paragraph 15.12, the licensee must act in accordance with that guidance.
- 15.14 Before issuing guidance under paragraph 15.12, the Authority, by Notice given to all Electricity Distributors, must:
  - (a) state that it proposes to issue guidance and specify the date on which it proposes that this should take effect;

- (b) set out the text of the guidance and the Authority's reasons for proposing to issue it; and
- (c) specify the time (which must not be less than a period of 28 days from the date of the Notice) within which representations or objections with respect to the proposal may be made,

and must consider any representations or objections which are duly made and not withdrawn.

15.15 In paragraph 15.14, "issuing guidance" includes issuing any revision of it.

### Part C: Interpretation

15.8 For the purposes of this condition:

References to information are references to information that is accurate in all material respects.

Associated Works	means any works required in order to provide a connection to the licensee's Distribution System, including any necessary Reinforcement Works or Diversionary Works.
Demand Connection	means a connection the purpose of which is to enable the Premises to receive a supply of electricity from the licensee's Distribution System.
Diversionary Works	means the service consisting of the moving of any electric lines or electrical plant in order to facilitate the extension, redesign, or redevelopment of any Premises on which such lines or plant are located and to which they are connected.
Energisation	means the licensee's taking of the steps necessary to enable an electrical current to flow from (or to) the licensee's Distribution System to (or from) the Point of Connection, in response to a request from the applicant.

Final Works	means the installation of the connection equipment in such a way that, subject to Energisation, the Premises are physically able to receive a supply of electricity from the licensee's Distribution System or (as the case may be) the licensee's Distribution System is physically able to receive a supply of electricity from the Premises.
Generation Connection	means a connection the purpose of which is to enable the licensee's Distribution System to receive a supply of electricity from the Premises.
Phased Energisation	in relation to a part only of the Premises, means the physical ability, subject to the completion of Final Works, to allow an electrical current to flow from (or to) the licensee's Distribution System to (or from) that part by means of the insertion of a fuse or as a result of a switching operation.
Point of Connection	means the point on the licensee's Distribution System at which the Premises will be directly or indirectly connected to that system.
Premises	includes any land, building, or structure and any Distribution System other than the licensee's.
Quotation	means information provided to the applicant in Writing and includes information relating to the Point of Connection, a statement of the charges that will apply (subject to any terms of the Quotation) in accordance with the licensee's combined statement prepared under paragraph 15 of standard condition 13 (Charging Methodologies for Use of System and connection), and any other information reasonably required by the applicant.
Reinforcement Works	means works required on the licensee's Distribution System to accommodate a new or an increased connection.

15.17 Appendix 1 follows immediately below.

COLUMN 1 – SERVICE	COLUMN 2 – STANDARD
1. Provision of Quotations	
Provide a Quotation:	
(a) <b>low voltage demand:</b> for a new Demand Connection to the licensee's Distribution System where the highest voltage of the assets at the Point of Connection and any Associated Works is not more than one kilovolt.	within <b>fifteen Working Days</b> of receiving the request
(b) <b>low voltage generation:</b> for a new Generation Connection to the licensee's Distribution System where the highest voltage of the assets at the Point of Connection and any Associated Works is not more than one kilovolt.	within <b>thirty Working Days</b> of receiving the request
(c) <b>high voltage demand:</b> for a new Demand Connection to the licensee's Distribution System where the highest voltage of the assets at the Point of Connection and any Associated Works is more than one kilovolt but not more than 22 kilovolts.	within <b>twenty Working Days</b> of receiving the request
(d) <b>high voltage generation:</b> for a new Generation Connection to the licensee's Distribution System where the highest voltage of the assets at the Point of Connection and any Associated Works is more than one kilovolt but not more than 22 kilovolts.	within <b>fifty Working Days</b> of receiving the request
(e) <b>extra high voltage demand:</b> for a new Demand Connection to the licensee's Distribution System where the highest voltage of the assets at the Point of Connection and Associated Works is more than 22 kilovolts but not more than 72 kilovolts.	within <b>fifty Working Days</b> of receiving the request
(f) <b>other connections:</b> for a new Demand Connection or Generation Connection to the licensee's Distribution System that is not included within the preceding sub-paragraphs.	within three months sixty-five Working Days of receiving the request

## Appendix 1: Table of Services and Standards

COLUMN 1 – SERVICE	COLUMN 2 – STANDARD
2. Information and design submissions	
(a) <b>Point of Connection information:</b> provide the technical information necessary to enable the applicant to identify the proposed location and characteristics of the Point of Connection of the Premises to the licensee's Distribution System, where the highest voltage of the assets at that point and any Associated Works is more than 22 kilovolts but not more than 72 kilovolts.	within <b>thirty Working Days</b> of receiving the request
(b) <b>design submissions for low voltage and high</b> <b>voltage connections:</b> in response to a design submitted by the applicant for the licensee's approval, outlining a new proposal for connecting Premises to the licensee's Distribution System, provide a written approval of the proposed design, or a written rejection stating reasons for rejection.	within <b>ten Working Days</b> of receiving the proposed design (unless any part of it would require or directly affect the use of extra high voltage assets)
(c) <b>design submissions for extra high voltage</b> <b>and other connections:</b> in response to a design submitted by the applicant for the licensee's approval, outlining a new proposal for connecting Premises to the licensee's Distribution System, provide a written approval of the proposed design, or a written rejection stating reasons for rejection.	within <b>twenty Working Days</b> of receiving the proposed design
3. Final Works and Phased Energisation	
Subject to all conditions precedent being met:	
(a) <b>low voltage connections:</b> complete the Final Works for a low voltage connection.	within <b>ten Working Days</b> of receiving the request or on a later date that has been requested by the applicant and agreed by the licensee
(b) <b>high voltage connections:</b> complete the Final Works for a high voltage connection.	
(c) <b>extra high voltage connections:</b> inform the applicant of the date by which it is proposed to complete the Final Works for an extra high voltage connection.	within <b>twenty Working Days</b> of receiving the request or on a later date that has been requested by the applicant and agreed by the licensee

COLUMN 1 – SERVICE	COLUMN 2 – STANDARD
<ul> <li>(d) low voltage energisation: complete the works required for a low voltage Phased Energisation.</li> <li>(e) high voltage energisation: complete works required for a high voltage Phased Energisation.</li> </ul>	within <b>twenty Working Days</b> of receiving the request (and complete the works as soon as reasonably practicable) or on a later date that has been requested by the applicant and agreed by the licensee
	within <b>five Working Days</b> of receiving the request or on a later date that has been requested by the applicant and agreed by the licensee
	within <b>ten Working Days</b> of receiving the request or on a later date that has been requested by the applicant and agreed by the licensee
<b>Note:</b> the conditions precedent to be satisfied for the purposes of Part 3 of this Table are those specified by the licensee and agreed by the applicant under the provisions of the Construction and Adoption Agreement (as defined in Engineering Recommendation G81 of the Energy Networks Association) or such similar agreement as the licensee may from time to time adopt.	calculation of time: where a request is received or a service is provided by the licensee under the provisions of this Table after 5 pm on any Working Day or at any time on any other day, it is to be treated as if it had been received or provided on the next following Working Day.

## **Condition 15A. Connection Policy and Connection Performance**

## Introduction

15A.1 This condition:

- (a) imposes duties of compliance on the licensee with respect to the licensee's performance under:
  - (i) the Connection Regulations; and
  - (ii) any Distributed Generation Connection Standards ("DG Standards") that are prescribed by the Authority in a DG Standards Direction issued under this condition; and
- (b) requires the licensee to establish and operate a Quotation Accuracy Scheme by reference to which the licensee may in certain circumstances be required to pay compensation to persons under the Connection Regulations in relation to the accuracy of quotations provided by the licensee.

## Part A: Licensee's duties of compliance

15A.2 The licensee must:

- (c) use all reasonable endeavours to achieve the standards of performance prescribed for the licensee:
  - (i) by the Connection Regulations; and
  - by any DG Standards specified by the Authority in a DG Standards Direction,

in every case to which each such standard applies\_and as may be further specified in RIGs; and

- (d) without limiting the general effect of that obligation, achieve those standards of performance, calculated on a quarterly basis, in at least 90 per cent on average of all of the cases falling within each of the following groups:
  - (iii) standards of performance relating to budget estimates and quotations for metered connections (in total);
  - (iv) all other standards of performance (in total) for metered connections; and
  - (v) all standards of performance for unmetered connections (in total).

## Part B: Quotation Accuracy Scheme

- 15A.3 The licensee must from time to time submit to the Authority for its approval a Quotation Accuracy Scheme that:
  - (e) enables a person seeking a connection to require the licensee to review the accuracy of a quotation provided in respect of the terms for making or

modifying such types of connection to the licensee's Distribution System as may be specified in the Connection Regulations for the purposes of that scheme; and

(f) in the event that the licensee provides an inaccurate quotation, requires the licensee to adjust any charge made to the person seeking a connection to the amount properly due under an accurate quotation.

## Part C: Scope and contents of a DG Standards Direction

- 15A.4 The Authority may issue a DG Standards Direction for the purposes of this condition, and may amend that direction in accordance with the provisions of Part D of this condition.
- 15A.5 The licensee must comply with the requirements of a DG Standards Direction.
- 15A.6 A DG Standards Direction is a direction the purpose of which is to ensure that there are standards of performance in place in relation to DG Connections that are equivalent to the standards of performance prescribed for the licensee by the Connection Regulations in relation to the demand connections to which those regulations refer.
- 15A.7 Accordingly, a DG Standards Direction will, in particular, include provision for:
  - (g) the specification of the standards of performance that are to apply to DG
     Connections in relation to the matters and activities covered by regulations 4,
     6 and 9 of the Connection Regulations in respect of demand connections;
  - (h) the licensee's performance of those standards within prescribed periods or by reference to agreed dates that are defined in terms consistent with the definitions given to those terms in the Connection Regulations in respect of demand connections;
  - the exemption of the licensee from the specified standards of performance in relation to DG Connections in the same terms as apply under regulation 15 of the Connection Regulations in respect of demand connections;
  - (j) extensions of time in relation to those standards of performance as they apply to DG Connections in the same terms as apply under regulation 16 of the Connection Regulations in respect of demand connections;
  - (k) the resolution of disputes between the licensee and DG Operators in relation to any of the matters covered by paragraph 15A.7(a) to (d); and
  - any other matters in relation to the achievement of standards of performance in relation to DG Connections that are consistent with, or incidental to, the fulfilment of the purpose described in paragraph 15A.6.
- 15A.8 Subject to paragraph 15A.9, a DG Standards Direction may also require the licensee to give undertakings to the Authority as to the circumstances in which, and the levels at which, compensation will be payable to DG Operators in respect of contraventions of the standards of performance imposed by the direction.

15A.9 The circumstances giving rise to a requirement to pay such compensation, and the levels of the compensation payable, must be consistent with those that apply under the Connection Regulations to contraventions of the standards of performance prescribed by those regulations in relation to the demand connections to which they refer.

## Part D: Procedure for amending a DG Standards Direction

15A.10 Notwithstanding any other provision of this licence, a DG Standards Direction may only be amended in accordance with the procedures that would apply to that direction if it were in fact a standard condition of this licence subject to modification under section 11A of the Act.

## Part E: Derogations

15A.11 The Authority may, after consulting with the licensee, give a direction ("a derogation") to the licensee that relieves it of its obligations under this condition to such extent, for such period of time, and subject to such conditions as may be specified in the direction.

## Part F: Interpretation

15A.12 For the purposes of this condition:

DG Connection	means, in relation to any premises, a connection the purpose of which is to enable the licensee's Distribution System to receive a supply of electricity from the premises.
DG Operator	means an owner or occupier of any premises in respect of which a DG Connection is required.
<del>DG Standards</del> <del>Direction</del>	has the meaning given to that term in Part C of this condition.
Quotation Accuracy Scheme	has the meaning given to that term in Part B of this condition.

## SECTION B: ADDITIONAL STANDARD CONDITIONS FOR ELECTRICITY DISTRIBUTORS WHO ARE DISTRIBUTION SERVICES PROVIDERS

## **Condition 47. Environment Reporting**

## Introduction

47.1 This condition sets out requirements for the licensee to publish an annual Environment Report about activities that it has undertaken in relation to environmental matters.

## Part A: Scope and contents of the Environment Report

- 47.2 The licensee must submit to the Authority and publish an Environment Report for the preceding Regulatory Year on, or before, the date specified in the Environment Report Guidance Document (ERGD).
- 47.3 The Environment Report must be published and be readily accessible to the public from the licensee's Website.
- 47.4 The Environment Report must be prepared in accordance with the provisions set out in the ERGD published on the Authority's Website (which may be modified from time to time in accordance with the provisions of Part B of this condition).
- 47.5 The ERGD will set out how the licensee must report on activities that it has undertaken in relation to environmental matters, including the following:
  - (a) the requirements for the structure of and level of detail in the report; and
  - (b) the policies, business practices, existing obligations and activities that must be covered in the report.

## Part B: The process for issuing or modifying the ERGD

- 47.6 The Authority will issue, and may modify, the ERGD by issuing a direction for that purpose to every licensee in whose licence this condition has effect.
- 47.7 A direction issued by the Authority under paragraph 47.6 will be of no effect unless, before issuing it, the Authority has:
  - (a) by Notice to all licensees in whose licence this condition has effect, set out the text of the proposed ERGD (or modifications to it) that it proposes to direct;
  - (b) specified in the Notice the reasons for the Authority's proposals;
  - (c) specified in the Notice the date on which it proposes that the provisions (or modified provisions) of the document to be issued should take effect;
  - (d) specified in the Notice the period (which may not be less than 28 days from the date of the Notice) within which the licensee may make representations to the Authority about its proposals; and
  - (e) considered any representations duly received in response to the Notice.

## Part C: Interpretation

47.8 For the purposes of this condition:

Authority's Website	means www.ofgem.gov.uk.
Environment Report	means a publicly accessible document published on its Website by the licensee to inform stakeholders about activities it has undertaken in relation to environmental matters, and that meets the requirements set out in the ERGD.
Environment Report Guidance Document (ERGD)	means the document of that name published on the Authority's Website for the purposes of this condition that provides guidance on the required scope and contents of the licensee's Environment Report.

## **Condition 51. Network Asset Indices Methodology**

## Introduction

- 51.1 This condition:
  - (a) requires the licensee to maintain a Network Asset Indices Methodology and to establish and follow an Information Gathering Plan so that there is appropriate information available to enable the assessment of:
    - (i) its Network Assets and Distribution System against the Network Asset Indices and in accordance with the RIGs; and
    - (ii) its performance against the Network Asset Secondary Deliverables;
  - (b) requires the licensee to work with every other Distribution Services Provider to develop a Common Network Asset Indices Methodology;
  - (c) establishes a process for modifying the Common Network Asset Indices
     Methodology where that would better facilitate the Network Asset Indices
     Methodology Objectives;
  - (d) requires the licensee to keep its Network Asset Indices Methodology under review and, where necessary, modify it to ensure that it is consistent with the Common Network Asset Indices Methodology; and
  - (e) establishes a framework for reporting on the licensee's performance against the Network Asset Secondary Deliverables.

## Part A: The Network Asset Indices Methodology

- 51.2 From 1 April 2015 the licensee must at all times have in force and keep under review and, where necessary, modify a Network Asset Indices Methodology so as to ensure that this:
  - (a) enables the licensee to assess its Network Assets and Distribution System against the Network Asset Indices and in accordance with the RIGs, and also its performance against the Network Asset Secondary Deliverables; and
  - (b) is consistent, to the extent that such a methodology has been approved or designated by the Authority, with the Common Network Asset Indices Methodology as modified from time to time in accordance with Part I of this condition. The Authority will allow the licensee 26 weeks, or such other greater amount of time as it may direct, to modify its Network Asset Indices Methodology and report revised information for the Price Control Period, following the approval, designation, or modification of the Common Network Asset Indices Methodology.
- 51.3 The licensee must set out in its Network Asset Indices Methodology the categories of data that are to be used and the methodology that will be applied to assess its delivery of the Network Asset Secondary Deliverables.

## Part B: The Network Asset Indices

- 51.4 The Network Asset Indices are:
  - (a) the "Health Index", which relates to the current condition of the licensee's Network Assets, and the predicted rate of deterioration in the condition of those assets, so as to enable their present and future condition and the probability of their failure to be assessed;
  - (b) the "Criticality Index", which reflects the safety impact, environmental impact, network (or system) reliability impact, financial implications, and other consequences that the licensee may reasonably deem to be relevant to its Network Assets; and
  - (c) the "Risk Index", which is a monetised metric, derived from a combination of the probability of failure of the Network Assets, and the consequences of failure of these Network Assets, summed across all of these Network Assets. The licensee's delivery against the Network Asset Secondary Deliverables will be assessed by reference to changes in the Risk Index associated with asset replacement (NAW3), refurbishment (NAW4) and high value projects where the primary driver is either asset replacement or refurbishment activity (NAW7).

## Part C: The Common Network Asset Indices Methodology

- 51.5 The licensee must use all reasonable endeavours, in co-operation with all other Distribution Services Providers, to ensure that by 1 July 2015 the Common Network Asset Indices Methodology has been submitted for approval by the Authority in accordance with this Part C.
- 51.6 The Common Network Asset Indices Methodology must:
  - (a) facilitate the achievement of the Network Asset Indices Methodology Objectives set out in Part D of this condition;
  - (b) enable the objective evaluation of performance against the Network Asset Secondary Deliverables;
  - be implemented by the licensee through appropriate amendment of its own Network Asset Indices Methodology in accordance with the provisions of Part A of this condition; and
  - (d) be capable of being modified from time to time in accordance with the provisions of Part I of this condition.
- 51.7 Within four weeks of the submission to the Authority of a Common Network Asset Indices Methodology, the licensee must notify the Authority as to whether it expects that the proposed Common Network Asset Indices Methodology, if implemented, would require a change to the licensee's Network Asset Indices Methodology,

Network Asset Workbook or a restatement of data previously reported for historical years.

- 51.8 Where a Common Network Asset Indices Methodology has been submitted to the Authority by 1 July 2015, the Authority, after consulting the licensee and all other Distribution Services Providers, may:
  - (a) approve that methodology without modification if satisfied that it complies with the provisions of paragraph 51.6, no later than 1 February 2016; or
  - (b) direct the licensee and the other Distribution Services Providers to modify that methodology, in such manner, to such extent, and with effect from such date as may be specified in the direction, so that it will, in the Authority's opinion, comply with the provisions of paragraph 51.6, having notified the Distribution Services Providers of its intention to make such direction, no later than 1 February 2016.
- 51.9 Where no Common Network Asset Indices Methodology has been submitted to the Authority by 1 July 2015, or if the Authority is not satisfied that any methodology duly submitted within that deadline is capable of being modified to comply with the provisions of paragraph 51.6, the Authority may, by direction to the licensee and other Distribution Services Providers, and no later than 1 July 2016, designate a Common Network Asset Indices Methodology that in the Authority's opinion complies with those provisions.
- 51.10 A direction issued by the Authority under paragraph 51.8 or 51.9 will be of no effect unless, before issuing it, the Authority has:
  - (a) by Notice to all Distribution Services Providers set out the text of the Common Network Asset Indices Methodology that it proposes to direct or designate (as appropriate);
  - (b) specified in the Notice the reasons for the Authority's proposals;
  - (c) specified in the Notice the date from which it proposes that the provisions of the document should take effect;
  - (d) specified in the Notice the period (which may not be less than 28 days from the date of the Notice) within which the licensee may make representations to the Authority about its proposals; and
  - (e) considered any representations duly received in response to the Notice.

## Part D: The Network Asset Indices Methodology Objectives

- 51.11 The Network Asset Indices Methodology Objectives are that compliance with the Common Network Asset Indices Methodology enables:
  - (a) the comparative analysis of network asset performance between Distribution Services Providers over time;

- (b) the assessment of the licensee's performance against the Network Asset Secondary Deliverables; and
- (c) the communication of information affecting the Network Asset Secondary Deliverables between the licensee, the Authority and, as appropriate, other interested parties in a transparent manner.

## Part E: Information Gathering Plan

- 51.12 The licensee must provide the Authority with a plan (the "Information Gathering Plan") that sets out how the licensee will gather and record information required for its implementation of or revision of the Common Network Asset Indices Methodology, no later than 12 weeks after the Authority's approval or direction of the Common Network Asset Indices Methodology.
- 51.13 The licensee may apply to the Authority for a derogation from the requirements of paragraph 51.12 if it considers that it already collects sufficient information in respect of its own Network Asset Indices Methodology to allow implementation of the Common Network Asset Indices Methodology.
- 51.14 The Information Gathering Plan must include the scope and form of the data that the licensee will collect, and the frequency with which data will be collected, such that the licensee will be able to report on progress against its Network Asset Secondary Deliverables in accordance with the Common Network Asset Indices Methodology annually, in accordance with the RIGs.
- 51.15 The Authority, after reviewing the Information Gathering Plan submitted to it, and having consulted the licensee and any other interested parties that the Authority considers it appropriate to consult, may:
  - (a) approve the plan without modification if satisfied that it will enable the licensee to report accurately on its progress against its Network Asset Secondary Deliverables; or
  - (b) direct the licensee to modify the Information Gathering Plan, in such manner, to such extent, and with effect from such date as may be specified in the direction, so that it will, in the Authority's opinion, having considered any representations received, enable the licensee to so report.
- 51.16 The licensee must keep the Information Gathering Plan under review and where necessary modify it, subject to the Authority's consent, to ensure that it continues to enable the licensee to report accurately on the progress of its Network Asset Secondary Deliverables.

Part F: Additional requirements if the licensee has not sufficiently justified its Network Asset Indices before the commencement of the Price Control Period

- 51.17 If the Authority has determined in the ED1 Final Determination that the licensee has not sufficiently justified its Network Asset Indices Methodology and its ability to report on its Network Asset Secondary Deliverables, in accordance with paragraph 51.1, the licensee must:
  - (a) provide a plan to the Authority by 1 July 2015, indicating how it will ensure that its Network Asset Indices Methodology and the reporting of its Network Asset Secondary Deliverables are sufficiently well justified;
  - (b) by 1 July 2015, and every three months thereafter, provide the Authority with an update on the progress that it has made towards ensuring that the methodology is sufficiently well justified and the reporting is sufficiently robust; and
  - (c) when the licensee considers that the methodology is, in fact, sufficiently well justified and the reporting is sufficiently robust, demonstrate to the Authority that this is the case.
- 51.18 This Part F will cease to have effect from the date on which the Authority confirms in Writing to the licensee that the requirements of paragraph 51.17 have been met.

## Part G: Implementation of the Network Asset Indices Methodology

- 51.19 Except where the Authority otherwise consents, the licensee must:
  - (a) from 1 April 2015, or such later date as the Authority may direct, record the data required for the application of its Network Asset Indices Methodology;
  - (b) in respect of the Regulatory Year commencing on 1 April 2015, and for each subsequent Regulatory Year, submit a report on its progress against the Network Asset Secondary Deliverables to the Authority in the year immediately following the end of the Regulatory Year to which the Network Asset Secondary Deliverable Measures relate, as part of its annual RIGs reporting;
  - (c) if any change to the licensee's Network Asset Indices Methodology results in a change to the basis on which the licensee's progress against its Network Asset Secondary Deliverables is reported, provide a restatement of prior year data on this revised basis within 12 months of the relevant change being implemented, or by such later date as the Authority may direct; and
  - (d) submit such information (whether historical, current, or forward-looking) about the Network Asset Secondary Deliverables, and such examples of network modelling, as may be specified for the purposes of this condition in the RIGs.
- 51.20 All of the information contained in this Part G must be provided in such manner, in respect of such periods, and within such timeframes as are specified in the RIGs.

## Part H: Reporting on performance against the Network Asset Secondary Deliverables at the mid-point of the Price Control Period

- 51.21 The licensee must by 31 July 2019 provide a report to the Authority setting out its performance against the Network Asset Secondary Deliverables during the first half of the Price Control Period and how it expects to perform against the Network Asset Secondary Deliverables over the second half of the Price Control Period.
- 51.22 The report must include (where relevant) detailed explanations together with all appropriate supporting evidence for:
  - (a) the licensee's performance to date against Network Asset Secondary Deliverables in accordance with the relevant specifications set out in the Network Assets Workbook;
  - (b) any proposed Network Asset Secondary Deliverables that, if adopted by the licensee, would be equivalent to or better than those set out in the Network Assets Workbook;
  - (c) any change in the profile of investment that has resulted in a change to the timing of delivery of Network Asset Secondary Deliverables; and
  - (d) whether the licensee expects to deliver its Network Asset Secondary Deliverables for the end of the RIIO-ED1 period.

## Part I: Modification of the Common Network Asset Indices Methodology

- 51.23 The licensee must at all times keep the Common Network Asset Indices Methodology under review and use all reasonable endeavours to ensure that it continues to comply with the provisions of paragraph 51.6.
- 51.24 The licensee may modify the Common Network Asset Indices Methodology, in cooperation with all other Distribution Services Providers, and subject to paragraph 51.25 after:
  - (a) consulting with all other interested parties, allowing them a period of at least
     28 days within which to make written representations with respect to the
     licensee's modification proposal; and
  - (b) submitting to the Authority and to all other Distribution Services Providers a report that contains all of the matters that are listed in paragraph 51.25.
- 51.25 The matters to which paragraph 51.24(b) refers are:
  - (a) a statement of the proposed modification to the Common Network Asset Indices Methodology;
  - (b) a full and fair summary of any representations that were made to the licensee pursuant to paragraph 51.24(a) and were not withdrawn;
  - (c) an explanation of any changes that the licensee has made to its modification proposal as a consequence of such representations;

- (d) an explanation of how, in the licensee's opinion, the proposed modification, if made, would better facilitate the achievement of the objectives of the Common Network Asset Indices Methodology;
- (e) a presentation of the data and other relevant information (including historical data) that the licensee has used for the purpose of developing the proposed modification; and
- (f) a timetable for the implementation of the proposed modification, including an implementation date.
- 51.26 Within four weeks of the submission to the Authority of any proposed modification to the Common Network Asset Indices Methodology, the licensee must notify the Authority as to whether it expects that the proposed modification, if implemented, would require a change to the licensee's Network Asset Indices Methodology, or Network Asset Workbook, or a restatement of data previously reported for historical years.
- 51.27 Where the licensee has complied with the requirements of paragraphs 51.24 and 51.25, it may implement the proposed modification to the Common Network Asset Indices Methodology unless the Authority, within 28 days after receiving the report submitted to it under paragraph 51.24(b), issues a direction to the licensee requiring it not to implement the proposed modification.
- 51.28 The Authority, after consulting with the licensee and any other interested parties, may direct the licensee to modify the Common Network Asset Indices Methodology in such manner, to such extent, and with effect from such date (which may not be earlier than three months after the date of the direction) as may be specified in the direction.

### Part J: Interpretation

51.29 For the purposes of this condition:

Common Network Asset Indices Methodology	has the meaning given to that term in Part C of this condition.
Information Gathering Plan	has the meaning given to that term in paragraph 51.12.
Network Assets	means the assets that are specified as such in the licensee's Network Assets Workbook.
Network Asset Indices	has the meaning given to that term in paragraph 51.4.
Network Asset Indices Methodology	means the licensee's methodology for assessing its Network Assets and Distribution System against the Network Asset Indices in accordance with the RIGs, and also its delivery of the Network Asset

	Secondary Deliverables.
Network Asset Indices Methodology Objectives	means the objectives set out in Part D of this condition.
Network Asset Secondary Deliverables	means the asset health, criticality and risk secondary deliverables set out for the licensee in the Network Assets Workbook.
Network Assets Workbook	has the meaning given to that term in Part 4 of the licence.
Risk Index	has the meaning given to that term in Part B of this condition.

## CONDITIONS REMOVED FROM THE CURRENT LICENCE

# Condition 50A. Development and implementation of an EHV Distribution Charging Methodology