



Making a positive difference
for energy consumers

MRA parties, Electricity
Distribution Licensees, Genserv
and other interested parties

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Dear colleagues,

Licence modification to set objectives for the Master Registration Agreement

We have decided to modify standard licence condition (SLC) 23 of the electricity distribution licence¹ (the Licence). This modification inserts objectives into SLC 23, the Master Registration Agreement (MRA), and makes consequential amendments to the provisions relating to reporting requirements and self-governance appeal rights.

The Modification accompanying this letter contains the modifications to the Licence. The licence drafting remains unchanged from that proposed in the statutory consultation.²

Background

We published an informal consultation³ on 14 November 2014 which set out the rationale for making the changes and asked a number of questions on the proposed policy and licence drafting. Our statutory consultation published on 27 February 2015 set out the response to the informal consultation and our views in relation to this. We also published a Notice containing the text of our proposed licence modification and asked that representations to the proposed modification be made in writing by 27 March 2015.

Statutory consultation responses and our views

We received three responses to our statutory consultation. All responses were non confidential and are published alongside the statutory consultation on our website.

The respondents supported the proposed licence modifications.

Having carefully considered the responses to our statutory consultation, we have decided to proceed with the modification to SLC 23 of the Licence. We believe the modification will ensure clearer and more consistent analysis of MRA modification proposals, implement a

¹<https://epr.ofgem.gov.uk//Content/Documents/Electricity%20Distribution%20Consolidated%20Standard%20Licence%20Conditions%20-%20Current%20Version.pdf>

² <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-proposed-licence-modification-set-applicable-master-registration-agreement-mra-objectives>

³ <https://www.ofgem.gov.uk/publications-and-updates/consultation-proposed-licence-modification-set-objectives-master-registration-agreement>

more transparent basis for decisions and recommendations on MRA change proposals, and bring the MRA in line with existing modification arrangements in other industry codes.⁴

Next steps

In accordance with the powers contained under 11A(1)(b) of the Electricity Act 1989, the Authority has decided to modify standard licence condition 23 of the electricity distribution licence. Our Modification decision is published alongside this letter. The Modification will take effect on and from 23 June 2015.

If you have any queries regarding the information contained within this letter or the Modification please contact Raymond Elliot on 020 7901 2792 or by e-mail raymond.elliott@ofgem.gov.uk

Yours faithfully,

Lesley Nugent
Head of Industry Codes and Licensing

⁴ The industry codes underpin the electricity and gas wholesale and retail markets. Licensees must maintain, become party to, or comply with the industry codes in accordance with the conditions of their licence. The codes define the terms under which industry participants can access the electricity and gas networks.