

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

NOTICE OF STATUTORY CONSULTATION ON A PROPOSED MODIFICATION PURSUANT TO SECTION 11A OF THE ELECTRICITY ACT 1989 OF THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCES GRANTED OR TREATED AS GRANTED UNDER SECTION 6(1)(d) 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), (3) and (4) of the Act, the Gas and Electricity Markets Authority (the "Authority") gives notice ("Notice") that it proposes to modify the standard conditions of the electricity supply licence by removing standard conditions 26 ("Services for specific Domestic Customer groups") and replacing it with a new standard condition 26 ("Priority Services Register").
3. The reasons why the Authority proposes to make this licence modification have been published by the Authority in the following documents:
 - (a) Priority Services Register Review – Statutory Consultation 13 June 2016; and
 - (b) Priority Services Register Review – Final Proposals, 2015¹.

In summary, the Authority has identified a number of issues with the current regulatory arrangements which are impacting on the effectiveness of the Priority Service Register and are resulting in poor outcomes for consumers in vulnerable situations.

4. The effects of this proposed modification are described in the documents referred to in paragraph 3 of this Notice. In summary, the effects of this proposed modification include replacing the existing regulatory obligations with a more principles-based approach in order to improve customer awareness of the Priority Service Register and require suppliers to take a flexible approach with the Priority Services they offer to best meet the needs of individual customers.
5. The envisaged text for the proposed modification to replace standard condition 26 is set out in schedule 1 to this Notice. The original version of standard condition 26 which the Authority is proposing to replace in its entirety is set out in schedule 2.
6. A copy of the proposed modification and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively they are available from our Research and Information Centre, 9 Millbank, London, SW1P 3GE (020 7901 7003).
7. Any representations with respect to the proposed licence modification must be made on or before 15 July 2016 to: Jonathan Blagrove, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to vulnerability@ofgem.gov.uk.
8. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.

¹ <https://www.ofgem.gov.uk/publications-and-updates/priority-services-register-review-final-proposals>

9. Subject to responses to the statutory consultation, in the event that the Authority decides to proceed with the proposed modification, it is intended that the modification will take effect on a date which is at least 56 days after the date on which the Authority's decision is published.

**Rachel Fletcher, Senior Partner
Duly authorised on behalf of the
Gas and Electricity Markets Authority
2016**

13 June

Schedule 1 - proposed replacement of standard condition 26

The text below constitutes the envisaged modification to replace standard condition 26 of the electricity supply licence:

Condition 26. Priority Services Register

Duty to establish a Priority Services Register

26.1 The licensee must:

(a) establish and maintain a Priority Services Register of its Domestic Customers, who, due to their Personal Characteristics or otherwise being in a vulnerable situation, may require Priority Services;

(b) take all reasonable steps to promote the existence of the Priority Services Register and the Priority Services which may be available from the licensee; and

(c) take all reasonable steps (which are appropriate in the circumstances, having regard to the interests of the Domestic Customer) to:

(i) identify such Domestic Customers in the course of interactions between the licensee and Domestic Customers, and

(ii) offer to add any or all of the Minimum Details to the Priority Services Register during interactions.

26.2 In so far as permitted by any laws relating to data protection and/or privacy, the licensee must add the Minimum Details to the Priority Services Register.

Duty to share information

26.3 In so far as permitted by any laws relating to data protection and/or privacy, the licensee must share the Minimum Details using the Relevant Industry Mechanisms.

Duty to offer services

26.4 The licensee must offer (and, if accepted, provide), free of charge, to any of its Domestic Customers which have been added to the Priority Services Register, such of the Priority Services as the Domestic Customer may reasonably require on account of his or her Personal Characteristics or vulnerable situation.

26.5 The Priority Services are appropriate mechanisms and arrangements to enable the following:

(a) the Domestic Customer receiving additional support to assist him or her to identify any person acting on behalf of the licensee,

(b) a person nominated by, or otherwise legally entitled to act on behalf of, the Domestic Customer being able to receive communications relating to their account,

(c) the reading (and provision of that reading to the Domestic Customer) of the Domestic Customer's Electricity Meter at appropriate intervals, if the Domestic Customer (or any other person occupying the same Domestic Premises) is unable to do so,

(d) functionality of the Domestic Customer's Prepayment Meter which is Safe and Reasonably Practicable in all the Circumstances of the Case,

(e) communications with the Domestic Customer in an accessible format that is, so far as is reasonably practicable, appropriate to the Domestic Customer's needs on the basis of their Personal Characteristics and/or vulnerable situation, and

(f) such further or additional services (of a similar non-financial nature as sub-paragraphs 26.5(a) to (e)) as the licensee identifies are appropriate to the needs of its Domestic Customers and reasonably practicable for the licensee to provide.

Compliance with data protection and/or privacy laws

26.6 For the purposes of its obligations under standard condition 26 (including in respect of obtaining, recording, using and sharing information), the licensee must comply with any laws relating to data protection and/or privacy.

Definitions for condition

26.7 In this condition:

"Minimum Details" means the Domestic Customer's name, details of any relevant Personal Characteristics and/or vulnerable situation, and such other details which are relevant to the subject matter of standard condition 26 as the Authority may from time to time specify by publishing a statement in Writing (following public consultation and giving at least two months' prior notice).

"Personal Characteristics" means:

(a) the Domestic Customer being of pensionable age;

(b) the Domestic Customer being chronically sick, or having an impairment, disability, or long term medical condition (including but not limited to a visual, auditory or mobility impairment);

(c) any other characteristics identified by the licensee as being relevant due to the nature of the Priority Services.

"Priority Services" is to be interpreted in accordance with paragraph 26.5.

"Relevant Industry Mechanisms" means arrangements for the purposes of sharing the Minimum Details with specified persons as:

(a) set out in the Master Registration Agreement, or

(b) designated by the Authority by publishing a statement in Writing (following public consultation and giving at least two months' prior notice).

"Safe and Reasonably Practicable in all the Circumstances of the Case" is to be interpreted in accordance with paragraph 28.1B of standard condition 28.

Schedule 2 - original version of standard condition 26

The text below sets out the original version of standard condition 26 which is being replaced in its entirety:

~~Condition 26. Services for specific Domestic Customer groups~~

~~Customers who are of Pensionable Age, disabled or chronically sick~~

~~26.1—If a Domestic Customer who is of Pensionable Age, disabled or chronically sick requests it and it is appropriate and reasonably practicable for the licensee to do so, the licensee must, free of charge:~~

~~(a)—agree a password with the customer that can be used by any person acting on the licensee's behalf or on behalf of the Relevant Distributor to enable that customer to identify that person;~~

~~(b)—send each Bill or statement of account in relation to the supply of electricity to the customer's premises to any other person that the customer nominates, if that person agrees to receive them;~~

~~(c)—if the customer informs the licensee that no person occupying his premises is able to read the Electricity Meter there, arrange to read that meter at least once each quarter and inform the customer of that reading; and~~

~~(d)—if Charges are recovered through a Prepayment Meter and the customer cannot readily make payments through that meter because of infirmity, arrange to move that meter so that the customer can access it.~~

~~Blind, partially sighted, deaf or hearing impaired customers~~

~~26.2—When asked to do so by, or by someone acting on behalf of, a blind or partially sighted Domestic Customer, the licensee must, by means that are readily accessible to such customers, provide information free of charge about any Bill or statement of account relating to the supply of electricity or any other service provided to the customer by the licensee.~~

~~26.3—The licensee must provide facilities, free of charge, which enable any Domestic Customer who:~~

~~_____ (a) is blind or partially sighted; or~~

~~_____ (b) is deaf or hearing impaired and in possession of appropriate equipment;~~

~~to ask or complain about any Bill or statement of account relating to the supply of electricity or any other service provided to that customer by the licensee.~~

~~Duty to establish Priority Services Register~~

~~26.4—The licensee must establish and maintain a Priority Services Register which lists all of the licensee's Domestic Customers who:~~

~~(a)—are of Pensionable Age, disabled or chronically sick; and~~

~~(b)—have either:~~

~~(i)—asked in person for their name to be added to the Priority Services Register; or~~

(ii) — had a person ask on their behalf for their name to be added to it.

26.5 — When a Domestic Customer's name is added to the Priority Services Register, that customer must be given, free of charge, advice and information on the services that are available to him under paragraphs 26.1 to 26.3 because of his age, disability or chronic sickness.

26.6 — At least once each year, the licensee must take all reasonable steps to inform each of its Domestic Customers that the Priority Services Register exists and of how Domestic Customers who are of Pensionable Age, disabled or chronically sick may become listed on it.

Information to Relevant Distributor

26.7 — The licensee must give the Relevant Distributor the following information insofar as it is relevant to the performance of that distributor's obligations under the Distribution Licence:

(a) — details relating to any person who has agreed a password with the licensee, including what that password is; and

(b) — details relating to any person who the licensee knows or has reason to believe requires advance notice of any interruption to the supply of electricity to his premises because of his chronic sickness or disability.

Provision of information

26.8 — The licensee must:

(a) — prepare a statement that sets out, in plain and intelligible language, its obligations under this condition;

(b) — publish that statement on and make it readily accessible from its Website (if it has one);

(c) — take all reasonable steps to inform each of its Domestic Customers, at least once each year, of that statement and how to obtain it; and

(d) — give a copy of the statement on request and free of charge to any person.