

Decision

Decision on consequential licence modifications due to the end of the transition period

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Dear Colleagues,

This letter sets out our decision on consequential licence modifications due to the end of the transition period¹. This decision follows the below consultations:

1. Statutory consultation on licence modifications in the event the UK leaves the European Union without a deal (14 January 2019)²,
2. Statutory consultation on changes to the National Grid (NGESO) electricity transmission licence (4 July 2019)³
3. Statutory consultation on consequential licence modifications due to the end of the transition period' (26 November 2020)⁴.

We have decided to proceed with the licence changes as set out in these statutory consultations, with some minor changes following consideration of stakeholder responses. The details of these changes are contained in Annexes 1 – 8. These annexes relate to specific licences.

Background

On 14 January 2019, we consulted on licence modifications in the event the UK left the EU without a deal. At the time of this consultation, the UK was due to leave the EU on 29 March 2019. The purpose was to ensure that retained EU law continued to function effectively when the UK left the EU and to take into account provisions within the relevant Statutory Instruments prepared under the European (Withdrawal) Act 2018.

Following the extension of the Brexit date, we considered it necessary to publish a separate consultation proposing consequential changes to the NGESO licence after it became the holder of its own electricity transmission licence on the 1 April 2019. We also published our 'minded-to' decision letter⁵ on 4 July 2019 which provided our response to stakeholder feedback to the 14 January 2019 consultation and committed to publish our licence decision as soon as practicable.

The UK left the EU on 31 January 2020 and entered into the transition period until 31 December 2020 during which EU law still applied in the UK. We considered that the changes as set out in our 4 July 2019 minded-to decision letter were still required for the end of the transition period.

However, it was necessary to make a number of minor alterations to the modifications set out in our 14 January 2019 consultation. These changes replace modifications that referenced 'Exit Day' with a reference to 'IP completion day', as 'Exit Day' is no longer a relevant legal term and are shown in yellow highlight in the marked licence text section of each accompanying annex.

¹ The transition period ended at 11pm on 31 December 2020.

² [Statutory consultation on licence modifications in the event the UK leaves the EU without a deal | Ofgem](#)

³ [Statutory consultation on changes to the National Grid ESO electricity transmission licence | Ofgem](#)

⁴ [Preparing for the end of the transition period: Statutory consultation on consequential licence modifications due to the end of the transition period | Ofgem](#)

⁵ [Preparing for EU Exit: update on consequential licence changes in the event the UK leaves the EU without a deal \(ofgem.gov.uk\)](#)

Between 20 November 2020 and 24 December 2020, we consulted on these additional amendments to ensure that the licences would reflect the additional legislative changes made by the Department for Business, Energy & Industrial Strategy (BEIS) when the transition period ended.

On 24 December 2020 a Trade and Cooperation agreement between the UK and the EU was announced. We consider that the licence changes we have consulted on are still required to reflect amendments to UK law as a consequence of the end of the transition period.

Responses to our consultation on changes to the NGESO electricity transmission licence and our consultation on consequential licence modifications due to the end of the transmission period

In addition to the consultation responses which we received for our 14 January 2019 consultation and which we have responded to, we received one response to our 4 July 2019 consultation on changes to the NGESO electricity transmission licence which supported our proposals.

We also received 12 responses to our 26 November 2020 consultation on consequential changes due to the end of the transition period. The majority of responses either supported our proposals or provided no further comment. We provide a summary of this stakeholder feedback, and our view, in Table 1 below.

Table 1: Responses to consultation on consequential changes due to the end of the transition period

Stakeholder feedback	Relevant Licences	Our view
A respondent requested we update the company name shown in Annex 8 – Gas transport to 'Cadent Gas Limited' following the sale of 'National Grid Gas Limited' in April 2017.	Gas transporter – standard special conditions	We agree with this proposal and Annex 8 – Gas transporter in our Decision now refers to 'Cadent Gas Limited'. There is no change required for the gas transporter licence.
One respondent identified a reference to 'EU law' in the definition of 'Significant Code Review' in the electricity interconnector licence which needed changing to 'retained EU law'.	Electricity interconnector (Condition 3)	We agree with this proposed change and amended the licence.
Two respondents noted that, while welcoming our proposed licence changes, they are now obligated to notify Ofgem of their status after the reference to "third country" was changed to "country outside the United Kingdom" to reflect the fact that post EU Exit, the EU will become a "third country".	Gas interconnector (Conditions 22.3, 22.5, 22.6) Gas transporter – standard special conditions (Conditions B4.3, B4.5(b), B4.6) Electricity transmission (Conditions B21.3, B21.5(b), B21.6)	The intention of our proposed licence changes is not to change the obligations or duties of licence holders but rather reflect the legislative changes arising out of Brexit. In that spirit we note that some licensees are now obligated to notify Ofgem of their status if they are controlled by a person from outside of the UK.

		Previously, licensees were only required to notify us if they were controlled by a person outside of the EU. These changes reflect the amendments to the Electricity Act and Gas Act made by The Electricity and Gas etc. (Amendment etc.) (EU Exit) Regulations 2019.
One respondent queried our proposal to keep Conditions 10 (Paragraph 4) and Conditions 11A (Paragraph 4) of the electricity interconnector standard licence in their current form due to their understanding that the Regulation no longer applies after the transition period ends.	Electricity interconnector	<p>We do not consider further changes are required beyond those proposed in our 20 November 2020 consultation. The Regulation still applies as it forms part of retained EU law as modified by Statutory Instrument (SI) 2020/1006.</p> <p>We have updated the definition of "Regulation" to mean '<i>Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day⁶ as read with the modifications set out in the SI 2020/1006⁷</i>'.</p>
<p>One respondent suggested moving the added text for our proposed definition of "Directive" to avoid confusion over whether this applies to the 2003 or 2009 Directive. The respondent's proposed change is below.</p> <p><i>"Directive" means Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009, as it has effect immediately before IP</i></p>	All licences	<p>We do not agree with the respondent's proposal. We consider that the additional text must be added after the full name of the Directive to which it refers.</p> <p>The full title of the relevant Directive is '<i>Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and</i></p>

⁶ "IP completion day" has the same meaning as that given in section 39(1) of the European Union (Withdrawal Agreement) Act 2020.

⁷ [The Electricity and Gas \(Internal Markets and Network Codes\) \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(legislation.gov.uk\)](#)

<u><i>completion day as read with the modifications set out in the Act concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC as it has effect immediately before IP completion day as read with the modifications set out in the Act.</i></u>		<i>repealing Directive 2003/55/EC’.</i>
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Our decision

We have carefully considered responses from all three consultations when forming our decision.

The following modification decisions have been attached as annexes to this letter. We include within each annex (i) a licence modification decision and (ii) an extract showing the relevant licence changes.

- Electricity Distribution Licence (Annex 1)
- Electricity Interconnector Licence (Annex 2)
- Electricity Supply Licence (Annex 3)
- Electricity Transmission Licence (Annex 4)
- Smart Meter Communication Licence (Annex 5)
- Gas Interconnector Licence (Annex 6)
- Gas Supply Licence (Annex 7)
- Gas Transporter Licence (Annex 8)

We have included the list of licence holders for each licence type in Schedule 1 below.

Licence obligations during the standstill period

These licence modifications will come into effect on 8 April 2021, 56 days from the day after the date of this letter (standstill period). We expect that this licence modification decision, alongside the clarity provided by the EU Exit legislation made by BEIS, provides the certainty and clarity needed to licensees as to their obligations under the licence during the standstill period.

Yours sincerely,

Natasha Zoe Smith

**Head of European Wholesale Markets,
Energy Systems Management & Security**

Schedule 1

1. Electricity distribution licence modification:

Independent DNOs	DNOs
Eclipse Power Networks Limited	Eastern Power Networks Plc
Energetics Electricity Limited	Electricity North West Limited
Energy Assets Networks Limited	London Power Networks Plc
ESP Electricity Limited	Northern Powergrid (Northeast) Limited
Forbury Assets Limited	Northern Powergrid (Yorkshire) Plc
Fulcrum Electricity Assets Limited	Scottish Hydro Electric Power Distribution Plc
Harlaxton Energy Networks Limited	South Eastern Power Networks Plc
Independent Power Networks Limited	Southern Electric Power Distribution Plc
Indigo Power Limited	SP Distribution Plc
Leep Electricity Networks Limited	SP Manweb Plc
Murphy Power Distribution Limited	Vattenfall Networks Limited
The Electricity Network Company Limited	Western Power Distribution (East Midlands) Plc
UK Power Distribution Limited	Western Power Distribution (South Wales) Plc
Utility Assets Limited	Western Power Distribution (South West) Plc
Vattenfall Networks Limited	Western Power Distribution (West Midlands) Plc

2. Electricity interconnector licence modifications

Aquind Limited
BritNed Development Limited
Channel Cable Limited
East West Cable One Limited
EirGrid Interconnector Designated Activity Company
ElecLink Limited
FAB Link Limited
Greenlink Interconnector Limited
GridLink Interconnector Limited
Moyle Interconnector Limited
National Grid IFA 2 Limited
National Grid Interconnectors Limited

National Grid North Sea Link Limited
National Grid Viking Limited
Nemo Link Limited
NeuConnect Britain Ltd
NorthConnect Limited

3. Electricity supply licence modification

Domestic and Non Domestic Suppliers	Non Domestic Suppliers
Affect Energy Ltd	AMRECS LLC
Alabama Energy Limited	BES Commercial Electricity Limited
Ampoweruk Ltd	Better Business Energy Limited
Arto.Energy Limited	BP Gas Marketing Limited
Avro Commercial Energy Trading Ltd	CNG Electricity Limited
Avro Energy Limited	Conrad Energy (Trading) Limited
AXPO UK Limited	Crown Gas and Power 2 Limited
Barbican Power Limited	Danske Commodities A/S
BE 2020 Limited	E.ON UK Plc
Bluebell Energy Supply Limited	Eco Green Management Limited
Bluegreen Energy Services Limited	Edgware Energy Limited
Bristol Energy Limited	Electricity Direct (UK) Limited
British Gas Trading Limited	EPG Energy Limited
British Gas X Limited	Equinicity Ltd
Brook Green Trading Limited	ETUL Limited
Bryt Energy Limited	Flexitricity Limited
Bulb Energy Ltd	F & S Energy Limited
Business Power and Gas Limited	Gazprom Marketing & Trading Retail Limited
Cilleni Energy Supply Limited	GridBeyond Limited
Colorado Energy Limited	I.A.Z.F.S. Limited
Co-Operative Energy Limited	IPM Energy Retail Limited
Corona Energy Retail 4 Limited	LCC Group Limited
Coulomb Energy Supply Limited	Lourdes Associates Limited
Delta Gas and Power Limited	MA Energy Limited
D-Energi Trading Limited	Mercuria Energy Europe Trading Limited
Donnington Energy Limited	New Stream Renewables Limited
Dyce Energy Limited	Opal Gas Limited
E2M - Energy Trading Ltd.	Orsted Sales (UK) Limited
Ecotricity Limited	P3P Energy Supply Limited

EDF Energy Customers Limited	Power4All Limited
E (Gas and Electricity) Limited	PX Supply Limited
Electraphase Ltd	Regent Power Limited
Electricity Plus Supply Limited	S. C. Isramart SRL
Electroroute Energy Limited	Shell Energy Europe Limited
ElectroRoute Supply Limited	Shell Energy Supply UK Ltd.
Eneco Energy Trade BV	SmartestEnergy Business Limited
Energise Britain Gas & Electric Ltd	SmartestEnergy Limited
ENGIE Power Limited	Smart Pay Energy Ltd
Enstroga Ltd	SSE Energy Supply Limited
Entice Energy Supply Limited	Statkraft Markets GmbH
E.ON Energy Solutions Limited	The Nuclear Decommissioning Authority
E.ON Next Energy Limited	Total Gas & Power Limited
ESB Energy limited	Tradelink Solutions Limited
Euston Energy Limited	UK Power Reserve Limited
Exelon Generation Limited	United Gas & Power Ltd
Farmoor Energy Limited	Vattenfall Energy Trading GmbH
Farringdon Energy Limited	Verastar Limited
Flow Energy Limited	Wilton Energy Limited
Foxglove Energy Supply Limited	Xcel Power Limited
Gas and Power Limited	XLN Energy Limited
Good Energy Limited	
Goto Energy (UK) Limited	
Green Energy (UK) plc	
Green Supplier Limited	
Hartree Partners Supply (UK) Limited	
Haven Power Limited	
Holborn Energy Limited	
Home Energy Trading Ltd	
Igloo Energy Supply Limited	
Labrador Ltd	
Limejump Energy Limited	
Logicor Energy Limited	
Marble Power Limited	
Maxen Power Supply Limited	
Mississippi Energy Limited	
MoneyPlus Energy Limited	

MVV Environment Services Limited	
Nabuh Energy Ltd	
Neas Energy Limited	
Neon Reef Limited	
Npower Commercial Gas Limited	
Npower Limited	
Npower Northern Limited	
Npower Northern Supply Limited	
Npower Yorkshire Limited	
Npower Yorkshire Supply Limited	
Octopus Energy Limited	
Omni Energy Ltd	
Opus Energy (Corporate) Limited	
Opus Energy Limited	
Opus Energy Renewables Limited	
Orbit Energy Limited	
Orsted Power Sales (UK) Limited	
OVO Electricity Limited	
Ovo (S) Electricity Limited	
Paddington Power Limited	
Palladium Energy Supply Limited	
People's Energy (Supply) Limited	
PFP Energy Supplies Limited	
Pirranello Energy Supply Limited	
Planet 9 Energy Limited	
Pozitive Energy Ltd	
Pure Planet Limited	
Robin Hood Energy Limited	
Scottish Power Energy Retail Limited	
Shell Energy Retail Limited	
Shell Energy UK Limited	
Simply Your Energy Limited	
Sinq Power Limited	
Social Energy Supply Ltd	
So Energy Trading Limited	
Squeaky Clean Energy Limited	

Switch Business Gas and Power Ltd	
Symbio Energy Limited	
Together Energy (Retail) Limited	
Toucan Energy Limited	
Tru Energy Limited	
UK Healthcare Corporation Limited	
Unify Energy Limited	
United Gas & Power Trading Ltd	
Utilita Energy Limited	
Utility Point Limited	
Valda Energy Limited	
Whoop Energy Ltd	
Zebra Power Limited	
ZOG Energy Ltd	

4. Electricity transmission licence modifications

Blue Transmission Walney 1 Limited
Blue Transmission Walney 2 Limited
Blue Transmission Sheringham Shoal Limited
Blue Transmission London Array Limited
Diamond Transmission Partners BBE Limited
Diamond Transmission Partners Walney Extension Limited
Greater Gabbard OFTO plc
Gwynt y Mor OFTO plc
Humber Gateway OFTO Limited
National Grid Electricity System Operation Limited
National Grid Electricity Transmission Plc
Scottish Hydro Electric Transmission Plc
SP Transmission Plc
TC Barrow OFTO Limited
TC Barrow OFTO Limited
TC Dudgeon OFTO plc

TC Gunfleet Sands OFTO Limited
TC Gunfleet Sands OFTO Limited
TC Ormonde OFTO Limited
TC Ormonde OFTO Limited
TC Robin Rigg OFTO Limited
TC Robin Rigg OFTO Limited
TC Lincs OFTO Limited
TC Westermost Rough OFTO Limited
Thanet OFTO Limited
WoDS Transmission plc

5. Smart meter communication licence modifications

Smart DCC Limited

6. Gas interconnector licence modifications

BBL Company
Gas Networks Ireland
GNI (UK) Limited
Interconnector (UK) Limited
Premier Transmission Limited

7. Gas supply licence modifications

Domestic and Non Domestic Suppliers	Non Domestic Suppliers
Affect Energy Ltd	Adrian Francis Associates Limited
Alabama Energy Limited	AMRECS LLC
Ampoweruk Ltd	Axpo UK Limited
AvantiGas On Limited	Barrow Shipping Limited
Avro Commercial Energy Trading Ltd	Better Business Energy Limited
Avro Energy Limited	BP Gas Marketing Limited
BE 2020 Limited	Brighton Power Limited

Bluebell Energy Supply Limited	Britannia Gas Limited
Bluegreen Energy Services Limited	Business Energy Solutions Limited
Brilliant Energy Supply Limited	Ceres Energy Limited
Bristol Energy Limited	Chevron Products UK Limited
British Gas Trading Limited	CNG Energy Limited
British Gas X Limited	Cofathec Heatsave Limited
Brook Green Trading Limited	Contract Natural Gas Limited
Bruntwood Energy Services Limited	Corona Energy Retail 1 Limited
Bulb Energy Ltd	Corona Energy Retail 2 Limited
Business Power and Gas Limited	Corona Energy Retail 3 Limited
Cilleni Energy Supply Limited	Coulomb Energy Supply Limited
Colorado Energy Limited	Data Energy Management Services Limited
Co-operative Energy Limited	E.ON Energy Gas (North West) Limited
Corona Energy Retail 4 Limited	E.ON UK Plc
Crown Gas and Power Limited	Eco Green Management Limited
Crown Oil Limited	Economy Gas Limited
Daligas Limited	Economy Power Limited
Delta Gas and Power Limited	EDF Trading Limited
D-Energi Trading Limited	ENGIE Gas Limited
Donnington Energy Limited	ENGIE Gas Shipper Limited
Dyce Energy Limited	ENGIE Supply Holding UK Limited
E2M - Energy Trading Ltd	Eni Global Energy Markets SpA
Ecotricity Limited	Eni UK Limited
EDF Energy Customers Limited	Equinor UK Limited
E (Gas and Electricity) Limited	Equinor Energy Trading Limited
Electroroute Energy Limited	Fidelity Energy Limited
Energise Britain Gas & Electric Ltd	Flexitricity Limited
ENGIE Power Limited	Gazprom Marketing & Trading Retail Limited
Enstroga Ltd	Great Western Energy Ltd
Entice Energy Supply Limited	Hartree Partners Power & Gas Company (UK) Limited
E.ON Energy Gas (Eastern) Limited	I.A.Z.F.S. Limited
E.ON Energy Solutions Limited	International Power Fuel Company Limited
E.ON Next Energy Limited	International Power Ltd.
E.ON UK Industrial Shipping Limited	JP Morgan Securities plc
ESB Energy limited	K O Brokers Limited

Euston Energy Limited	Lourdes Associates Limited
Exelon Generation Limited	Macquarie Bank Limited
Flogas Britain Ltd	Macquarie Commodities Finance (UK) Limited
Flow Energy Limited	Macquarie Factoring (UK) Limited
Foxglove Energy Supply Limited	Marble Power Limited
Gas and Power Limited	Mercuria Energy Europe Trading Limited
Gas Plus Supply Limited	Mercuria Energy Trading SA
Good Energy Gas Limited	Nationwide Gas Limited
Goto Energy (UK) Limited	Naturgy Limited
Green Energy (UK) plc	Natwest Markets PLC
Green Supplier Limited	North Sea Gas Limited
Hartree Partners Supply (UK) Limited	Npower Commercial Gas Limited
Home Counties Energy Plc	Orsted Sales (UK) Limited
Home Energy Trading Ltd	Orsted Salg & Service A/S
Igloo Energy Supply Limited	Petronas Energy Trading Limited
Labrador Ltd	Regent Gas Limited
Maxen Power Supply Limited	RWE Generation UK Plc
Mississippi Energy Limited	RWE Supply and Trading GmbH
Nabuh Energy Ltd	S. C. Isramart SRL
Neon Reef Limited	Sembcorp Utilities (UK) Limited
Npower Gas Limited	Shell Energy Supply UK Ltd.
Npower Northern Limited	SmartestEnergy Limited
Npower Yorkshire Limited	Smart Pay Energy Ltd
Octopus Energy Limited	SSE Energy Supply Limited
Omni Energy Ltd	Swift Administration Limited
Opal Gas Limited	Synergie Environ Limited
Opus Energy Limited	The Nuclear Decommissioning Authority
Opus Gas Supply Limited	Unigas Limited
Orbit Energy Limited	United Gas & Power Ltd
MoneyPlus Energy Limited	Valero Energy UK Ltd
OSSO Gas Limited	WINGAS GmbH
Ovo Gas Limited	Xcel Power Limited
Ovo (S) Gas Limited	XLN Energy Limited
Palladium Energy Supply Limited	
PFP Energy Supplies Limited	
NSMP System Entry Pointplies Limited	

Pirranello Energy Supply Limited
People's Energy (Supply) Limited
Pozitive Energy Ltd
Pure Planet Limited
Robin Hood Energy Limited
Scottish Power Energy Retail Limited
Shell Energy Retail Limited
Shell Energy UK Limited
SmartestEnergy Business Limited
Social Energy Supply Ltd
So Energy Trading Limited
Switch Business Gas and Power Ltd
Symbio Energy Limited
Telecom Plus PLC
Together Energy (Retail) Limited
Total Gas & Power Limited
Tru Energy Limited
UK Gas Supply Ltd
UK Healthcare Corporation Limited
UK National Gas Ltd
Utilita Energy Limited
Utilita Gas Limited
Utility Point Limited
Valda Energy Limited
Whoop Energy Ltd
Yu Energy Retail Limited
Zebra Power Limited
Zog Energy Limited

8. Gas transporter modifications

Independent gas transporters (iGTs)	Distribution network operators (DNs)
Energy Assets Pipelines Limited	Cadent Gas Limited
ES Pipelines Limited	Northern Gas Networks Limited
ESP Connections Limited	Scotland Gas Networks PLC

ESP Networks Limited	Southern Gas Networks PLC
ESP Pipelines Limited	Wales & West Utilities Limited
Fulcrum Pipelines Limited	
GTC Pipelines Limited	
Harlaxton Gas Networks Limited	
Independent Pipelines Limited	
Indigo Pipelines Limited	
Last Mile Gas Limited	
Leep Gas Networks Limited	
Murphy Gas Networks Limited	
Quadrant Pipelines Limited	
Squire Energy Limited	

Site specific pipeline operators	National Transmission Systems
Greenpark Energy Transportation Limited	National Grid Gas PLC
Humbly Grove Energy Services Limited	
INOVYN Enterprises Limited	
Saltfleetby Energy Limited	
Severn Gas Transportation Limited	
SP Gas Transportation Hatfield Limited	

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