

To: All holders of an electricity supply licence

Electricity Act 1989

Section 11A(2)

Notice of statutory consultation on a proposal to modify the standard conditions of all electricity supply licences

1. The Gas and Electricity Markets Authority ('the Authority')¹ proposes to modify the standard conditions of all electricity supply licences granted or treated as granted under 6 (1)(d) of the Electricity Act 1989 by amending:
 - Standard Conditions 1 (Definitions for standard conditions)
 - Standard Condition 7A (Supply to Micro Business Consumers)
 - Standard Condition 8 (Obligations under Last Resort Supply Direction)
 - Standard Condition 20 (Enquiry service, Supply Number and dispute settlement – for Non-Domestic Customers).
2. We are proposing these modifications to address a number of key harms faced by microbusinesses in the retail energy market. We intend to clarify and strengthen existing supply licence obligations to provide information about brokerage costs on contractual documentation. We also propose introducing a requirement for suppliers to only work with brokers signed up to an alternative dispute resolution scheme. Additionally, we propose introducing a 14-day cooling-off period for microbusiness contracts. Finally, we propose banning suppliers from requiring microbusinesses to provide notice of their intent to switch. Alongside these, we are also proposing to make a minor housekeeping amendment to Standard Condition 8.
3. The detailed reasons why the Authority proposes to make these licence modifications have been published by the Authority in the following documents:
 - Statutory Consultation: Microbusiness Strategic Review²
 - Policy Consultation: Microbusiness Strategic Review³
4. The effect of these proposed modifications is to improve the microbusiness customer journey and to ensure microbusinesses can access fair deals. They will also have a significant positive impact on microbusinesses' ability to act confidently and increase supplier accountability.

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document.

² Available on the Ofgem website from 01 June 2021 at the following links: <https://www.ofgem.gov.uk/gas/retail-market/qb-gas-retail-market> and <https://www.ofgem.gov.uk/electricity/retail-market/qb-electricity-retail-market>

³ Ofgem (2020) Microbusiness Strategic Review: Policy Consultation: <https://www.ofgem.gov.uk/publications-and-updates/microbusiness-strategic-review-policy-consultation>

5. A copy of the proposed modifications and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from foi@ofgem.gov.uk.
6. Any representations with respect to the proposed licence modifications must be made on or before **9 July 2021** to: Jonathan Blagrove, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to CDconsultations@ofgem.gov.uk.
7. 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.
8. If we decide to make the proposed modification/modifications it/they will take effect not less than 56 days after the decision is published.

Neil Barnes

Duly authorised on behalf of the

Gas and Electricity Markets Authority

01 June 2021

Schedule 1 – proposed modifications to the standard conditions of all electricity supply licences

We have included the sections of the electricity supply licence SLCs we have proposed to remove or amend below.

Deletions are shown in strike through and new text is double underlined. We have only shown those licence conditions where modifications are proposed.

Condition 1. Definitions for standard conditions

1.3 In this licence, unless the context otherwise requires:

'Broker'

means a third party organisation or individual that, either on its own or through arrangements with other organisations or individuals, provides information and/or advice to a Micro Business Consumer about the licensee's Charges and/or other terms and conditions and whose payment or other consideration for doing so is made or processed by the licensee;

'Brokerage Costs'

means any fees, commission or other consideration including a benefit of any kind, processed by the licensee and paid or made or due to be paid or made to the Broker in respect of a Micro Business Consumer Contract.

'Principal Terms'

means, in respect of any form of Contract or Deemed Contract, the terms that relate to:

- (a) Charges;
- (aa) where the licensee is relying on sub-paragraph 22C.11(a) of standard condition 22C or sub-paragraph 23.8(a) of standard condition 23, the method by which Charges for the Supply of Electricity fluctuate automatically;
- (ab) where the licensee is relying on sub-paragraph 22C.11(b) of standard condition 22C or sub-paragraph 23.8(b) of standard condition 23, the precise variations to the Charges for the Supply of Electricity;
- (ac) Where the licensee is relying on paragraph 22C.11B of standard condition 22C and paragraph 23.8A of standard condition 23:
 - (i) moving a Domestic Customer from one payment method to another and the precise

circumstances when that will occur; and

- (ii) the precise variations to the Charges for the Supply of Electricity and other terms and conditions which would occur as a result of the Domestic Customer being moved from one payment method to another;
- (ad) Where the licensee is relying on paragraph 22C.11B of standard condition 22C but not paragraph 23.8A of standard condition 23, moving a Domestic Customer from one payment method to another and the precise circumstances when that will occur;
- (b) any requirement to pay Charges through a Prepayment Meter;
- (ba) in relation to a Domestic Supply Contract, any Credit Management which applies, including the Credit Limit;
- (bb) in relation to a Domestic Supply Contract, any Load Limiting which applies, including the Load Limit;
- (c) any requirement for a Security Deposit;
- (d) the duration of the Contract or Deemed Contract (including, but not limited to, the duration of any fixed term periods and any arrangements for renewing or extending the duration of the Contract or any fixed term periods);
- (e) the rights to cancel the Contract or end the Contract (including any obligation to pay a Termination Fee) or the circumstances in which a Deemed Contract will end,

and any other term that may reasonably be considered to significantly affect the evaluation by the Customer of the Contract under which electricity may be supplied to his premises including for the avoidance of doubt, in relation to Micro Business Consumers any Brokerage Costs, required to be paid or due to be paid in respect of the full duration of a Microbusiness Consumer Contract and to be presented as monies (whether actual or where that is not possible, estimated amounts).

Condition 7A. Supply to Micro Business Consumers

Identification and treatment of Micro Business Consumers

7A.1 If the licensee intends to:

- (a) enter into a Non-Domestic Supply Contract with a Customer; or

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

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

- 7A.2 Where any Contract or Contract extension as described in paragraph 7A.1 is entered into with a Non-Domestic Customer that has been identified as, or deemed to be, a Micro Business Consumer, that Contract shall be a "Micro Business Consumer Contract" for the purposes of this Condition.
- 7A.3 The licensee must not include a term in a Micro Business Consumer Contract which enables it to terminate the Contract or apply different terms and conditions to that Contract during a fixed term period on the grounds that the Customer no longer satisfies the definition of Micro Business Consumer.

Notification of Micro Business Consumer Contract terms and other information

- 7A.4 Before the licensee enters into a Micro Business Consumer Contract, it must ~~take all reasonable steps to bring,~~ or ensure that the relevant Broker brings, the following information to the attention of the Micro Business Consumer and ensure that the information is communicated in plain and intelligible language:
 - (a) a statement to the effect that the licensee is seeking to enter into a legally binding Contract with the Micro Business Consumer; and
 - (b) the Principal Terms of the proposed Contract.
- 7A.5 The licensee must ensure that all the express terms and conditions of a Micro Business Consumer Contract are:
 - (a) set out in Writing; and
 - (b) drafted in plain and intelligible language.
- 7A.6 Where the licensee enters into, or extends the duration of, a Micro Business Consumer Contract for a fixed term period, it must prepare a statement (hereafter referred to as a "Statement of Renewal Terms") which:
 - (a) is set out in Writing;
 - (b) is drafted in plain and intelligible language;
 - (c) displays the following information in a prominent manner:
 - (i) the date the fixed term period is due to end, or if that date is not ascertainable the duration of the fixed term period;

- ~~(ii)~~ the Relevant Date, or if not known at the time of providing the Statement of Renewal Terms, a description of how the Relevant Date will be calculated by reference to the end of the fixed term period;
- (iii) (ii) (if applicable) a statement to the effect that the Micro Business Consumer may send a notification in Writing to the licensee at anytime before the Relevant Date in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies and, where paragraph 7A.13 applies, in order to prevent the licensee from extending the duration of the Micro Business Consumer Contract for a further fixed term period; end of the fixed term that currently applies in order to prevent the Licensee from extending the Micro Business Consumer Contract with effect from the end of any fixed term period;
- ~~(iv)~~ (iii) a postal and Electronic Communication address to which the Customer may send a notification in Writing for that purpose; and
- ~~(v)~~ (iv) a statement explaining the consequences of the Micro Business Consumer not renewing the Micro Business Consumer Contract or agreeing a new Contract before the Relevant Date end of the fixed term period that currently applies.

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

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

7A.8 On or about ~~30 days before the Relevant Date~~ 60 days before the end of the Initial Period, unless the licensee has already agreed a new Micro Business Consumer Contract with the Micro Business Consumer, the licensee must provide the Micro Business Consumer with:

- (a) the Statement of Renewal Terms;
- (b) if paragraph ~~7A.13~~ 7A.12A applies and subject to paragraph 7A.8(d):
 - (i) a copy of the relevant Principal Terms which might apply to the Micro Business Consumer after the current fixed-term period of the

Micro Business Consumer Contract ends, including in the event that the Customer does nothing and the licensee extends the duration of the Contract in accordance with paragraph ~~7A.13A~~ 7A.12B; and

- (ii) a copy of the Principal Terms which would apply after the current fixed-term period of the Micro Business Consumer Contract ends, in the event that the Customer sends (or has already sent) a ~~notice~~ notification in Writing before the ~~Relevant Date~~ end of the fixed term period that currently applies to prevent renewal of the Micro Business Consumer Contract but does not appoint another supplier;
- (c) if paragraph ~~7A.13~~ 7A.12A does not apply, a copy of the Principal Terms, which would apply if the Customer does not change supplier or does not expressly agree a new Micro Business Consumer Contract or a further fixed-term period of the existing Micro Business Consumer Contract by the date that the current fixed-term period is due to end.
- (d) if paragraph ~~7A.13~~ 7A.12A applies but the licensee has already prevented the Micro Business Consumer from extending the duration of the Micro Business Consumer Contract for a further fixed-term period, the requirements in paragraph 7A.8(b) shall be replaced with a requirement to provide the Micro Business Consumer with a copy of the Principal Terms which would apply after the current fixed-term period of the Micro Business Consumer Contract ends if the Customer continues to be supplied by the licensee.
- (e) a statement displaying the Charges for the Supply of Electricity which apply to the Customer as at the date on which such statement is provided; and
- (f) the Customer's Annual Consumption Details.

7A.9 Where pursuant to paragraphs 7A.4 or 7A.8 the licensee is required to provide a Micro Business Consumer with any relevant Principal Terms:

- (a) it must ensure that the Principal Terms are:
 - (i) set out in Writing; and
 - (ii) drafted in plain and intelligible language;
 - (iii) sent by it, or by the relevant Broker, to a Micro Business Consumer no later than one working day after the Micro Business Consumer Contract is entered into.
- (b) if the terms of the Micro Business Consumer Contract provide that the Charges for the Supply of Electricity may vary or fluctuate from time to time, it must provide:
 - (i) an explanation that the Charges for the Supply of Electricity

- are subject to change from time to time; and, as applicable,
- (ii) the precise variations to the Charges for the Supply of Electricity or the method by which the Charges for the Supply of Electricity will fluctuate automatically; or
 - (iii) where there is no agreed schedule of variations or an agreed fluctuation method in respect of the Charges for the Supply of Electricity, information about how the Micro Business Consumer may obtain the current Charges for the Supply of Electricity from the licensee

7A.9A For the purpose of this Condition 7A.9:

'providing' a Micro Business Consumer with any relevant Principal Terms means the supplier or the relevant broker must send the Principal Terms by email or by first class post to the Micro Business Consumer on the next working day after agreeing the contract at the latest; and that where they are sent by email, the Principal Terms will be 'provided' on the next working day after they are sent and if sent by first class post, they will be provided on the second working day after posting

7A.10 Where pursuant to paragraph 7A.8(b) the licensee provides a Micro Business Consumer with any offers of terms that relate to Charges for the Supply of Electricity, it must ensure that at least one offer is made in Writing which may be accepted at any time before the Relevant Date end of the fixed term period that currently applies.

Information on Bills etc

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

7A.10B The specified information is:

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

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

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

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

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

(i) a statement to the effect that the Micro Business Customer may send a notification in writing to the licensee at any time before the end of the fixed term period that currently applies in order to terminate the Micro Business Consumer Contract with effect from the end of the fixed term period which currently applies.

Information on Brokerage Costs

7A.10C.1 In addition to the requirement in condition 7A.9, where the licensee has entered into a Micro Business Consumer Contract, the licensee must provide to the Micro Business Consumer on request, information relating to any form of Brokerage Costs paid or made, or due to be paid or made, to a Broker in respect of the full duration of that Micro Business Consumer Contract;

7A.10C.2 The licensee must ensure that the information that the licensee is required to disclose by virtue of condition 7A.10C.1:

- (a) is disclosed as monies, whether actual amounts or (if that is not possible) estimated amounts;
- (b) enables a Micro Business Consumer to understand the amount of those sums that it is due to pay which are, or are attributable to Brokerage Costs due to the Broker, as well as any Charges (so far as they are different) or other sums; and
- (c) is drafted in plain and intelligible language.

Length of notice periods in Micro Business Consumer Contracts

~~7A.11 The notice period for termination of a Micro Business Consumer Contract by a Micro Business Consumer must be no longer than 30 days.~~

~~7A.12 Paragraph 7A.11 is without prejudice to the licensee's ability to enter into a Micro Business Consumer Contract with a Customer for a fixed term period which is longer than 30 days.~~

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

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

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

~~7A.12B.1 Subject to paragraph 7A.12B. 2 in relation to any Micro Business Consumer Contract which includes a fixed term period, the licensee must ensure that during the Initial Period a Micro Business Consumer is entitled to give notice of termination at any time in order to terminate the Micro Business Consumer Contract.~~

~~7A.12B.2 Where a Micro Business Consumer gives notice to terminate the Micro Business Consumer Contract during the Initial Period, the licensee must:~~

~~(a) terminate the contract at the end of the Initial Period, if the Micro Business Consumer gives notice to terminate at least 30 days before the end of the Initial Period;~~

~~(b) terminate the contract no more than 30 days after the Micro Business Consumer gives notice to terminate, if such notice is given within the last 30 days of the Initial Period.~~

7A.11 In relation to a Micro Business Consumer Contract that contains a fixed term period, the licensee must ensure that, a Micro Business Customer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier from the end of the Initial Period (or earlier, if the Contract allows for this), subject always to paragraphs 14.2-14.3 of Standard Licence Condition 14.

Termination during Roll-Over Period of Micro Business Consumer Contracts

~~7A.12BA This paragraph applies to Micro Business Consumer Contracts during the Roll-Over Period.~~

~~7A.12BAA The licensee must ensure that a Micro Business Consumer is entitled to give notice of termination at any time in order to terminate the Micro~~

~~Business Consumer Contract with effect from the end of the Relevant Notice Period.~~

~~7A.12BAB Where a Micro Business Consumer gives notice of termination under paragraph 7A.12BAA, the licensee must not:~~

- ~~(a) charge the Micro Business Consumer a Micro Business Termination Fee; or~~
- ~~(b) engage in any course of action which has the effect of increasing the Standing Charge, Unit Rate or any other charge which the Micro Business Consumer must pay pursuant to the Micro Business Consumer Contract.~~

7A.12 In relation to Micro Business Consumer Contracts during the Roll-Over Period, the licensee must ensure that:

- (a) a Micro Business Consumer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier; and
- (b) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Electricity Supplier at any time without having to pay a Termination Fee

Acknowledgement of receipt of termination notice

~~7A.12C If the licensee receives notice of termination in accordance with 7A.12.A or 7A.12B it must take all reasonable steps to notify the Micro Business Consumer in Writing within 5 Working Days of receipt of such notice of termination, or as soon as reasonably practical thereafter, that such notice of termination has been received.~~

Extending the duration of Micro Business Consumer Contracts

~~7A.13~~ 7A.12A This paragraph applies where the relevant Micro Business Consumer Contract is for a fixed-term period and contains a Roll-Over Clause.

~~7A.13~~ 7A.12B Where paragraph ~~7A.13~~ 7A.12A applies, the licensee may only extend the duration of that Contract for a further fixed term period if:

- (a) it has complied with paragraphs 7A.7 and 7A.8;
- (b) the Micro Business Consumer has not sent the licensee a notification in writing before the end of the Initial Period in order to prevent it from extending the duration of the Micro Business Consumer Contract for a further fixed term period ~~and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and~~

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

~~Termination of Out-of-contract Contracts and Evergreen Micro Business Consumer Contracts~~

~~7A.13B If the licensee supplies electricity to a Micro Business Consumer's premises under an Out-of-contract Contract or Evergreen Micro Business Consumer Contract, the licensee must not charge the Micro Business Consumer a Micro Business Termination Fee.~~

Termination of Evergreen Micro Business Consumer Contracts

7A.13A If the licensee supplies electricity to a Micro Business Consumer's premises under an Evergreen Micro Business Consumer Contract, the licensee must ensure that:

- (a) the notice period for termination of any Evergreen Supply Contract with a Micro Business Consumer is no longer than 30 days; and
- (b) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Electricity Supplier at any time without having to pay a Termination Fee.

7A.13AB Where paragraph 7A.13A applies, notice of termination must include but is not limited to notice given by the proposed new Relevant Electricity Supplier in respect of a Proposed Supplier Transfer.

7A.13AC If the licensee receives notice of termination in accordance with 7A.13A it must take all reasonable steps to notify the Micro Business Consumer in Writing within 5 Working Days of receipt of such notice of termination, or as soon as reasonably practical thereafter, that such notice of termination has been received.

Termination of Out-of-contract Contracts

7A.13B If the licensee supplies electricity to a Micro Business Consumer's premises under an Out-of-contract Contract, the licensee must ensure that:

- (a) a Micro Business Consumer is entitled to take steps to facilitate changing to any other Electricity Supplier at any time without having to pay a Termination Fee; and
- (b) a Micro Business Consumer is not required to give any form of notice to terminate the Micro Business Consumer Contract or to switch supplier.

Reporting obligation

7A.13C.1 The licensee must give the Authority any Information that it reasonably requests about the licensee's compliance with paragraphs ~~7A.12B.1 to 7A.13B~~ 7A.11 to 7A.13B as soon as reasonably practicable after receiving a request from the Authority.

7A.13C.2 The licensee must give the Authority any Information that it reasonably requests to assess the impact and effectiveness of the obligations contained in paragraphs ~~7A.12B.1 to 7A.13B~~ 7A.11 to 7A.13B as soon as reasonably practicable after receiving a request from the Authority.

~~Transitional provisions for standard condition 7A covering notice periods, termination fees and rollovers~~

~~7A.13D.1 Until the Specified Date, this condition 7A.13D applies to any Transitional Micro Business Consumer Contracts.~~

~~7A.13D.2 For the purposes of this condition 7A.13D, a "Transitional Micro Business Consumer Contract" is a Micro Business Consumer Contract which was entered into on or before 15 December 2016.~~

~~7A.13D.3 In respect of the Transitional Micro Business Consumer Contract, the licensee is not required to comply with:~~

- ~~(a) paragraphs 7A.12B.1 and 7A.12B.2 of standard condition 7A,~~
- ~~(b) paragraphs 7A.12BA, 7A.12BAA and 7A.12BAB of standard condition 7A,~~
- ~~(c) paragraphs 7A.13 and 7A.13A of standard condition 7A,~~
- ~~(d) paragraphs 7A.13B, 7A.13C.1 and 7A.13C.2 of standard condition 7A, and instead, paragraphs 7A.13D.4 to 7A.13D.6 apply.~~

~~7A.13D.4 Paragraph 7A.12B.1 of standard condition 7A is replaced with:~~

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

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

- ~~(a) — a Micro Business Consumer is entitled to give notice of termination before the Relevant Date (or, where applicable, such a later date as may be specified in the Micro Business Supply Contract) in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and~~
- ~~(b) — without prejudice to any notice period which complies with paragraph 7A.11, if, at the end of any fixed term period, a Micro Business Consumer is not subject to a further fixed term period, the Micro Business Consumer is entitled to give notice to terminate the Micro Business Consumer Contract at any time.~~

~~7A.13D.5 Paragraph 7A.13 of standard condition 7A is replaced with:~~

~~7A.13 This paragraph applies where the relevant Micro Business Consumer Contract is for a fixed term period and contains a term entitling the licensee to extend the duration of the Micro Business Consumer Contract for a further fixed term period.~~

~~7A.13D.6 Paragraph 7A.13A of standard condition 7A is replaced with:~~

~~7A.13A Where paragraph 7A.13 applies, the licensee may only extend the duration of that Contract for a further fixed term period if:~~

- ~~(a) — it has complied with paragraphs 7A.7 and 7A.8;~~
- ~~(b) — the Micro Business Consumer has not sent the licensee a notification in Writing before the Relevant Date in order to prevent it from extending the duration of the Micro Business Consumer Contract for a further fixed term period and in order to terminate the Micro Business Consumer Contract with effect from the end of any fixed term period which currently applies; and~~
- ~~(c) — the duration of the further fixed term period is 12 months or less.~~

Micro Business Consumer Cooling-off Period

7A.13E.1 The licensee must include a term in a Micro Business Consumer Contract that enables a Micro Business Consumer to cancel the Contract at any time in the cancellation period, without giving any reason, by giving notice of cancellation to the licensee.

7A.13E.2 Notice of cancellation includes any communication by the Micro Business Consumer to the licensee, made in the cancellation period, setting out the Micro Business Consumer's decision to cancel the Contract.

7A.13E.3 The cancellation period begins on the day on which a Micro Business Consumer enters into a Contract with the licensee

7A.13E.4 The cancellation period ends at the earlier of:

- (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9; or
- (b) 28 calendar days (or such other period as the Authority may specify from time to time) before the date on which the supply of electricity under the terms of that contract, is due to begin.

7A.13E.5 Where a Micro Business gives notice of cancellation the licensee must not:

- (a) charge the Micro Business Consumer a Termination Fee; or
- (b) apply terms and conditions or Charges for the Supply of Electricity which are not set out under the Micro Business Consumer Contract; or
- (c) require payment of any Charges for the Supply of Electricity determined under the Micro Business Consumer Contract

7A.13E.6 The provisions in Condition 7A.13E shall take effect on a date specified by the Authority.

Definitions for condition

7A.14 In this condition:

“Evergreen Micro Business Consumer Contract”

means a Micro Business Consumer Contract which is for a period of an indefinite length and which does not contain a fixed-term period that applies to any of the terms and conditions of that Micro Business Consumer Contract and is not an Out-of-contract Contract.

“Initial Period”

means a period of fixed duration from the start of a contract concerning the supply of electricity.

“Micro Business Termination Fee”

means any sum of money or other compensation (whether financial or not) which might be demanded from a Micro Business Consumer solely because his Micro Business Consumer Contract has ended and/or any sum of money or other reward (whether financial or not) which would have been provided to a Micro Business Consumer if he continued to be supplied under a Micro Business Consumer Contract for a particular period of time and would not be provided to that Micro Business Consumer solely because that contract has ended before that period of time has elapsed.

“Out-of-contract Contract”

means a Non-Domestic Supply Contract which continues to apply to a Micro Business Consumer in circumstances where that Non-Domestic Supply Contract has been terminated or has expired through the passage of time and the same licensee continues to supply electricity to that Micro Business Consumer.

“Relevant Notice Period”

~~means a notice period of up to 30 days.~~

“Roll-Over Clause”

means a term providing for a contract to continue (automatically, or at the sole option of the licensee) beyond the expiry of the Initial Period in the event that, during the Initial Period, the Micro Business Consumer has not terminated the Micro Business Consumer Contract or otherwise expressly agreed that the Micro Business Consumer Contract will continue for a period of fixed duration or an indefinite length.

"Roll-Over Period" means the period of time after the Initial Period for which a Micro Business Consumer Contract will continue pursuant to the Roll-Over Clause.

"Specified Date" means 25 June 2017.

"Micro Business Consumer" means a Non-Domestic Customer:

- (a) which is a "relevant consumer" (in respect of premises other than domestic premises) for the purposes in article 2(1) of The Gas and Electricity Regulated Providers (Redress Scheme) Order 2008 (S.I. 2008/2268); or
- (b) which has an annual consumption of not more than 100,000 kWh.

~~**"Relevant Date"** means the date which is 30 days, before the date any fixed term period of a Micro Business Consumer Contract is due to end.~~

Condition 8. Obligations under Last Resort Supply Direction

8.5. The licensee:

- (a) is not required to comply with a Last Resort Supply Direction in respect of premises to which it would not be required to supply electricity because of any of the exceptions set out in sub-paragraphs 6Z(a) and (b) of standard condition 22 (Duty to offer and supply under Domestic Supply Contract); and
- (b) shall not comply where the Last Resort Supply Direction is in respect of a Green Deal Premises and the licensee is not a Green Deal Licensee.

Condition 20. Enquiry service, Supply Number and dispute settlement –for Non-Domestic Customers

Dispute settlement

20.5 The licensee must provide to each of its Non-Domestic Customers information concerning their rights as regards the means of dispute settlement available to them in the event of a dispute with the licensee or, in the case of a Microbusiness Consumer, any Broker by providing that information on any relevant Promotional Materials sent to the Non-Domestic Customer and on or with each Bill or statement of account sent to each Non-Domestic Customer in relation to Charges or annually if the licensee has not sent such a Bill or statement of account to them. Such information must include, but is not limited to, how the procedures under any Qualifying Dispute Settlement Scheme can be initiated.

20.5A The licensee must ensure that any Broker is a member of a Qualifying Dispute Settlement Scheme.

20.5B The Licensee must provide any information it holds or controls which, in the view of the provider of the relevant Qualifying Dispute Settlement Scheme, is relevant to a dispute between a Micro Business Consumer and a Broker, to the provider of the relevant Qualifying Dispute Settlement Scheme, on request by that provider.

20.5C The provisions in this Condition 20.5 insofar as they relate to dispute settlement between a Microbusiness Consumer and a Broker shall take effect on a date specified by the Authority.

20.5D For the purposes of this Condition:

**'Qualifying
Dispute
Settlement
Scheme'**

means any scheme of dispute settlement, resolution and/or redress operated by the Relevant Energy Ombudsman or such other organisation as offers, and may be demonstrated to provide, independent, fair, effective and transparent out-of court dispute settlement relating to Relevant Broker Activities and constitutes a Qualifying Dispute Settlement Scheme in accordance with any guidance issued by the Authority.

**'Relevant Broker
Activities'**

means any activity undertaken by a Broker in respect of a Micro Business Supply Contract including (but without prejudice to the generality of the foregoing):

- (a) any written or oral communications relating to the supply of electricity to a Micro Business Consumer including:
 - (i) any pre-sales communications;
 - (ii) any communications regarding Billing or Contractual Information; and
 - (iii) any matters falling within the scope of standard conditions 7A, 14, 14A and 21B (insofar as they relate to a Micro Business Consumer); and
- (b) any processing of information relating to the supply of electricity to a Micro Business Consumer, together with any other Relevant Activities as the Authority may direct from time to time, following consultation.