

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

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

NOTICE OF REASONS FOR THE DECISION TO MODIFY THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE UNDER SECTION 49A 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")¹ gave notice ("Notice") on 13 June 2016 that it proposed modifying the standard conditions of the electricity supply licence by removing standard condition 26 ("Services for specific Domestic Customer groups") and replacing it with a new standard condition 26 ("Priority Services Register"). The Notice required any representations with respect to the proposed modification to be made on or before 15 July 2016.
3. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received a direction that the modification should not be made.
4. We received 30 responses to the Notice, which we carefully considered. We have placed all non-confidential responses on our website. A copy of the non-confidential representations received by Ofgem are available free of charge from the Ofgem Knowledge Management Team, 9 Millbank, London, SW1P 3GE.
5. The Authority has carefully considered the representations made and, subject to a typographical change and changes made to paragraph 26.5(c) of new standard condition 26 (which are explained in the decision document), has decided to proceed with the modification proposed in the Notice.
6. In accordance with section 49A of the Act, the reasons for making the licence modification are to implement the policy stated in the following documents:
 - (a) Modifications decision document, 25 October 2016;
 - (b) Priority Services Register Review – Statutory Consultation 13 June 2016; and
 - (c) Priority Services Register Review – Final Proposals 17 December 2015.

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

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

7. The effects of this modification are described in the documents referred to in paragraph 6 of this Notice. In summary, the effects of this modification include replacing the existing regulatory obligations with a more principles-based approach in order to improve customer awareness of the Priority Services Register and require suppliers to take a flexible approach with the Priority Services they offer to best meet the needs of individual customers.
8. Where an application for permission to appeal the Authority's decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the CMA's Energy Licence Modification Appeals Rules² requires that the appellant send a non-confidential notice to any relevant licence holders who are not parties to the appeal, setting out the matters required in Rule 5.2. Schedule 2 to this Notice provides a list of the relevant licence holders in relation to the modification. Section 11A(10) of the Act sets out the meaning of "relevant licence holder".

Now therefore

In accordance with the powers contained in section 11A(1)(b) of the Act, the Authority hereby modifies the standard conditions for all electricity supply licences in the manner specified in attached Schedule 1. The modification will take effect on and from 1 January 2017, a date which is at least 56 days from the publication of this Notice.

**The Official Seal of the Gas and Electricity Markets Authority
here affixed is authenticated by the signature of**



.....
**Anthony Pygram, Partner
Duly authorised on behalf of the
Gas and Electricity Markets Authority**

25 October 2016

² The rules were published by the Competition Commission in September 2012. On 1 April 2014, the Competition Commission was abolished and its functions transferred to the CMA.

SCHEDULE 1

MODIFICATION PURSUANT TO SECTION 11A OF THE ELECTRICITY ACT 1989 OF THE STANDARD CONDITIONS OF THE ELECTRICITY SUPPLY LICENCE GRANTED OR TREATED AS GRANTED UNDER SECTION 6(1)(d) OF THE ELECTRICITY ACT 1989

The text below constitutes the modification to replace standard condition 26 of the electricity supply licence (insertions are shown in underlined text and deletions in strikethrough text):

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 is unable to do so and there is no other person the Domestic Customer could reasonably nominate to do so on their behalf,

(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.

~~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.~~

SCHEDULE 2 – LIST OF RELEVANT LICENCE HOLDERS

1 North Utilities Ltd
1st Direct Utilities Limited
Addito Supply Limited
Affect Energy Ltd
Arto.Energy Limited
Avro Energy Limited
Axis Telecom Limited
AXPO UK Limited
Azacca Energy Limited
Barbican Power Limited
Better Energy Supply Limited
Bluebell Energy Supply Limited
Bor Energy Limited
Breeze Energy Supply Limited
Brilliant Energy Supply Limited
Bristol Energy & Technology Services
(Supply) Limited
British Gas Trading Limited
Brook Green Trading Limited
Bruntwood Energy Services Limited
Bulb Energy Ltd
Bullion Energy Limited
Business Power and Gas Limited
Cardiff Energy Supply Limited
Celesto Enterprises Limited
Cleanreturns Limited
CNG Electricity Limited
Co-Operative Energy Limited
Corona Energy Retail 4 Limited
Coulomb Energy Supply Limited
Crown Oil Limited
Daffodil Energy Supply Limited
Daisy Energy Supply Limited
Dong Energy Power Sales UK Limited
Donnington Energy Limited
Earl Power Supply Limited
Economy Energy Supply Limited
Economy Energy Trading Limited
EDF Energy Customers Plc
Edgware Energy Limited
Effortless Energy Ltd.
E (Gas and Electricity) Limited
Electraphase Ltd
Electricity Plus Supply Limited
ElectroRoute Supply Limited
Emexconsult Limited
Eneco Energy Trade BV
Energy COOP Limited
ENGIE Power Limited
Enstroga Ltd
Envy Energy Limited

E.ON Energy Solutions Limited
Eversmart Energy Ltd
Extra Energy Supply Limited
Farmoor Energy Limited
Farringdon Energy Limited
First Utility Limited
Flow Energy Limited
Foxglove Energy Supply Limited
Future Energy Utilities Ltd
Galena Energy Limited
GB Energy Supply Ltd
GEN4U Ltd
GNERGY Limited
Golding Energy Limited
Good Energy Limited
Green Energy (UK) plc
Greengen Direct Limited
Green Network Energy Ltd
Halogen Power Limited
Hartree Partners Supply (UK) Limited
Haven Power Limited
Highclare Trading Limited
Holborn Energy Limited
Home Counties Energy Plc
Hudson Energy Supply UK Limited
Inverno Limited
Iresa Limited
I Supply Electricity 2 Limited
I Supply Electricity Limited
I Supply Energy Limited
ICS Energy Limited
Jacob Developments Limited
Jetstream Energy Supply Ltd
KAL-Energy Limited
Kensington Power Limited
Labrador Ltd
Lavender Energy Supply Limited
Lily Energy Supply Limited
Limejump Energy Limited
Loco2 Energy Supply Ltd.
Marble Power Limited
Marigold Energy Supply Limited
Mattina Limited
Mint Energy Supply Limited
Mongoose Energy Supply Limited
MVV Environment Services Limited
MyLife Home Energy Limited
Nabuh Energy Ltd
Nationwide Electricity Limited
Neas Energy Limited
Newport Energy Limited
Nilo Energy Limited
Npower Direct Limited
Npower Limited

Npower Northern Limited
Npower Northern Supply Limited
Npower Yorkshire Limited
Npower Yorkshire Supply Limited
Octopus Energy Limited
Oneselect Limited
Opal Energy Limited
Opus Energy (Corporate) Limited
Opus Energy Limited
Opus Energy Renewables Limited
Our Power Energy Supply Limited
OVO Electricity Limited
Paddington Power Limited
Palladium Energy Supply Limited
Pan-Utility Limited
Pioneer Energy Limited
Places for People Energy Supplies Limited
Positive Energy Ltd
Prozana Limited
R Electrics Limited
Robin Hood Energy Limited
Rose Energy Supply Limited
Scottish Power Energy Retail Limited
Simple Energy Scotland Limited
Simply Electricity Limited
Singola Limited
Sinq Power Limited
Smart Electricity Limited
Smarter Eco Energy Ltd
Snowdrop Energy Supply Limited
So Energy Trading Limited
South Wales Electricity Limited
Spark Energy Supply Limited
Squeaky Clean Energy Limited
SSE Energy Supply Limited
Sunflower Energy Supply Limited
Supply Energy Limited
Switch Business Gas and Power Ltd
Symbio Energy Limited
The Renewable Energy Company Limited
Thistle Energy Supply Limited
Tonik Energy Limited
Toto Energy Ltd.
Trio Utilities Ltd
Tulip Energy Supply Limited
UK Healthcare Corporation Limited
Utilita Energy Limited
Vavu Power Limited