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Date: April 2020

Confidentiality Ring Undertakings: Authorised Attendee

DISCLOSURE RELATING TO (A) REVIEW OF THE SMART METERING NET COST CHANGE ALLOWANCE AND (B) INTRODUCTION OF A CAP LEVEL FOR PREPAYMENT METER CUSTOMERS IN THE DEFAULT TARIFF CAP

UNDERTAKINGS GIVEN BY [Name of Relevant Party] REGARDING ACCESS TO THE CONFIDENTIALITY RING FOR DISCLOSED SMNCC & PPM MODEL

WHEREAS

- (1) The Domestic Gas and Electricity (Tariff Cap) Act 2018 ("**the Act**") places a duty on the Gas and Electricity Markets Authority ("**the Authority**") to implement a temporary cap on Standard Variable Tariffs and default rates ("**the Default Tariff Cap**"). On 6 November 2018, the Authority published the final Decision to implement the Default Tariff Cap which took effect on and from 1 January 2019.
- (2) The Authority proposes to publish consultations on [12 May 2020] setting out its proposals to adjust the methodology it will use to calculate the Default Tariff Cap in the fifth cap period (from 1 October 2020 to 31 March 2021) and subsequent tariff cap periods. The consultations set out proposals to:
 - (i) update the Smart Metering Net Cost Change allowance for credit customers ("**SMNCC**"), which reflects the change in smart metering costs from the 2017 baseline (part of operating costs) to subsequent cap periods (the "**SMNCC Consultation**"); and
 - (ii) introduce a cap level in the Default Tariff Cap for default tariff customers with prepayment meters (the "**PPM Consultation**") (together, "**the SMNCC & PPM Consultations**").

- (3) The Authority has decided to disclose the data described in Schedule 1 (the “**Disclosed SMNCC & PPM Model**”) by means of a confidentiality ring commencing on the [12 May 2020] (the “**SMNCC & PPM Model Confidentiality Ring**”). A reference to the Disclosed SMNCC & PPM Model in these undertakings includes references to any part of the Disclosed SMNCC & PPM Model. The Authority may identify additional information to be disclosed as part of the Disclosed SMNCC & PPM Model after the commencement of the SMNCC & PPM Model Confidentiality Ring. In this event, the Authority will notify the Authorised Attendee that this subsequent disclosure forms part of the Disclosed SMNCC & PPM Model and accordingly these undertakings shall apply equally to this subsequent disclosure.
- (4) The Disclosed SMNCC & PPM Model contains information that is confidential to BEIS and is provided by BEIS for disclosure as part of the SMNCC & PPM Consultations on the basis that appropriate protections are put in place to ensure the continued confidentiality of the material. The Authority considers that the Disclosed SMNCC & PPM Model may also include information caught by the prohibition on disclosure in section 105 Utilities Act 2000 (“**UA 2000**”)¹. The Authority may disclose such information in a manner consistent with the ‘disclosure gateways’ contained in section 105 UA 2000.
- (5) Access to the SMNCC & PPM Model Confidentiality Ring and the Disclosed SMNCC & PPM Model is restricted to the “**Authorised Attendees**” of the **Relevant Party**². For the avoidance of doubt an Authorised Attendee will include employees of the Relevant Party and / or third party advisers. Access is provided for “**the Permitted Purpose**”, that is the sole purpose of allowing the Authorised Attendees of a Relevant Party, on behalf of the Relevant Party, to review and understand the Disclosed SMNCC & PPM Model in order to:
- a) prepare submissions and representations to the SMNCC & PPM Consultations; and
 - b) (if relevant) to prepare and conduct an appeal against any decision of the Authority in connection with any decision in respect of the SMNCC & PPM Consultations, including an appeal in which the Relevant Party is, or is intending to apply to be, an intervener, in which case the arrangements established by these Undertakings may be extended to apply for the purposes of such appeal.

¹ The Disclosed SMNCC & PPM Model does not contain information that is commercially sensitive from the perspective of suppliers. However, please note that this is confidential from a market wide perspective and could not be made public.

² A **Relevant Party** for the purposes of these undertakings could be any party which will be affected by this Consultation, specifically domestic supply licence holders, Citizens Advice or Citizens Advice Scotland and any other party which the Authority determined in its absolute discretion as likely to be affected by the proposed Consultation. Where a supply licence holder has any Affiliate Licensees (as defined in SLC1 of the gas and electricity supply licences), the licence holder and any Affiliate Licensees together constitute a Relevant Party.

(6) Access to the SMNCC & PPM Model Confidentiality Ring will only be granted to an Authorised Attendee in accordance with the arrangements in recital (8):

- a) who has been approved, in writing, by the Authority;
- b) who has provided written undertakings acceptable to the Authority ("**Attendee Undertakings**");
- c) if the Relevant Party has provided written undertakings acceptable to the Authority ("the **Relevant Party Undertakings**"); and
- d) if the Relevant Party has provided, in writing, an Approved Compliance Document (as defined in the Relevant Party Undertakings) acceptable to the Authority.

(7) The number of Authorised Attendees is limited to ten (10) for each Relevant Party.

(8) The arrangements for obtaining the Authority's approval of an Authorised Attendee and for giving undertakings in respect of an Authorised Attendee are:

- a) notice of not less than 1 **Working Day** must be given to the Authority of the date on which the Authorised Attendee first wishes to be granted access to the SMNCC & PPM Model Confidentiality Ring ('**the Access Date**');
- b) by 17:00 on the Working Day before the Access Date the Attendee Undertakings signed by the Authorised Attendee and the Relevant Party Undertakings signed on behalf of the Relevant Party, must be provided to (and received by) the Authority; and
- c) before the Authorised Attendee attempts to access the SMNCC & PPM Model Confidentiality Ring, confirmation in writing must be obtained from the Authority that it has approved the Authorised Attendee and has accepted the signed Attendee Undertakings and signed Relevant Party Undertakings and approved the Compliance Document.

A **Working Day** is any day of the week, Monday to Friday, 09:30 to 17:00 on which the Authority's offices are open (and excludes public or bank holidays).

(9) Subject to the Attendee Undertakings and the Relevant Party Undertakings, the Authority will:

- a) make the Disclosed SMNCC & PPM Model available to the Authorised Attendees via a secure encrypted email (the "**Secure Encrypted Email**") and to receive the Secure Encrypted Email, the Relevant Party will provide the Authority with an Authorised Attendee's name, role, and professional email address;

- b) provide the Secure Encrypted Email within 1 Working Day of receipt of the information requested in (a) above;
 - c) make the Disclosed SMNCC & PPM Model available from the time the Consultation is published if the information in (a) above is received in advance, or not longer than 1 Working Day after their application if received after the Consultation publication.
- (10) Each Authorised Attendee will be sent the Disclosed SMNCC & PPM Model via the Secure Encrypted Email and will be permitted to download the Disclosed SMNCC & PPM Model (each permitted download resulting in a '**Permitted Copy**' and each copy of a '**Permitted Copy**' whether in part, adjusted, or altered is itself a '**Permitted Copy**'). Permitted Copies must be downloaded, stored and worked with in accordance with the Approved Compliance Document and the Permitted Arrangements (as defined in the Relevant Party Undertakings).
- (11) Disclosure of the Disclosed SMNCC & PPM Model, or any other part thereof, by the Authorised Attendees and/or Relevant Party other than in accordance with the Attendee Undertakings and/or the Relevant Party Undertakings is not permitted without the Authority's express and prior written consent. Breach of the Attendee Undertakings by an Authorised Attendee and/or the Relevant Party Undertakings by the Relevant Party may result in the Authority:
- a) terminating the Authorised Attendee's and/or Relevant Party's access to the SMNCC & PPM Model Confidentiality Ring and refusing the Authorised Attendee and / or Relevant Party access to any subsequent disclosure room or confidentiality ring run by the Authority, whether relating to the Consultation or update of any other allowance contained in the Default Tariff Cap for a prescribed period of time, such period to be determined by the Authority at its sole discretion (acting reasonably);
 - b) terminating the Authorised Attendee's and/or Relevant Party's right to hold the information, and demanding it be deleted or returned immediately;
 - c) taking additional steps in relation to that particular Relevant Party and Authorised Attendee in any future exercises involving the disclosure of confidential information, such as the imposition of more onerous restrictions, additional requirements and guarantees or refusal of access;
 - d) taking appropriate legal action to protect the data;
 - e) where relevant, referring the breach to the Authorised Attendee's regulatory body which may decide to take disciplinary action in relation to the breach;

f) informing other parties of the breach, as deemed necessary by the Authority.

(12) Section 105 of the UA 2000 makes it an offence to disclose information other than in a manner that is consistent with the UA 2000. To the extent that the Disclosed SMNCC & PPM Model contains materials subject to section 105 of the UA 2000 the Authority considers that any further disclosure of the Disclosed SMNCC & PPM Model for anything other than the Permitted Purpose, would be a contravention of the UA 2000.

NOW THEREFORE

I, [*Name of Attendee*] [*Job title*] at [*Name of Relevant Party*] in consideration for being granted access to the SMNCC & PPM Model Confidentiality Ring undertake to the Authority in my own name:

1. To use the Disclosed SMNCC & PPM Model for, and only for, the Permitted Purpose in accordance with the Permitted Arrangements.
2. To hold the Disclosed SMNCC & PPM Model in strict confidence and not to discuss, disclose, transmit, communicate or otherwise make available in any manner the Disclosed SMNCC & PPM Model to any other person (being a "**Non-Authorised Person**") without the consent of the Authority except to:
 - a. another Authorised Attendee of the Relevant Party; or
 - b. a member of the Authority's staff; or
 - c. an Approved Person (as defined in the Relevant Party Undertakings).
3. For the avoidance of doubt, I may take notes or produce submissions only to the extent that they are made for the purpose of facilitating the Permitted Purpose.
4. To keep secure at all times the Disclosed SMNCC & PPM Model and the Permitted Copies and any other document prepared by, or provided to, me, which contains or refers to the Disclosed SMNCC & PPM Model (together the 'Relevant Material and Documents') in accordance with the agreed Permitted Arrangements.
5. On the expiry of the period for bringing an appeal in respect of any decision relating to the Consultation I agree to:
 - a. To delete the Relevant Material and Documents so that no reference to the Disclosed SMNCC & PPM Model is readily available to any person (and measures will be taken to ensure no copies remain in either the recycle bin or in a backup system).

- b. In so far as not covered by (a) above, to destroy or return to the Authority the Relevant Material and Documents; and
- c. To notify the Authority of the manner of, and date of, the destruction and/or deletion of the Relevant Material and Documents.

Unless a copy of any document containing the Disclosed SMNCC & PPM Model is required to be retained by me for compliance with any applicable law, legislation or court order.

- 6. To notify the Authority immediately of any breach of this Undertaking if I become aware of or suspect that any of the Relevant Party's other Authorised Attendees have failed to comply with the Attendee Undertakings or any other executed undertakings.

PROVIDED THAT

The above undertakings shall not apply to any part of the Disclosed SMNCC & PPM Model that:

- i) belongs or relates solely to the Relevant Party or to the Relevant Party's business and which does not include any confidential information belonging to, relating to or deriving solely or partially from any other party;
- ii) is information that has previously been disclosed by the Authority to the Relevant Party without obligations of confidence;
- iii) at the time of disclosure is in the public domain or subsequently comes into the public domain, except through breach of the Attendee Undertaking, or any other of the Undertakings given by any other Relevant Party in relation to the SMNCC & PPM Model Confidentiality Ring; or
- iv) is required to be disclosed by law, legislation or court order, as long as, and unless prohibited by law, legislation or court order, I consult with the Authority as far as practicable prior to the proposed disclosure on the proposed forum, timing, nature and purpose of the proposed disclosure.

AND IN AGREEMENT THAT

This Undertaking shall be governed by and construed in accordance with English law and we submit to the exclusive jurisdiction of the courts of England and Wales to hear and decide any action or proceedings which may arise out of, or in connection with these undertakings.

I confirm that I have read and understood the Approved Compliance Document and the Permitted Arrangement.

I have given full and informed consent to the terms of these undertakings, including the restrictions placed upon me on the disclosure of information by this Undertaking.

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[Name of Attendee] [Name of Relevant Party]

Date

SCHEDULE 1

Smart Metering Costs and PPM Cap Level

The Disclosed SMNCC & PPM Model comprises of the following:

- *The new SMNCC & PPM model*
- *And any subsequent disclosure which Authority has notified the Authorised Attendee of as forming part of the Disclosed SMNCC & PPM Model pursuant to recital 3 above.*