

Annex 1. End of the transition period – Modifications of the licence conditions of the electricity distribution licence

To: All holders of an electricity distribution licence

Electricity Act 1989

Section 11A(1)(b)

Modification of the standard conditions of all electricity distribution licences

1. Each of the licensees to whom this document is addressed has a distribution licence which has been granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the Act).
2. Under section 11A(2) of the Act the Gas and Electricity Markets Authority ('the Authority')¹ gave notice on 2 separate occasions: On 14 January 2019 ('Notice 1') and on 26 November 2020 ('Notice 2') that we propose to modify the standard conditions in accordance with the provisions of section 11A(1)(b) as set out below:

2.1 Notice 1

- SLC1 (Definitions for the standard conditions)
- SLC21 (The Distribution Code)
- SLC22 (Distribution Connection and Use of System Agreement)
- SLC23 (Master Registration Agreement)
- SLC26 (Disposal of Relevant Assets and restrictions on charges over Receivables)
- SLC31A (Audit)
- SLC31B (Independence of the Distribution Business and restricted use of Confidential Information)
- SLC44 (Regulatory Accounts)

2.2 Notice 2

- SLC1 (Definitions for the standard conditions)

We stated that any representations to this modification proposal must be made on or before 15 February 2019, and 24 December 2020 for Notice 1 and Notice 2 respectively.

3. A copy of the Notice 1 and Notice 2 were 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 changes should not be made.

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

4. We received 18 responses to Notice 1, and 12 responses to Notice 2 which we carefully considered. We have placed all non-confidential responses on our website. Our response to the comments for Notice 1 are set out in Annex 9 of this publication, and our response to Notice 2 is set out in the accompanying cover letter.
5. The UK and EU agreed an implementation period between 31 January 2020 and 31 December 2020. It was therefore necessary to make a number of minor alterations to the modifications in Notice 1. These alterations were set out in Notice 2 and are shown in yellow highlight in annex 1.1.a. The alterations are set out below:
 - a. SLC1 – Definition of “Directive”: Proposed modifications referred to “Exit Day” which is no longer a relevant term. We have altered the definition to refer to the new relevant term “IP completion day”
 - b. SLC1 – Definition of “Exit Day”: This definition is no longer relevant. We have replaced the definition with a definition for “IP completion day”
6. We are making the licence changes in order to to reflect the changes to the legislative framework that have been implemented after the transition period ended at 11pm on 31 December 2020.
7. The effect of the modifications will be to ensure that the references in the licence to EU law (e.g. Directives, Regulations and Commission decisions) shall be read as references to such EU law as it had effect immediately before IP completion day² subject to any further amendments as may be contained in statutory instruments made under the European Union (Withdrawal) Act 2018. The modifications do not seek to change the current obligations and duties of licensees, nor do they seek to change the current policy position as reflected in the licence conditions.
8. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 11C of the Act, Rule 5.7 of the Energy Licence Modification Appeals: Competition and Markets Authority Rules³ requires that the appellant must send to any relevant licence holders who are not parties to the appeal a non-sensitive notice setting out the matters required in Rule 5.2. The accompanying letter provides a list of the relevant licence holders in relation to this modification. Section 11A(10) of the Act sets out the meaning of ‘relevant licence holder’.
9. Under the powers set out in section 11A(1)(b) of the Act, we hereby modify the standard licence conditions for all electricity distribution licences in the manner specified in the annex below. In accordance with s11A(9), this decision will take effect from 8 April 2021, a date not less than 56 days after the publication of this decision.
10. This document is notice of the reasons for the decision to modify the electricity distribution licences as required by section 49A(2) of the Act.

Natasha Zoe Smith

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Head of European Wholesale Markets
Duly authorised on behalf of the
Gas and Electricity Markets Authority

11 February 2021

² As defined in section 39 of the [European Union \(Withdrawal Agreement\) Act 2020](#)

³ CMA70 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/655601/energy-licence-modification-appeals-rules.pdf

Annex 1.1.a. Electricity Distribution Standard Conditions Marked Licence Text

We have included the sections of the SLCs we propose to remove or amend below. Deletions are shown in strike through and new text is double-underlined.

Condition 1. Definitions for the standard conditions

Introduction

- 1.1 This condition sets out most of the defined words and expressions (all of which begin with capital letters) that are used in the standard conditions of both Section A and Section B of this licence, and gives their definitions next to them.
- 1.2 But where defined words and expressions are used only in a particular standard condition, their definitions are included in that condition.

Definitions in alphabetical order

- 1.3 In the standard conditions of this licence, unless the context otherwise requires:

“Agency for the Cooperation of Energy Regulators”

means the ~~European Union~~ Agency for the Cooperation of Energy Regulators established established by Regulation ~~(EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (recast); (EC) No 713/2009~~ as construed as reference to and read in accordance with the correlation table in Annex II of Regulation (EU) 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators (recast) and as it had effect immediately before IP completion day.

“Directive”

means Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC as it has effect immediately before IP completion day as read with the modifications set out in the Act.

“IP completion day”

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

“legally binding decision of the European Commission and/or the Agency for the Co-operation of Energy Regulators and legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators”

means any relevant legally binding decision or decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators, but a binding decision does not include a decision that is not, or so much of a decision as is not Retained EU law.

“Regulation”

means 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 day as read with the modifications set out in the SI 2020/1006.

Retained EU Law

Retained EU Law has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018.

Condition 21. The Distribution Code

Licensee’s obligation

- 21.1 The licensee must take all steps within its power to ensure that the Distribution Code in force under this licence at 31 May 2008 remains a code approved by the Authority that complies with each of the following requirements.
- 21.2 The first requirement is that the Distribution Code must cover all material technical aspects relating to connections to and the operation and use of the licensee’s Distribution System or (so far as is relevant to such operation and use) the operation of electric lines and electrical plant connected to that system.
- 21.3 The second requirement, which is without prejudice to the first requirement, is that the Distribution Code must make express provision for the matters referred to in paragraphs 21.5 to 21.7A.
- 21.4 The third requirement is that the Distribution Code, so far as is consistent with the first two requirements, must be designed so as to better facilitate the achievement of the Applicable Distribution Code Objectives, which are to:
- (a) permit the development, maintenance, and operation of an efficient, co-ordinated, and economical system for the distribution of electricity; and
 - (b) facilitate competition in the generation and supply of electricity; and

- (c) efficiently discharge the obligations imposed upon distribution licensees by the distribution licences and comply with the Regulation and any relevant legally binding decision of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and
- (d) promote efficiency in the implementation and administration of the Distribution Code.

Specific contents of the Distribution Code

21.5 The Distribution Code must include a Distribution Planning and Connection Code (see paragraph 21.6) and a Distribution Operating Code (see paragraph 21.7).

21.6 The Distribution Planning and Connection Code must contain:

- (a) planning conditions that specify the technical and design criteria and procedures that are to be applied by the licensee in the planning and development of its Distribution System and taken into account by persons having a connection or seeking a connection to that system in the planning and development of their own plant and systems; and
- (b) connection conditions that specify the technical, design, and operational criteria to be complied with by any person having a connection or seeking a connection to the licensee's Distribution System.

21.7 The Distribution Operating Code must specify the conditions under which the licensee must operate its Distribution System, and under which persons must operate their own plant and systems in relation to that system, so far as is necessary to protect the security, quality of supply, and safe operation of the licensee's Distribution System under both normal and abnormal operating conditions.

21.7A The Distribution Code must provide for:

- (a) a panel body, as specified in the Distribution Code (the "panel"), whose functions shall include the matters required by this condition and as set out in the Distribution Code and any ancillary documents; and
- (b) a secretarial or administrative person or body, as specified in the Distribution Code, to perform the role of code administrator (the "code administrator"). In addition to any powers, duties, or functions set out in the Distribution Code and any ancillary documents, the code administrator shall:
 - (i) together with other code administrators, publish, review, and (where appropriate) amend from time to time the Code of Practice approved by the Authority (any amendments to the Code of Practice are to be approved by the Authority);
 - (ii) facilitate the procedures for making a modification to the Distribution Code;
 - (iii) have regard to, and in particular (to the extent relevant) be consistent with the principles contained in, the Code of Practice; and
 - (iv) provide assistance, insofar as is reasonably practicable and on reasonable request, to Authorised Electricity Operators (including, in particular, Small Participants) and, to the extent relevant, consumer representatives that request

the code administrator's assistance in relation to the Distribution Code including, but not limited to, assistance with:

- i. understanding the operation of the Distribution Code;
- ii. their involvement in, and representation during, the modification procedure processes (including, but not limited to, code panel and/or workgroup meetings);
- iii. accessing information relating to modification proposals and/or modifications.

Procedure for modifying the Distribution Code

21.8 The licensee must (in consultation with other Authorised Electricity Operators likely to be materially affected) periodically review (including at the Authority's request) the Distribution Code and its implementation.

21.8A The review undertaken under paragraph 21.8 must

- (a) where the Authority reasonably considers it necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators proceed in accordance with any timetable(s) directed by the Authority under this paragraph in relation to the progress of the review and/or implementation of any modifications to the Distribution Code; and
- (b) involve an evaluation of whether any modification or modifications to the Distribution Code would better facilitate the achievement of the Applicable Distribution Code Objectives and, where the impact is likely to be material, this must include an assessment of the quantifiable impact of any such modification on greenhouse gas emissions, to be conducted in accordance with any such guidance (on the treatment of carbon costs and evaluation of greenhouse gas emissions) as may be issued by the Authority from time to time.

21.9 After completing any such review, the licensee must send to the Authority:

- (a) a report on the outcome of the review conducted in accordance with paragraphs 21.8 and 21.8A;
- (b) a statement of any proposed modifications to the Distribution Code that the licensee (having regard to the outcome of the review) reasonably thinks are appropriate for the continuing achievement of the objectives referred to in paragraph 21.4 and a detailed explanation of the reasons for this assessment; and
- (c) any written representations or objections from Authorised Electricity Operators (including any proposals by such operators for modifications to the Distribution Code that have not been accepted by the licensee in the course of the review) that were received during the consultation process and have not been withdrawn.

21.10 Modifications to the Distribution Code must not be implemented without the Authority's approval.

21.11 The Authority (having regard to any representations or objections referred to in paragraph 21.9(c) and after any further consultation that it considers appropriate) , or having regard to a report submitted in accordance with paragraph 21.11AA(b) or 21.11E(b), may give a direction to the licensee that requires it to modify the Distribution Code in such manner as may be specified in the direction and the licensee must forthwith comply with any such directions.

21.11A The procedures for modifying the Distribution Code must provide:

(a) for the revision and resubmission of the report provided for under paragraph 21.9(a), paragraph 21.11AA(b) or paragraph 21.11E(b) upon, and in accordance with, a direction issued to the licensee by the Authority where the Authority determines that it cannot properly form an opinion on the approval of the modification proposal;

(b) without prejudice to paragraph 21.11D, that proposals for the modification of the Distribution Code falling within the scope of a Significant Code Review may not be made during the Significant Code Review Phase, except:

(i) where the Authority determines that the modification proposal may be made, having taken into account (among other things) the urgency of the subject matter of the proposal; or

(ii) at the direction of, or by, the Authority;

(c) that, where a modification proposal is made during a Significant Code Review Phase, the licensee must:

(i) unless exempted by the Authority, notify the Authority as soon as practicable of:

- any representations received in relation to the relevance of the Significant Code Review; and

- the licensee's assessment of whether the proposal falls within the scope of the Significant Code Review and its reasons for that assessment; and

(ii) if the Authority so directs, not proceed with the modification proposal until the Significant Code Review Phase has ended.

(d) that the Authority may make a proposal for modification of the Distribution Code where that modification proposal is in respect of a Significant Code Review;

21.11AA The procedures for modifying the Distribution Code must provide, where the Authority makes a modification proposal in accordance with paragraph 21.11A(d), for the licensee:

(a) to evaluate whether the modification to the Distribution Code would better facilitate the achievement of the Applicable Distribution Code Objectives and, where the impact is likely to be material, this must include an assessment of the quantifiable impact of any such modification

on greenhouse gas emissions, to be conducted in accordance with any such guidance (on the treatment of carbon costs and evaluation of greenhouse gas emissions) as may be issued by the Authority from time to time;

- (b) to send to the Authority a report on the outcome of the evaluation conducted in accordance with sub-paragraph (a) above;
- (c) to send to the Authority any written representations or objections from Authorised Electricity Operators that were received during the consultation process and have not been withdrawn; and
- (d) to proceed in accordance with any timetable(s) directed by the Authority in relation to the procedural steps outlined in this paragraph and/or in relation to implementation of such modification to the Distribution Code.

21.11B If, within twenty-eight (28) days after the Authority has published its Significant Code Review conclusions:

- (a) the Authority issues Directions to the licensee, the licensee must comply with those Directions and must treat the Significant Code Review Phase as ended;
- (b) the Authority issues to the licensee a statement that no Directions under sub-paragraph (a) will be issued in relation to the Distribution Code, the licensee must treat the Significant Code Review Phase as ended;
- (ba) the Authority makes a modification proposal in accordance with paragraph 21.11A(d), the licensee must treat the Significant Code Review Phase as ended;
- (bb) the Authority issues a statement that it will continue work on the Significant Code Review, the licensee must treat the Significant Code Review Phase as continuing until it is brought to an end in accordance with paragraph 21.11C;
- (c) neither Directions under sub-paragraph (a) nor a statement under sub-paragraphs (b) or (bb) have been issued, nor a modification proposal under sub-paragraph (ba) has been made, the Significant Code Review Phase will be deemed to have ended.

The Authority's published conclusions and Directions to the licensee will not fetter any voting rights of the members of the panel or the procedures informing the report described at sub-paragraph 21.9(a).

21.11C The procedures for modification of the Distribution Code shall provide that, if the Authority issues a statement under paragraph 21.11B(bb) and/or a direction in accordance with paragraph 21.11F, the Significant Code Review Phase will be deemed to have ended when:

- (a) the Authority issues a statement that the Significant Code Review Phase has ended;

- (b) one of the circumstances in sub-paragraphs 21.11B(a) or (ba) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the Authority has published its Significant Code Review conclusions); or
- (c) the Authority makes a decision consenting or otherwise to the modification of the Distribution Code following the submission of the report under paragraph 21.11E(b).

21.11D The procedures for modification of the Distribution Code shall provide that, where the Authority has issued a statement in accordance with paragraph 21.11B(bb) and/or a direction in accordance with paragraph 21.11F, the Authority may submit to the licensee a modification proposal for a modification in respect of a Significant Code Review.

21.11E The procedures for modification of the Distribution Code shall provide, where the Authority submits a Significant Code Review modification proposal in accordance with paragraph 21.11D:

- (a) for the evaluation of whether the proposed modification would better facilitate the achievement of the Applicable Distribution Code Objectives and, where the impact is likely to be material, this must include an assessment of the quantifiable impact of any such modification on greenhouse gas emissions, to be conducted in accordance with any such guidance (on the treatment of carbon costs and evaluation of greenhouse gas emissions) as may be issued by the Authority from time to time;
- (b) for the licensee to send to the Authority a report on the outcome of the evaluation conducted in accordance with sub-paragraph (a); and
- (c) for the licensee to proceed in accordance with any timetable(s) directed by the Authority in relation to the procedural steps outlined in this paragraph and/or in relation to implementation of such modification to the Distribution Code.

The Authority's published conclusions and Significant Code Review modification proposal will not fetter any voting rights of the members of the panel or the procedures informing the report described at sub-paragraph 21.11E(b).

21.11F The procedures for modification of the Distribution Code shall provide that, where a proposal has been made in accordance with paragraph 21.11B(a) or by the Authority under paragraph 21.11B(ba), the Authority may issue a direction (a “backstop direction”), which requires such proposal(s) and any alternatives to be withdrawn and which causes the Significant Code Review Phase to recommence.

Availability of the Distribution Code

21.12 The licensee must give or send a copy of the Distribution Code (as from time to time modified):

- (a) to the Authority; and
- (b) to any person who requests it.

21.13 The licensee may make a charge for any copy of the Distribution Code given or sent under paragraph 21.12(b) but this must not exceed the amount specified in directions issued by

the Authority for the purposes of this condition generally, based on its estimate of the licensee's reasonable costs of providing the copy.

Performance of obligations

- 21.14 The licensee must fulfil its obligations under this condition in conjunction and co-operation with all other Electricity Distributors and in accordance with such arrangements for that purpose as are approved by the Authority.
- 21.15 Without prejudice to any rights of approval, veto or direction the Authority may have, the licensee must use its best endeavours to ensure that procedures are in place that facilitate its compliance with the requirements of this condition including, but not limited to, modifying the Distribution Code and any ancillary documents where necessary no later than 31 March 2017.

Interpretation

21.16 For the purposes of this condition:

“Code of Practice”

means the Code Administration Code of Practice approved by the Authority and:

- (a) developed and maintained by the code administrators in existence from time to time; and
- (b) amended subject to the Authority's approval from time to time; and
- (c) re-published from time to time.

“Directions”

means, in the context of sub-paragraph 21.11B(a), direction(s) issued following publication of Significant Code Review conclusions which will contain:

- (a) instructions to the licensee to make (and not withdraw, without the Authority's prior consent) a modification proposal;
- (b) the timetable for the licensee to comply with the Authority's Direction(s); and
- (c) the Authority's reasons for its Direction(s).

“Significant Code Review”

means a review of one or more matters which the Authority considers likely to:

- (a) relate to the Distribution Code (either on its own or in conjunction with any other industry code(s)); and
- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under [Retained EU Law](#) ~~EU law~~; and concerning which the Authority has issued a notice to the licensee (among others, as appropriate) stating:

- (i) that the review will constitute a Significant Code Review;
- (ii) the start date of the Significant Code Review; and
- (iii) the matters that will fall within the scope of the review.

“Significant Code Review Phase”

means the period

(a) commencing either:

- (i) on the start date of a Significant Code Review as stated by the Authority, or
- (ii) on the date the Authority makes a direction under paragraph 21.11F (a “backstop direction”), and

(b) ending either:

- (i) on the date on which the Authority issues a statement under sub-paragraph 21.11B(b) that no Directions will be issued in relation to the Distribution Code; or
- (ii) if no statement is made under sub-paragraph 21.11B(b) or (bb), on the date on which the licensee has made a modification proposal in accordance with Directions issued by the Authority, or the Authority makes a modification proposal under sub-paragraph 21.11B(ba); or
- (iii) immediately under sub-paragraph 21.11B(c), if neither a statement, a modification proposal nor Directions are issued by the Authority within (and including) twenty-eight (28) days from the Authority’s publication of its Significant Code Review conclusions; or
- (iv) if a statement has been made under sub-paragraph 21.11B(bb) or a direction has been made under paragraph 21.11F (a “backstop direction”), on the date specified in accordance with paragraph 21.11C.

“Small Participant”

means:

- (a) a generator, supplier, distributor, or new entrant to the electricity market in Great Britain that can demonstrate to the code administrator that it is resource-constrained

- and, therefore, in particular need of assistance;
- (b) any other participant or class of participant that the code administrator considers to be in particular need of assistance; and
- (c) a participant or class of participant that the Authority has notified the code administrator as being in particular need of assistance.

Condition 22. Distribution Connection and Use of System Agreement

Licensee's obligation

22.1 The licensee must take all steps within its power to ensure that the Distribution Connection and Use of System Agreement (“the DCUSA”) in force under this licence at 31 May 2008 remains an agreement that:

- (a) is designed to facilitate achievement of the Applicable DCUSA Objectives set out in Part A of this condition;
- (b) conforms to the requirements of Parts B to D of this condition in relation to the modification of the DCUSA; and
- (c) makes express provision for the matters described in the Schedule of DCUSA Contents (“the Schedule”) set out at Appendix 1, which is part of this condition.

Part A: Applicable DCUSA Objectives

22.2 The Applicable DCUSA Objectives are these:

- (a) the development, maintenance and operation by the licensee of an efficient, co-ordinated, and economical Distribution System;
- (b) the facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution, and purchase of electricity;
- (c) the efficient discharge by the licensee of the obligations imposed upon it by this licence;
- (d) the promotion of efficiency in the implementation and administration of the DCUSA arrangements;
- (e) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and

- (f) in relation to the Common Distribution Charging Methodology, the EHV Distribution Charging Methodology or the Common Connection Charging Methodology, the Applicable Charging Methodology Objectives listed in Part B of Standard Licence Condition 22A.

Part B: Principles for making a modification to the DCUSA

- 22.3 Any proposals to modify the DCUSA must be designed to better facilitate the achievement of the Applicable DCUSA Objectives.
- 22.4 The DCUSA may be modified at any time in accordance with such procedures (including procedures for modifying those procedures) as may be Specified and are in conformity with the principles set out in paragraph 22.5.
- 22.5 Those principles are that:
 - (a) proposals for the modification of the DCUSA may be made by any Electricity Distributor, any other party to the DCUSA, the Authority (in relation only to modifications within the scope of paragraph 22.9EE), Citizens Advice and Citizens Advice Scotland, the GB System Operator, and such other persons or bodies as may be designated by the Authority;
 - (b) the modification procedures for dealing with any such proposal must comply with the requirements of Part C below;
 - (c) the making and implementation of any modification of the DCUSA must comply with the provisions of Part D below;
 - (d) modifications to the DCUSA require Authority approval, which must be sought in accordance with the appropriate procedures set out in the DCUSA, except for modifications made pursuant to paragraph 22.9F (“the self-governance route”);
 - (e) modification proposals made by the Authority or the licensee in accordance with paragraphs 22.5(a) and 22.5(f)(i) respectively which fall within the scope of paragraph 22.9EE are:
 - (i) to be accepted into the DCUSA modification procedures by the panel;
 - (ii) where they are raised by the licensee, not to be withdrawn without the Authority’s prior consent; and
 - (iii) to proceed in accordance with any timetable(s) directed by the Authority in accordance with paragraph 22.5(f); and
 - (f) the licensee and (where applicable) the panel are to comply with any direction(s) issued by the Authority under this paragraph setting and/or amending a timetable (in relation to a modification proposal which falls within the scope of paragraph 22.9EE) for the:
 - (i) licensee to raise a modification proposal; and/or

- (ii) completion of each of the procedural steps outlined in Part C, to the extent that they are relevant; and/or
- (iii) implementation of a modification proposal.

Part C: Procedures for making a modification to the DCUSA

- 22.6 The procedures contained in the DCUSA for the making of modifications to the DCUSA (“the procedures”) must have as their objective the achievement of the matters set out in the following provisions of this Part C.
- 22.7 The procedures must ensure that every proposed modification is brought to the attention of all parties mentioned in or pursuant to paragraph 22.5(a).
- 22.8 The procedures must ensure that any and all representations made in respect of a proposed modification are able to be properly considered by the relevant decision makers.
- 22.9 The procedures must ensure that the question of whether any proposed modification better facilitates the achievement of the Applicable DCUSA Objectives is able to be properly evaluated.
- 22.9A. The procedures must ensure that the evaluation required under paragraph 22.9 in respect of the Applicable DCUSA Objective(s) includes, where the impact is likely to be material, an assessment of the impact of the proposed modifications on greenhouse gas emissions, to be conducted in accordance with any such guidance (on the treatment of carbon costs and evaluation of the impact on greenhouse gas emissions) as may be issued by the Authority from time to time.
- 22.9B The procedures must provide for the proper evaluation of the suitability of the self-governance route for any particular modification proposal in accordance with the criteria Specified pursuant to paragraph A3(f) of the Schedule.
- 22.9C. Without prejudice to paragraph 22.9EB, the procedures must provide that proposals for the modification of the DCUSA falling within the scope of a Significant Code Review may not be made during the Significant Code Review Phase, except:
- (a) where the Authority determines that the modification proposal may be made, having taken into account (among other things) the urgency of the subject matter of the proposal; or
 - (b) at the direction of, or by, the Authority.
- 22.9D The procedures must provide that, where a modification proposal is made during a Significant Code Review Phase, the panel shall:
- (a) unless exempted by the Authority, notify the Authority as soon as practicable of:
 - (i) any representations received in relation to the relevance of the Significant Code Review; and
 - (ii) the panel's assessment of whether the proposal falls within the scope of the Significant Code Review and its reasons for that assessment; and

- (b) if the Authority so directs, not proceed with the modification proposal until the Significant Code Review Phase has ended.

22.9E If, within twenty eight (28) days after the Authority has published its Significant Code Review conclusions:

- (a) the Authority issues Directions to the licensee, the licensee must comply with those Directions and shall treat the Significant Code Review Phase as ended;
- (b) the Authority issues to the licensee a statement that no Directions under sub-paragraph (a) will be issued in relation to the DCUSA, the licensee must treat the Significant Code Review Phase as ended;
- (ba) the Authority raises a modification proposal in accordance with paragraph 22.5(a), the licensee shall treat the Significant Code Review Phase as ended;
- (bb) the Authority issues a statement that it will continue work on the Significant Code Review, the licensee shall treat the Significant Code Review Phase as continuing until it is brought to an end in accordance with paragraph 22.9EA;
- (c) neither Directions under sub-paragraph (a), nor a statement under sub-paragraph (b) or (bb) have been issued, nor a modification proposal under sub-paragraph (ba) has been made, the Significant Code Review Phase will be deemed to have ended.

The Authority's published conclusions and Directions to the licensee will not fetter any voting rights of DCUSA parties or members of the panel, or the procedures informing the modification report described at paragraph 22.10.

22.9EA The procedures must provide that, if the Authority issues a statement under paragraph 22.9E(bb) and/or a direction in accordance with paragraph 22.9ED, the Significant Code Review Phase will be deemed to have ended when:

- (a) the Authority issues a statement that the Significant Code Review Phase has ended;
- (b) one of the circumstances in sub-paragraphs 22.9E(a) or (ba) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the Authority has published its Significant Code Review conclusions); or
- (c) the Authority makes a decision consenting, or otherwise, to the modification of DCUSA following a modification proposal submitted pursuant to paragraph 22.9EB.

22.9EB The procedures must provide that, where the Authority has issued a statement in accordance with sub-paragraph 22.9E(bb) and/or a direction in accordance with paragraph 22.9ED, the Authority may submit a modification proposal for a modification falling within the scope of paragraph 22.9EE(b) to the panel.

22.9EC The procedures must provide, where the Authority submits a Significant Code Review modification proposal to the panel in accordance with paragraph 22.9EB, for the modification to be accepted into the procedures as if the steps in paragraphs 22.7-9B had been completed.

The Authority's published conclusions and Significant Code Review modification proposal will not fetter any voting rights of DCUSA parties or members of the panel, or the procedures informing the modification report described at paragraph 22.10.

22.9ED The procedures must provide that, where a proposal has been raised in accordance with paragraph 22.9E(a) or 22.5(f), or by the Authority under paragraph 22.9E(ba) and it falls within the scope of paragraph 22.9EE(b), the Authority may issue a direction (a "backstop direction"), which requires such proposal(s) and any alternatives to be withdrawn and which causes the Significant Code Review Phase to recommence.

22.9EE Modification proposals fall within the scope of this paragraph where:

- (a) the Authority reasonably considers the modifications are necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and/or
- (b) the modification proposal is in respect of a Significant Code Review.

22.9F The procedures must provide that modifications to the DCUSA may be made pursuant to this paragraph 22.9F (the "self-governance route") where:

- (a)
 - (i) in the view of the panel, the modification proposal meets all of the criteria Specified pursuant to paragraph A3(f) of the Schedule; or
 - (ii) the Authority has determined that the criteria Specified pursuant to paragraph A3(f) of the Schedule are satisfied and the modification proposal is suitable for the self-governance route; and
- (b) unless otherwise exempted by the Authority, the panel has sent copies of any consultation responses to the Authority at least seven (7) days before the modification report is approved by the panel; and
- (c) the Authority has not directed that the Authority's approval is required prior to the modification report being approved by the panel; and
- (d) the DCUSA parties have determined, in accordance with paragraph 22.12A, that the modification proposal or any alternative should be implemented on the basis that it would, as compared with the then existing provisions of the DCUSA, better facilitate the achievement of the Applicable DCUSA objective(s); and
- (e)
 - (i) no appeal has been raised up to and including 10 working days after the publication of the parties' determination pursuant to paragraphs 22.12A and 22.13 in respect of such a modification proposal in accordance with paragraph 22.9G; or
 - (ii) an appeal has been raised in respect of such a modification proposal in accordance with paragraph 22.9G and the Authority has not quashed the DCUSA parties' determination made pursuant to paragraphs 22.12A(a) and 22.13 (and either remitted the relevant modification proposal back to the

parties for reconsideration or taken the decision on the relevant modification proposal itself following the appeal).

22.9G The procedures must provide that those persons mentioned in or pursuant to paragraph 22.5(a) may appeal to the Authority the approval or rejection of a modification proposal determined pursuant to 22.9F, provided the appeal has been made up to and including 10 working days after the publication of the parties' determination pursuant to paragraphs 22.12A and 22.13, and in accordance with the procedures specified in the DCUSA and, in the opinion of the Authority:

- (a)
 - (i) the appealing party is likely to be unfairly prejudiced by the implementation or non-implementation of that modification proposal; or
 - (ii) the appeal is on the grounds that:
 - (1) in the case of implementation, the modification may not better facilitate the achievement of at least one of the Applicable DCUSA Objectives; or
 - (2) in the case of non-implementation, the modification proposal may better facilitate the achievement of at least one of the Applicable DCUSA Objectives; and
- (b) the appeal is not brought for reasons that are trivial or vexatious, nor does the appeal have no reasonable prospect of success.

22.9H. The procedures must provide that:

- (a) where an appeal has been raised in respect of a modification proposal in accordance with paragraph 22.9G, that modification proposal shall be treated in accordance with any decision and/or direction of the Authority following that appeal; and
- (b) if the Authority quashes the parties' determination pursuant to paragraphs 22.12A(a) and 22.13 and takes the decision on the relevant modification proposal itself following an appeal in accordance with paragraph 22.9G, the parties' determination of that modification proposal pursuant to paragraphs 22.12A(a) and 22.13 shall be treated as a recommendation pursuant to paragraphs 22.12A(b) and 22.13.

22.10 The procedures must ensure that a modification report is prepared in such manner and has all such contents as may be Specified, including:

- (a) a proposed implementation date either:
 - (i) in accordance with any direction(s) issued by the Authority under paragraph 22.5(f)(iii); or
 - (ii) where no direction has been issued by the Authority under paragraph 22.5(f)(iii), that would enable any proposed modification to take effect as soon as practicable after the decision to implement it has been reached, taking

into account the complexity, importance, and urgency of that modification;
and

- (b) except in the case of a modification falling within the scope of paragraph 22.9EB, a summary of and copies of all submissions made in respect of the proposed modification.
- (c) an assessment of the extent to which the proposed modification would better facilitate achieving the Applicable DCUSA Objectives and a detailed explanation of the reasons for that assessment (such assessment to include, where the impact is likely to be material, an assessment of the impact of the proposed modifications on greenhouse gas emissions, to be conducted in accordance with any such guidance on the treatment of carbon costs and evaluation of the impact on greenhouse gas emissions as may be issued by the Authority from time to time).

22.11 The procedures must ensure that the proposed implementation date may be altered with the consent of or as directed by the Authority.

22.12 The procedures must ensure that parties to the DCUSA are able to consider the modification report prepared in accordance with paragraph 22.10 and whether the modification would, as compared with the existing provisions of the DCUSA, better facilitate the achievement of the Applicable DCUSA Objectives.

22.12A The procedures must ensure that parties to the DCUSA, having regard to whether the modification would, as compared with the existing provisions of the DCUSA, better facilitate the achievement of the Applicable DCUSA Objectives, are able to vote for:

- (a) the implementation or rejection of the proposed modification, in the case of a proposal that is to be determined in accordance with paragraph 22.9F; or
- (b) a recommendation to the Authority to approve or reject the proposed modification, in the case of a proposal that requires Authority approval.

22.13 The procedures must ensure that all votes cast pursuant to paragraph 22.12A are compiled so that the panel may take such steps as are necessary to facilitate the implementation of any proposed modification or (as the case may be) to put forward a recommendation to the Authority along with the report prepared in accordance with paragraph 22.10.

22.13A The procedures must ensure that completion of each of the procedural steps outlined in this Part C, to the extent that they are relevant, is in accordance with any timetable(s) directed by the Authority under paragraph 22.5(f).

22.13B The procedures must provide for the revision and resubmission of the modification report prepared in accordance with paragraph 22.10 (and submitted to the Authority pursuant to the procedures described in Part C of this condition) upon, and in accordance with, a direction issued to the panel by the Authority where the Authority determines that it cannot properly form an opinion on the approval of the modification proposal.

22.13C The procedures for the modification of the DCUSA must be consistent with the principles set out in the Code of Practice, to the extent that they are relevant.

Part D: Implementation of a modification to the DCUSA

22.14 No modification of the DCUSA may be made unless:

- (a) the parties to the DCUSA have voted, pursuant to paragraph 22.12(a), in favour of the modification described in the relevant modification report; or
- (b) the Authority, having had regard to the Applicable DCUSA Objectives, directs the licensee, in conjunction with every other Electricity Distributor, to modify the DCUSA in such manner as is stated in that direction following the making of a recommendation to the Authority by the parties to the DCUSA pursuant to paragraph 22.12A(b).

Part E: Interpretation

22.15 For the purposes of this condition:

- (a) “modification” must be read in accordance with the meaning given to the term in section 111 of the Act, and any related expressions are to be read accordingly; and
- (b) words and expressions appearing in Appendix 1 that are defined under any provision of the DCUSA have the meaning given by, or are to be read in accordance with, that provision.

Specified

means specified in the DCUSA.

Code of Practice

means the Code Administration Code of Practice approved by the Authority and:

- (a) developed and maintained by the code administrators in existence from time to time; and
- (b) amended subject to the Authority’s approval from time to time; and
- (c) re-published from time to time.

Directions

means, in the context of sub-paragraph 22.9E(a), Direction(s) issued following publication of Significant Code Review conclusions, which will contain:

- (a) instructions to the licensee to make (and not withdraw, without the Authority’s prior consent) a modification proposal;
- (b) the timetable for the licensee to comply with the Authority’s Direction(s); and
- (c) the Authority’s reasons for its Direction(s).

“Significant Code Review”

means a review of one or more matters which the Authority considers likely to:

- (a) relate to the DCUSA (either on its own or in conjunction with any other industry code(s)); and
- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under Retained EU Law ~~EU law~~; and concerning which the Authority has issued a notice to the DCUSA parties (among others, as appropriate) stating:
 - (i) that the review will constitute a Significant Code Review;
 - (ii) the start date of the Significant Code Review; and
 - (iii) the matters that will fall within the scope of the review.

Significant Code Review Phase

means:

(a) the period commencing either:

- (i) on the start date of a Significant Code Review as stated by the Authority; or
- (ii) on the date the Authority makes a direction under paragraph 22.9ED; (a “backstop direction”)

And

(b) ending either:

- (i) on the date on which the Authority issues a statement under sub-paragraph 22.9E(b) that no Directions will be issued in relation to the DCUSA; or
- (ii) if no statement is made under sub-paragraph 22.9E(b) or (bb), on the date on which the licensee has made a modification proposal in accordance with Directions issued by the Authority, or the Authority makes a modification proposal under paragraph 22.9E(ba); or
- (iii) immediately under paragraph 22.9E(c), if neither a statement, a modification proposal, nor Directions are made by the Authority within (and including) twenty-eight (28) days from the

- Authority's publication of its Significant Code Review conclusions; or
- (iv) if a statement has been made under paragraph 22.9E(bb) or a direction has been made under paragraph 22.9ED (a "backstop direction"), on the date specified in accordance with paragraph 22.9EA.

Small Participant

means:

- (a) a generator, supplier, distributor, or new entrant to the electricity market in Great Britain that can demonstrate to the code administrator that it is resource-constrained and, therefore, in particular need of assistance;
- (b) any other participant or class of participant that the code administrator considers to be in particular need of assistance; and
- (c) a participant or class of participant that the Authority has notified the code administrator as being in particular need of assistance.

22.16 Without prejudice to any rights of approval, veto, or direction the Authority may have, the licensee must use its best endeavours to ensure that procedures are in place that facilitate its compliance with the requirements of this condition including, but not limited to, modifying the DCUSA where necessary no later than 31 March 2017.

22.17 Appendix 1 follows immediately below.

Condition 23. Master Registration Agreement

Licensee's obligation

23.1 The licensee, in conjunction and co-operation with all other Electricity Distributors, must take all steps within its power to ensure that the Master Registration Agreement ("the MRA") in force under this licence at 31 May 2008 remains an agreement that:

- (a) conforms to the requirements of paragraph 23.2 in respect of its contractual constitution;
- (b) conforms to the requirements of paragraph 23.3 in respect of its contents; and
- (c) is designed to facilitate the achievement of the Applicable MRA Objectives set out in paragraph 23.3A.

Constitution of the MRA

23.2 The MRA must be an agreement made between:

- (a) on the one part, the licensee and all other Electricity Distributors; and
- (b) on the other part:
 - (i) all Electricity Suppliers (or their agents) that require the provision of Metering Point Administration Services from at least one Electricity Distributor, and
 - (ii) such other persons as are, for Settlement Purposes, appropriate parties to the agreement.

Contents of the MRA

23.3 The MRA must comprise:

- (a) terms for the provision of Metering Point Administration Services in accordance with the requirements of standard condition 18 (Provision of and charges for Metering Point Administration Services);
- (b) provisions to facilitate, and procedures and practices to be followed by Electricity Suppliers in relation to, changes of Electricity Supplier in respect of any premises;
- (c) the Data Transfer Catalogue, being a catalogue of definitions, flows, and forms of such data as may require to be transferred by or to parties to the MRA, between users of the Central Charge Database, or between any persons for Settlement Purposes or for any related purposes;
- (d) arrangements for the modification of the MRA following consultation with the parties, or representatives of the parties, to that agreement;
- (e) provisions (which must require the Authority's approval) by virtue of which the whole or specified parts of the MRA are not to be capable of modification without the Authority's approval;
- (f) such other matters as are or may be appropriate for the development, maintenance, and operation of an efficient, co-ordinated, and economical system for the supply of electricity and for the purpose of facilitating competition in electricity supply; and
- (g) provisions to facilitate, and procedures and practices to be followed in relation to, the establishment, operation, and maintenance of the Central Charge Database.

23.3A The Applicable MRA Objectives are:

- (a) to develop, maintain and operate efficient, coordinated and economical procedures and practices to be followed in relation to changes of Electricity Supplier;
- (b) to promote effective competition between Electricity Suppliers and their agents;
- (c) to promote efficiency in implementing and administering the MRA arrangements;

- (d) so far as is consistent with sub-paragraphs (a), (b) and (c), to efficiently discharge the licensee's obligations under this licence;
- (e) to comply with the Regulation and any relevant, legally binding decision of the European Commission or the Agency for the Cooperation of Energy Regulators; and
- (f) to facilitate, so far as is consistent with sub-paragraphs (a) to (e), the maintenance and operation of an accessible, efficient, coordinated and economical system for the Green Deal.

23.4. NOT USED

23.5 The arrangements referred to in paragraph 23.3(d) must provide:

- (a) for proposals for the modification of the MRA to be made by the Authority (in relation only to modifications which fall within the scope of paragraph 23.6D);
- (b) for modification proposals made by the Authority or the licensee in accordance with paragraphs 23.5(a) and 23.5(c)(i) respectively:
 - (i) to be accepted into the MRA modification procedures by the panel;
 - (ii) where they are raised by the licensee, not to be withdrawn without the Authority's prior consent; and
 - (iii) to proceed in accordance with paragraph 23.5(c);
- (c) for compliance by the licensee and (where applicable) the panel with any direction(s) issued by the Authority under this paragraph setting and/or amending a timetable (in relation to a modification proposal which falls within the scope of paragraph 23.6D) for the:
 - (i) licensee to raise a modification proposal; and/or
 - (ii) completion of each of the procedural steps outlined in the direction, to the extent that they are relevant; and/or
 - (iii) implementation of a modification.
- (d) for parties to the MRA, and any such other persons as may be specified in the code, to appeal against any decision to implement or reject a proposed modification of the MRA, which does not require the Authority's approval, to the Authority for determination;
- (e) for a modification report to be prepared in such manner and with all such contents as specified in the MRA, which shall include an assessment of the proposed modification in reference to whether, and if so how, it would better facilitate achieving the Applicable MRA Objectives and a detailed explanation of the reasons for that assessment;

- (f) where the proposed modification requires Authority approval in accordance with the provisions of the MRA, for the revision and resubmission of the modification report upon, and in accordance with, a direction issued to the panel by the Authority where the Authority determines that it cannot properly form an opinion on the approval of the modification proposal;
- (g) without prejudice to paragraph 23.6B, that proposals for the modification of the MRA falling within the scope of a Significant Code Review may not be made during the Significant Code Review Phase, except:
 - (i) where the Authority determines that the modification proposal may be made, having taken into account (among other things) the urgency of the subject matter of the proposal; or
 - (ii) at the direction of, or by, the Authority;
- (h) that, where a modification proposal is made during a Significant Code Review Phase, the panel shall:
 - (i) unless exempted by the Authority, notify the Authority as soon as practicable of:
 1. any representations received in relation to the relevance of the Significant Code Review; and
 2. the panel's assessment of whether the proposal falls within the scope of the Significant Code Review and its reasons for that assessment; and
 - (ii) if the Authority so directs, not proceed with the modification proposal until the Significant Code Review Phase has ended; and
- (i) that where an appeal has been raised in respect of a modification proposal in accordance with sub-paragraph (d), that modification proposal shall be treated in accordance with any decision and/or direction of the Authority following that appeal.
- (j) for modification proposals raised in accordance with paragraph 23.6(a), or by the Authority under paragraph 23.5(a) and which fall within the scope of paragraph 23.6D(b), and any alternatives to be withdrawn where the Authority so directs. Such a direction (a “backstop direction”), shall cause the Significant Code Review Phase to recommence.

23.6 If, within twenty-eight (28) days after the Authority has published its Significant Code Review conclusions, the Authority issues to the licensee:

- (a) the Authority issues Directions to the licensee, the licensee must comply with those Directions and must treat the Significant Code Review Phase as ended;
- (b) the Authority issues to the licensee a statement that no Directions under sub-paragraph (a) will be issued in relation to the MRA, the licensee must treat the Significant Code Review Phase as ended;
- (ba) the Authority raises a modification proposal in accordance with paragraph 23.5(a), the licensee must treat the Significant Code Review Phase as ended;

- (bb) the Authority issues a statement that it will continue work on the Significant Code Review, the licensee must treat the Significant Code Review Phase as continuing until it is brought to an end in accordance with paragraph 23.6A;
- (c) neither Directions under sub-paragraph (a) nor a statement under sub-paragraph (b) or (bb) have been issued, nor a modification proposal under sub-paragraph (ba) has been made, the Significant Code Review Phase will be deemed to have ended.

The Authority's published conclusions and Directions to the licensee will not fetter any voting rights of MRA parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 23.5(e).

23.6A Where the Authority issues a statement under paragraph 23.6(bb) and/or a direction in accordance with sub-paragraph 23.5(j), the Significant Code Review Phase will be deemed to have ended when:

- (a) the Authority issues a statement that the Significant Code Review Phase has ended;
- (b) one of the circumstances in sub-paragraphs 23.6(a) or (ba) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the Authority has published its Significant Code Review conclusions); or
- (c) the Authority makes a decision consenting, or otherwise, to the modification of the MRA following the panel's submission of its report under sub-paragraph 23.6C(a).

23.6B The arrangements for the modification of the MRA must provide that, where the Authority has issued a statement in accordance with sub-paragraph 23.6(bb) and/or a direction in accordance with sub-paragraph 23.5(j), the Authority may submit a modification proposal for a modification falling within the scope of paragraph 23.6D(b) to the panel.

23.6C The arrangements for the modification of the MRA must provide, where the Authority submits a Significant Code Review modification proposal to the panel in accordance with paragraph 23.6B:

- (a) for a modification report to be prepared in such manner and with all such contents as specified in the MRA, which shall include an assessment of the proposed modification in reference to whether, and if so how, it would better facilitate achieving the Applicable MRA Objectives and a detailed explanation of the reasons for that assessment; and
- (b) for the revision and resubmission of the modification report upon, and in accordance with, a direction issued to the panel by the Authority where the Authority determines that it cannot properly form an opinion on the approval of the modification proposal.

The Authority's published conclusions and modification proposal will not fetter any voting rights of MRA parties or members of the panel, or the procedures informing the modification report described at sub-paragraph 23.6C(a).

23.6D Modification proposals fall within the scope of this paragraph where:

- (a) the Authority reasonably considers the modifications are necessary to comply with or implement the Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and/or
- (b) the modification proposal is in respect of a Significant Code Review.

23.7 The MRA must provide for:

- (a) a panel body, as specified in the MRA (the “panel”) whose functions must include the matters required by this condition and as set out in the MRA; and,
- (b) a secretarial or administrative person or body, as specified in the MRA, to perform the role of code administrator (the “code administrator”). In addition to any powers, duties or functions set out in the MRA, the code administrator must:
 - (i) together with other code administrators, publish, review, and (where appropriate) amend from time to time the Code of Practice approved by the Authority (any amendments to the Code of Practice are to be approved by the Authority);
 - (ii) facilitate the procedures for making a modification to the MRA;
 - (iii) have regard to, and in particular (to the extent relevant) be consistent with the principles contained in, the Code of Practice; and
 - (iv) provide assistance, insofar as is reasonably practicable and on reasonable request, to parties (including, in particular, Small Participants) and, to the extent relevant, consumer representatives that request the code administrator’s assistance in relation to the MRA including, but not limited to, assistance with:
 - drafting a modification proposal;
 - understanding the operation of the MRA;
 - their involvement in, and representation during, the modification procedure processes (including but not limited to code panel and/or workgroup meetings);
 - accessing information relating to modification proposals and/or modifications.

23.8 Eligible grounds for appeal under the provisions referred to in sub-paragraph 23.5(d) shall be that, in the opinion of the Authority:

- (a) (i) the appealing party is likely to be unfairly prejudiced by the implementation or non-implementation of that modification proposal; or
- (ii) the appeal is on the grounds that:
 - 1.in the case of implementation, the modification proposal may not better facilitate the achievement of at least one of the Applicable MRA Objectives; or

2.in the case of non-implementation, the modification may better facilitate the achievement of at least one of the Applicable MRA Objectives; and

(b) the appeal is not brought for reasons that are trivial or vexatious, nor does the appeal have no reasonable prospect of success.

23.9 The procedures for the modification of the MRA must provide that recommendations or decisions for or against the implementation of a modification proposal shall be made with regard to whether that modification would, as compared with the existing provisions of the MRA, better enable the MRA to achieve the Applicable MRA Objectives.

23.10 The procedures for the modification of the MRA must be consistent with the principles set out in the Code of Practice, to the extent that they are relevant.

23.11. Without prejudice to any rights of approval, veto or direction the Authority may have, the licensee must use its best endeavours to ensure that procedures are in place that facilitate its compliance with the requirements of this condition including, but not limited to, modifying the MRA where necessary no later than 31 March 2017.

Interpretation

23.12 For the purposes of this condition:

Code of Practice

means the Code Administration Code of Practice approved by the Authority and:

- (a) developed and maintained by the code administrators in existence from time to time;
- (b) amended subject to the Authority's approval from time to time; and
- (c) re-published from time to time.

Directions

means, in the context of sub-paragraph 23.6(a), Direction(s) issued following publication of Significant Code Review conclusions, which will contain:

- (a) instructions to the licensee to make (and not withdraw, without the Authority's prior consent) a modification proposal;
- (b) the timetable for the licensee to comply with the Authority's Direction(s); and
- (c) the Authority's reasons for its Direction(s).

“Significant Code Review”

means a review of one or more matters which the Authority considers likely to:

- (a) relate to the MRA (either on its own or in conjunction with any other industry code(s)); and

- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under [Retained EU Law](#) ~~EU law~~;

and concerning which the Authority has issued a notice to the MRA parties (among others, as appropriate) stating:

- (i) that the review will constitute a Significant Code Review;
- (ii) the start date of the Significant Code Review; and
- (iii) the matters that will fall within the scope of the review.

Significant Code Review Phase means the period

- (a) commencing either:
 - (i) on the start date of a Significant Code Review as stated by the Authority; or,
 - (ii) on the date the Authority makes a direction under sub-paragraph 23.5(j) (a "backstop direction");and
- (b) ending either:
 - (i) on the date on which the Authority issues a statement under sub-paragraph 23.6(b) that no Directions will be issued in relation to the MRA; or
 - (ii) if no statement is made under sub-paragraph 23.6(b) or (bb), on the date on which the licensee has made a modification proposal in accordance with Directions issued by the Authority under sub-paragraph 23.6(a), or the Authority makes a modification proposal under paragraph 23.6(ba); or
 - (iii) immediately under sub-paragraph 23.6(c), if neither a statement, a modification proposal nor Directions are made by the Authority within (and including) twenty-eight (28) days from the Authority's publication of its Significant Code Review conclusions; or

- (iv) if a statement has been made under paragraph 23.6(bb) or a direction has been made under paragraph 23.5(j) (a “backstop direction”), on the date specified in accordance with paragraph 23.6A.

Small Participant means

- (a) a supplier, distributor, or new entrant to the electricity market in Great Britain that can demonstrate to the code administrator that it is resource-constrained and, therefore, in particular need of assistance;
- (b) any other participant or class of participant that the code administrator considers to be in particular need of assistance; and
- (c) a participant or class of participant that the Authority has notified the code administrator as being in particular need of assistance.

Condition 26. Disposal of Relevant Assets and restrictions on charges over Receivables

General prohibition

- 26.1 The licensee must not take any action that is or would be a Disposal of, or a Relinquishment of Operational Control over, any Relevant Asset except in accordance with the provisions of this condition.
- 26.2 Subject to paragraph 26.3, the licensee must not, after 1 April 2013, grant any mortgage, charge, or other form of security over any Receivable except in accordance with the provisions of this condition.
- 26.3 The licensee may permit any mortgage, charge, or other form of security over any Receivable in effect at the date mentioned in paragraph 26.2 to remain in effect and may vary its terms so long as the variation does not have the effect of materially extending the scope of the mortgage, charge, or other form of security insofar as it applies to the licensee’s Receivables.

Arrangements for specific cases

- 26.4 Except where paragraph 26.6, 26.7 or 26.9 applies, the licensee:
- (a)
 - (i) must give the Authority not less than two months’ Notice of its intention to dispose of or relinquish operational control over any Relevant Asset, together with such further information as the Authority may request relating to that asset, or to the circumstances of the intended Disposal or Relinquishment of Operational Control, or to the intentions in regard to those matters of the person who proposes to acquire the asset or operational control over it; and

- (ii) may dispose of or relinquish operational control over that Relevant Asset if (and only if) the Authority either consents to the transaction in question or does not inform the licensee in Writing of any objection to it within the Notice period specified in sub-paragraph (a)(i);

and

(b)

- (i) must give the Authority not less than two months' Notice of its intention to grant any mortgage, charge, or other form of security over any Receivable or class or classes of Receivables together with such further information as the Authority may request relating to that Receivable, class or classes of Receivables or to the circumstances of the intended grant of the mortgage, charge, or other form of security; and
- (ii) may grant a mortgage, charge, or other form of security over that Receivable or class or classes of Receivables if (and only if) the Authority either consents to the transaction in question or does not inform the licensee in Writing of any objection to it within the Notice period specified in sub-paragraph (b)(i).

26.5 A consent by the Authority under paragraph 26.4(a)(ii) or 26.4(b)(ii) may be given subject to the acceptance by the licensee, or by any third party to the transaction in question, of such conditions as may be specified in that consent.

Arrangements for other cases

26.6 The licensee may dispose of or relinquish operational control over any Relevant Asset where:

(a) the transaction in question or the asset in question is of a class or description to which the provisions of the General Consent set out at Appendix 1 (which is part of this condition) apply; and

(b) the transaction in question satisfies and is in accordance with all such conditions and requirements as may apply to it under those provisions in relation to that asset.

26.7 The licensee may grant a mortgage, charge, or other form of security over a Receivable or class or classes of Receivables where:

(a) the indebtedness of the licensee that is to be secured represents the novation or rollover of existing indebtedness; and

(b) the proceeds of the indebtedness of the licensee that is to be secured are used to repay the existing indebtedness referred to in sub-paragraph (a).

26.8 For the purposes of paragraph 26.7, what is meant in any particular case by:

(a) “existing indebtedness” and

(b) “proceeds of the indebtedness”

is to be treated as a question of fact.

Statutory requirement

26.9 The licensee may:

- (a) dispose of or relinquish operational control over any Relevant Asset; or
- (b) grant a mortgage, charge, or other form of security over any Receivable or class or classes of Receivables,

where the transaction in question is required by or under any enactment, any provision of subordinate legislation within the meaning of the Interpretation Act 1978, or a regulation ~~or directive~~ of the Council or Commission of the European Union [that forms part of Retained EU Law](#).

Interpretation

26.10 In this condition, in relation to a Relevant Asset or, as applicable, a Receivable:

Disposal means (whether under the law of England and Wales or under the law of Scotland) any of the following:

- (a) a transfer of that asset (whether or not for value) to a person other than the licensee; or
- (b) a lease, licence, or loan of (or the grant of any other right of possession in relation to) that asset; or
- (c) the grant of any mortgage, charge, or other form of security over that asset; or
- (d) if the asset is an interest in land, any transaction or event that is capable under any enactment or rule of law of affecting the title to a registered interest in that land,

and references to “dispose” are to be read accordingly.

Obsolete means that the asset no longer performs its required function either an efficient manner or at all (whether through wear and tear, obsolescence, damage, failure, unsafe operation, or advances in technology) and includes equipment that the licensee has decided to render obsolete as a result of inspection.

Prior Notice means Notice given to the Authority under paragraph 26.2(a) of the licensee’s intention in relation to the asset.

Receivable means a contractual right to receive any sum or sums or any other financial asset from another person.

Redundant means that the asset is no longer required or necessary to enable the licensee to comply with its obligations under the Act or this licence in relation to its Distribution System (but a Relevant Asset may not be regarded as being Redundant solely because it is in the ownership or control of a third party).

Relinquishment of Operational Control	includes entering into any agreement or arrangement under which operational control of the asset is not or ceases to be under the sole management of the licensee, and “relinquish” and any related expressions in this context are to be read accordingly.
Retail Prices Index	means, in relation to a valuation of the asset under paragraph A5 of Appendix 1, the general index of retail prices published by the Office for National Statistics (or any other successor body) each month in respect of all items.
Value	means the estimated price that could be expected to be received in the market at the time of the Disposal of the asset.

26.11 Appendix 1 follows immediately below.

Condition 31A. Accounts

Provisions applying to Independent Distribution Network Operators

31A.1 This condition and standard conditions 31B (Independence of the Distribution Business and restricted use of Confidential Information) and 31C (Appointment of Compliance Officer) apply where the licensee is not a Distribution Services Provider.

Keeping accounts at the disposal of the public

31A.2 The licensee shall draw up, submit to audit and publish its annual accounts in accordance with any obligations to which it is subject under national company law.

31A.3 To the extent that the licensee is not subject to an obligation to draw up and submit to audit annual accounts under national company law, the licensee shall draw up, submit to audit and publish its annual accounts as if it were a limited liability company within the meaning of sections 1 and 3 of the Companies Act 2006.

31A.4 The licensee shall keep a copy of its annual accounts at the disposal of the public at its principal place of business. Internal accounting

Internal accounting

31A.5 The licensee, in its internal accounting, shall:

- (a) keep separate accounts for its distribution activities and each if any of its transmission activities as if such activities were carried out by separate undertakings, to avoid discrimination, crosssubsidisation between these activities and distortion of competition;
- (b) keep accounts, which may be consolidated, for other electricity activities not relating to transmission or distribution.
- (c) ensure that revenue from ownership of the interconnector operation of the distribution system is separately identifiable;
- (d) where appropriate, keep consolidated accounts for other non-electricity activities;
- (e) include a balance sheet and a profit and loss account for each activity in the accounts. Audit

31A.6 The licensee must at its own expense enter into a contract of appointment with an Appropriate Auditor for the completion of Agreed Upon Procedures in relation to the prohibition of cross-subsidy and discrimination generally and in particular under standard condition 31B

31A.7 The contract must require that Agreed Upon Procedures are conducted in relation to each Regulatory Year and that the licensee will arrange for the Appropriate Auditor to address a report to the Authority by 31 July following the end of each Regulatory Year which states that he has, in a manner consistent with the relevant auditing standards, completed the Agreed Upon Procedures issued by the Authority in respect of the Regulatory Year under report and which sets out his findings.

31A.8 If the Authority is satisfied that the report referred to in paragraph 6 above demonstrates that the licensee has complied with the obligation to avoid discrimination and cross-subsidies that is specified in Article 31 of [the Directive 2009/72/EC of the European Parliament and of the European Council of 13 July 2009](#), and is imposed on the licensee by the condition of this licence referred to in paragraph 6 above, the report is deemed to represent the results of an audit of that obligation, as required by the Article.

Interpretation 31A.9 In this condition:

Agreed Upon Procedures means procedures from time to time agreed between the Authority, the Appropriate Auditor and the licensee for the purpose of enabling the Appropriate Auditor to review and report to the Authority on matters relating to the licensee's compliance with the obligation mentioned at paragraph 7.

Appropriate Auditor means:

- (a) in the case of a licensee that is a company within the meaning of section 1 of the Companies Act 2006 a person appointed as auditor under Chapter 2 of Part 16 of that Act;
- (b) in the case of any other licensee that is required by the law of a country or territory within the European Economic Area to appoint an auditor under provisions analogous to those of Chapter 2 of Part 16 of that Act, a person so appointed; and
- (c) in any other case a person who is eligible for appointment as a company auditor under Part 42 of that Act.

National company law means:

- (a) in the case of a licensee that is a company within the meaning of section 1 of the Companies Act 2006, that Act;
- (b) in the case of any other licensee that is required by the law of a country or territory within the European Economic

Area to comply with obligations to draw up, audit and publish annual accounts, that law.

Condition 31B. Independence of the Distribution Business and restricted use of Confidential Information

31B.1 This condition applies where the licensee is not a Distribution Service Provider but is part of a Vertically Integrated undertaking.

Licensee's obligations

31B.2 The licensee must put in place and at all time maintain managerial and operational systems that prevent any Relevant Licence Holder from having access to Confidential Information except and to the extent that such information:

- (a) is made available on an equal basis to any Electricity Supplier, gas supplier, or gas shipper;
- (b) is referable to a Customer who at the time to which the information relates was a Customer of the Relevant Licence Holder; or
- (c) is of a type that has been confirmed by the Authority in Writing as corporate information.

Compliance Statement must always be in place

31B.3 Except with the Authority's consent, the licensee must at all times have in place a Compliance Statement, approved by the Authority, that describes the practices, procedures, and systems which the licensee has adopted (or intends to adopt) to ensure compliance with paragraph 2.

31B.4 If the Authority does not direct the licensee to amend the Compliance Statement within 60 days of receiving it, the statement is to be treated as approved by the Authority.

31B.5 The licensee must take all reasonable steps to ensure that it complies with the terms of the Compliance Statement in place under this condition.

Specific contents of the Compliance Statement

31B.6 The Compliance Statement must, in particular, set out how the licensee will:

- (a) maintain the full managerial and operational independence of the Distribution Business from any Relevant Licence Holder;
- (b) maintain the branding of the Distribution Business so that it is fully independent from the branding used by any Relevant Licence Holder; and
- (c) manage the transfer of employees from the Distribution Business to any Relevant Licence Holder.

31B.7 The Compliance Statement must also ensure that any arrangements to which the licensee is party that fall within any of the descriptions given in paragraph 8 are such as to prevent any breach of the requirements for paragraph 2.

31B.8 The arrangements referred to in paragraph 7 are those that enable any Relevant Undertaking, or any person engaged in or in respect of the activities of such a Relevant Licence Holder, to have any use of or access to:

- (a) premises or parts of premises occupied by persons engaged in, or in respect of, the management or operation of the Distribution Business;
- (b) systems for recording, processing, or storing data to which persons engaged in or in respect of, the management or operation of the Distribution Business also have access;
- (c) equipment, facilities, or property employed for the management or operation of the Distribution Business; and
- (d) the services of any persons who are (whether or not as their principal occupation) engaged in, or in respect of, the management or operation of the Distribution Business.

Revision and publication of Compliance Statement

31B.9 The licensee may, with the Authority's approval, revise a Compliance Statement prepared in accordance with paragraph 3.

31B.10 The licensee must publish a copy of every Compliance Statement prepared in accordance with paragraph 3 (or revised in accordance with paragraph 9) on its Website (if it has one) within 21 days of its approval by the Authority.

Interpretation

31B.11 In this condition:

Confidential Information means information relating to, or derived from, the Distribution Business that is not published or otherwise legitimately in the public domain.

Relevant Licence Holder means the holder of:

- (a) a Supply Licence; or
- (b) a gas supply licence; or
- (c) a gas shipper licence; or
- (d) an electricity generation licence;

that is also an Affiliate or a Related Undertaking of the licensee.

Vertically Integrated Undertaking means an electricity undertaking or a group of electricity undertakings where the same person or the same persons are entitled, directly or indirectly, to exercise control, and where the undertaking or group of undertakings perform in the [United Kingdom and/or the European Economic Area](#) at least one of the functions of transmission or distribution, and perform in the [United Kingdom and/or the European Economic Area](#) at least one of the functions of generation or supply of electricity. Terms within this definition shall have the meaning given to them by the Directive.

Relevant Undertaking means either a Relevant Licence Holder, or a Relevant Exemption Holder.

Relevant Exemption Holder means a person who:

- (a) carries out the activity specified in Section 4(1)(a) of the Act,
- (b) is authorised to do so by an exemption pursuant to Section 5 of the Act, and
- (c) is an Affiliate or a Related Undertaking of the licensee.

but does not include a person who at the relevant time benefits, and only to the extent that person so benefits, from an exception under condition 31D.1.

Condition 44. Regulatory Accounts

Introduction

44.1 This condition applies to Regulatory Accounts prepared for Regulatory Years beginning on and after 1 April-2015 and requires the licensee to:

- (a) prepare and publish Regulatory Accounts within the meaning set out in Part A of this condition; and
- (b) maintain (and ensure that any Affiliate or Related Undertaking of the licensee maintains) such accounting records, other records, and reporting arrangements as are necessary to enable the licensee to comply with that obligation.

Part A: Preparation of Regulatory Accounts

- 44.2 For the purposes of this condition, but without prejudice to paragraph 44.9, the licensee must prepare Regulatory Accounts for each Regulatory Year.
- 44.3 Except and so far as the Authority otherwise consents, the licensee must comply with the obligations imposed by Part A of this condition.
- 44.4 The licensee must keep or cause to be kept, for a period approved by the Authority that is not less than the period referred to in section 388(4)(b) of the Companies Act 2006, and in the manner referred to in that section 388, such accounting and other records as are necessary to ensure that all of the revenues, costs, assets, liabilities, reserves, and provisions of, or reasonably attributable to, each of the Distribution Business Activities of the licensee are separately identifiable as such in those records (and in those of any Affiliate or Related Undertaking of the licensee).
- 44.5 The Regulatory Accounts must be prepared on a consistent basis derived from the accounting and other records referred to in paragraph 44.4
- 44.6 The Regulatory Accounts must be prepared under the same Applicable Accounting Framework as the most recent or concurrent statutory accounts of the licensee and must comprise the accounting items set out at paragraph 44.7, supported by the explanatory notes mentioned at paragraph 44.8.
- 44.7 The accounting items to which paragraph 44.6 refers are:
- (a) a profit and loss account (or, as appropriate, a statement of profit or loss and other comprehensive income);
 - (b) a statement of total recognised gains and losses (or, as appropriate, a statement of changes in equity and, if appropriate, a statement of recognised income and expense);
 - (c) a balance sheet (or, as appropriate, a statement of financial position);
 - (d) a cash flow statement (or, as appropriate, a statement of cash flows);
 - (e) a Corporate Governance Statement;
 - (f) a Strategic Report; and
 - (g) a Directors' Report.
- 44.8 The explanatory notes to which paragraph 44.6 refers must:

- (a) provide a summary of the accounting policies adopted by the licensee for the purpose of producing Regulatory Accounts;
- (b) disclose, in relation to the accounts to which paragraph 44.7(a) refers, Segmental Information for each of the Distribution Business Activities of the licensee for each of the disclosure lines in the relevant account or statement down to the total operating profit level; and
- (c) disclose, in relation to the accounts to which paragraph 44.7(c) refers, Segmental Information for each of the Distribution Business Activities of the licensee for gross additions to tangible and intangible assets in the case of a balance sheet, or for gross additions to non-current assets by category in the case of a statement of financial position.

Part B: Consistency with the statutory accounts

44.9 Regulatory Accounts prepared in respect of a Regulatory Year under Part A of this condition must, so far as is reasonably practicable and except with the Authority's approval, having regard to the purposes of this condition:

- (a) have the same content and format as the most recent or concurrent statutory accounts of the licensee prepared under Chapter 4 of Part 15 of the Companies Act 2006 and follow the reporting requirements of the Applicable Accounting Framework, subject to the inclusion of Segmental Information as prescribed in paragraphs 44.8(b) and (c);
- (b) comply with all relevant accounting and reporting standards currently in force under the Applicable Accounting Framework as set out in section 395 of the Companies Act 2006; and
- (c) also be prepared as group accounts in the format required under the Applicable Accounting Framework if the holder of this licence is a parent undertaking as defined in Section 1162 of the Companies Act 2006 and itself prepares group accounts under the Applicable Accounting Framework.

Part C: Audit and delivery of Regulatory Accounts

44.10 Unless the Authority otherwise consents, the licensee must:

- (a) procure an audit by an Appropriate Auditor of such parts of its Regulatory Accounts and the Directors' Report as would be required by the Companies Act 2006 if the licensee were a Quoted Company and they were the licensee's statutory accounts drawn up to 31 March and prepared under Part 15 of the Companies Act 2006;
- (b) procure a report by the Appropriate Auditor, addressed to the Authority, that states whether in his opinion those accounts fairly present the licensee's financial position, financial performance, and cash flows in accordance with the requirements of this condition; and

- (c) deliver those accounts and the Appropriate Auditor's- report required under paragraph 44.10(b) to the Authority as soon as is reasonably practicable and in any event before the date of their publication under F of this condition.

Part D: Terms of appointment of Appropriate Auditor

- 44.11 For the purposes of paragraph 44.10, the licensee must, at its own expense, enter into a contract of appointment with an Appropriate Auditor that includes a term requiring that the audit of the licensee's Regulatory Accounts must be conducted by that Appropriate Auditor in accordance with all such relevant auditing standards in force on the last day of the Regulatory Year to which the audit relates as would be appropriate for accounts prepared in accordance with the provisions of Part 15 of the Companies Act 2006.

Part E: Agreed Upon Procedures: prohibition of cross-subsidy and discrimination

- 44.12 The licensee must at its own expense enter into a contract of appointment with an Appropriate Auditor for the completion of Agreed Upon Procedures in relation to the prohibition of cross-subsidy and discrimination generally and in particular under paragraph 9 of standard condition 4 (No abuse of the licensee's special position) and under standard conditions 19 (Prohibition of discrimination under Chapters 4 and 5) and 39 (Prohibition of discrimination under Chapter 9).
- 44.13 The contract must require that the Agreed Upon Procedures are conducted in relation to each Regulatory Year and that the licensee will arrange for the Appropriate Auditor to address a report to the Authority by 31 July following the end of each Regulatory Year that:
- (a) states that he has, in a manner consistent with the relevant auditing standards, completed the Agreed Upon Procedures issued by the Authority in respect of the Regulatory Year under report; and
 - (b) sets out his findings.
- 44.14 If the Authority is satisfied that the report referred to in paragraph 44.13-demonstrates that the licensee has complied with the obligation to avoid discrimination and cross-subsidies that is specified in Article 31 of ~~the Directive 2009/72/EC of the European Parliament and of the European Council of 13 July 2009~~ and is imposed on the licensee by the standard conditions of this licence referred to in paragraph 44.12, the report will be deemed to represent the results of an audit of that obligation, as required by the Article.

Part F: Publication and provision of Regulatory Accounts

- 44.15 Unless the Authority after consulting with the licensee directs otherwise, the licensee must publish its Regulatory Accounts:
- (a) as a stand-alone document in accordance with this condition;
 - (b) by 31 July after the end of the Regulatory Year to which the accounts relate;

- (c) on, and in a way that is readily accessible from, its Website or a Website of an Affiliate or Ultimate Controller of the licensee provided that the link is both clear and readily accessible; and
- (d) in any other manner that, in the opinion of the licensee, is necessary to secure adequate publicity for the accounts.

44.16 The licensee must provide a copy of the Regulatory Accounts free of charge to any person who requests a copy.

Part G: Definitions

44.17 For the purposes of this condition:

Applicable Accounting Framework	means either: <ul style="list-style-type: none">(a) in respect of any reference to statutory accounts of the licensee (except for group accounts):<ul style="list-style-type: none">(i) individual accounts prepared in accordance with section 396 of the Companies Act 2006; or(ii) individual accounts prepared in accordance with international accounting standards;or(b) in respect of any reference to statutory accounts of the licensee that are group accounts:<ul style="list-style-type: none">(i) group accounts prepared in accordance with section 404 of the Companies Act 2006; or(ii) group accounts prepared in accordance with international accounting standards.
Demand Customer	means, in relation to any energised or de-energised Exit Point on the licensee's Distribution System, the person who is taking, or is deemed to be taking, a supply of electricity through that Exit Point.
Distribution Business Activities	means the following activities of the licensee: <ul style="list-style-type: none">(a) the distribution of electricity through the licensee's Distribution System to Demand Customers;(b) the distribution of electricity through the licensee's Distribution System in respect of Distributed Generation, together with such of the activities covered by sub-paragraphs (c) and (d) of this definition as are directly associated with that activity;(c) the provision of Directly Remunerated Services (other than any such services falling within the next sub-paragraph;

(d) the provision of Metering Equipment and Metering Services (including the service of providing Legacy Metering Equipment but excluding any such provision falling within subparagraph (b) of this definition), together with the provision of Data Services;

(e) any De Minimis Business of the licensee;

(f) any other activities to which the Authority has consented in accordance with paragraph 29.4(c) of standard condition 29; and

(g) any Distribution Business of the licensee in respect of which the activities take place outside the licensee's Distribution Services Area.

Quoted Company has the meaning given to that term in section 385 of the Companies Act 2006.

Segmental Information means such financial and descriptive information in respect of the Distribution Business Activities of the licensee as would be disclosable under International Financial Reporting Standard 8 (or Statement of Standard Accounting Practice 25) if each of those activities were an operating segment (or reportable segment) of the licensee within the meaning of those respective standards.

UK Listing Authority means the Financial Conduct Authority (FCA) acting in its capacity as the competent authority for the purposes of Part VI (Official Listing) of the Financial Services and Markets Act 2000.

Part H: Interpretation

44.18 The requirement under paragraph 44.7 for the licensee to include a Strategic Report, a Corporate Governance Statement, and a Directors' Report in its Regulatory Accounts must be read as if the requirement applied to the licensee as a Quoted Company, whether or not it is such a company, such that:-

- (a) the Corporate Governance Statement, has the coverage and content of the corporate governance statement that a Quoted Company is required to prepare under the UK Corporate Governance Code issued under the UK Listing Authority's listing rules and interpretations on corporate governance;
- (b) the Strategic Report has the coverage and content of the Strategic Report that a Quoted Company is required to prepare under sections 414A, 414C and 414D of the Companies Act 2006; and
- (c) the Directors' Report, has the coverage and content of the directors' report that a Quoted Company is required to prepare under sections 415, 416, 418(2), and 419(3) and (4) of the Companies Act 2006.

44.19 Regulatory Accounts prepared by the licensee in respect of the Regulatory Year beginning on 1 April -2014 are subject to the provisions of this condition in the form in which it was in force at 31 March 2015.