

Attachment 7 – Extracts from the Electricity Act 1989: Standard conditions of Electricity Supply Licence (31 December 2013)

Please note that the following Electricity Supply Licence Condition extracts are provided for ease of reference only and should not be relied on. Please refer to Ofgem's website for the published Electricity Supply Licence:

<https://epr.ofgem.gov.uk/Content/Documents/Electricity%20Supply%20Standard%20Licence%20Conditions%20Consolidated%20-%20Current%20Version.pdf>

Condition 43: Roll-out Reporting and Provision of Information to the Secretary of State

Introduction

43.1 This condition provides for the Secretary of State to be able to obtain from the licensee information in respect of matters relating to the provision, installation, operation, maintenance, and use of meters.

Purposes

43.2 The purposes of this condition are to ensure that the Secretary of State may obtain such information as he may reasonably require to enable him, from time to time, to:

- (a) examine and assess the readiness of the licensee to comply with any Relevant SMS Condition;
- (b) monitor and review the steps taken, or to be taken, by the licensee to:
 - (i) install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems and In-Home Displays in accordance with the requirements of any Relevant SMS Condition;
 - (ii) promote awareness and understanding by Energy Consumers of the use of Smart Metering Systems and In-Home Displays (and information that may be obtained through them);
- (c) evaluate:
 - (i) the scope and effectiveness of the licensee's consumer engagement activities; and
 - (ii) the implementation of the Consumer Engagement Plan;

(d) identify and evaluate the costs associated with, and benefits attributable to, the provision, installation, operation, maintenance, and use of Smart Metering Systems and In-Home Displays, including in particular:

(i) energy savings made as a result of Energy Consumers being able to better manage their energy consumption and expenditure;

(ii) cost savings and improvements in services resulting from changes made to energy industry activities and procedures;

(e) decide whether or when there may be a need for him to exercise any of his powers under any Relevant SMS Condition or section 88 of the Energy Act 2008; and

(f) publish information in respect of the matters set out in paragraphs (a) – (e).

Information Request

43.3 The Secretary of State may, for the purposes of this condition, from time to time issue a request for Information to be provided to him (an Information Request).

43.4 An Information Request (or any part of it) may be addressed to the licensee alone, to all Electricity Suppliers or to a category of Electricity Suppliers.

43.5 An Information Request may in particular, where the licensee supplies electricity to at least 250,000 Domestic Customers, require the licensee to provide:

(a) on an annual basis (and at such other times as may be specified in the Information Request) Information in respect of:

(i) its proposals, plans and projections for meeting its duties in relation to the provision, installation, operation, and maintenance of Smart Metering Systems and In-Home Displays; and

(ii) its progress against the proposals, plans and projections included in the previous year's roll-out report,

(together the roll-out report); and

(b) for such periods and at such frequency as may be specified in the Information Request, Information which sets out the licensee's progress against the proposals, plans and projections included in its latest roll-out report (the monitoring report).

43.6 An Information Request may in particular, where the licensee supplies electricity to fewer than 250,000 Domestic Customers or supplies electricity only to Non-Domestic Customers, require it to provide on an annual basis (and at such other times as may be specified in the Information Request) Information in respect of its proposals for and progress towards meeting its duties in relation to the provision, installation, operation, and maintenance of Smart Metering Systems and In-Home Displays (the progress report).

43.7 An Information Request may in particular specify:

(a) the type and nature of Information to be provided, including in particular the type and nature of Information to be provided in a roll-out report, monitoring report, and progress report;

(b) that the Information is to be accompanied by such supporting documents or data as may be described;

(c) that all or some of the specified Information must continue to be provided at the intervals specified until such data as specified or until the Secretary of State issues a subsequent Information Request to the licensee or the category of Electricity Suppliers of which it is a member; and

(d) the form and manner in which, and the date by which, the specified Information is to be provided.

43.8 The licensee must comply with an Information Request addressed to it or to a category of Electricity Suppliers of which it is a member.

43.9 The licensee must ensure that the Information it provides in response to an Information Request is complete and accurate.

43.10 The licensee is not required under this condition to provide any Information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

Cessation

43.11 This condition shall cease to apply to the licensee from the date which is 12 months after the date specified in paragraph 39.1 of standard condition 39 of this licence.

Interpretation and Definitions

43.12 In this condition:

Consumer Engagement Plan has the meaning given to it in standard condition 45 (Smart Metering Consumer Engagement) of this licence.

Energy Consumer means a consumer of gas or electricity.

Information includes information in any form or medium and of any description specified by the Secretary of State and includes any documents, accounts, estimates, returns, records or reports and data of any kind, whether or not prepared specifically at the request of the Secretary of State.

Relevant SMS Condition means any condition of this licence which imposes obligations or contains provisions in respect of any matter relating to the provision, installation, operation, maintenance, or use of a Smart Metering System or an In-Home Display.

Condition 44: Roll-out Reporting, Setting and Achieving Annual Milestones, and Provision of Information to the Authority

Introduction

44.1 This condition provides for:

- (a) the licensee to be required to prepare and provide to the Authority a Roll-out Plan, to report against the Roll-out Plan, and to set and achieve Annual Milestones, and
- (b) the Authority to be able to obtain from the licensee information in respect of matters relating to the provision, installation, operation, maintenance and use of Smart Metering Systems, In-Home Displays and Relevant Electricity Meters and the licensee's achievement of the Annual Milestones.

Purposes

44.2 The purposes of this condition are to:

- (a) provide that the Authority may require the licensee to prepare a Roll-out Plan which includes Annual Milestones;
- (b) require the licensee to achieve the Annual Milestones set out in the Roll-out Plan; and
- (c) ensure that the Authority may obtain such information as it may reasonably require to enable it, from time to time, to:
 - (i) examine and assess the readiness of the licensee to comply with any Relevant SMS Condition;
 - (ii) monitor and review the steps taken or to be taken by the licensee to install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems, In-Home Displays and Relevant Electricity Meters in accordance with the requirements of any Relevant SMS Condition; and
 - (iii) monitor the licensee's achievement of the Annual Milestones set out in the Roll-out Plan.

Roll-out Plan and Progress Reports

44.3 Where directed by the Authority, the licensee must prepare and submit to the Authority, by a date specified in a direction issued by the Authority, a document (the Roll-out Plan) which contains:

- (a) where the licensee is required to provide a roll-out report to the Secretary of State under standard condition 43, such parts of the roll-out report as are specified in the direction;
- (b) Annual Milestones, set by the licensee for such period as may be specified in the direction, for the purposes of the licensee complying with its duties in relation to the provision, installation, operation, maintenance and use of Smart Metering Systems, In-Home Displays and Relevant Electricity Meters;

(c) a detailed explanation of the licensee's reasons, which reasons must be duly justified, for the Annual Milestones set by it; and

(d) such other Information as may be specified in the direction.

44.4 The licensee must achieve the Annual Milestones set out in its Roll-out Plan.

44.5 For the purposes of paragraph 44.4, the licensee shall be considered to have achieved an Annual Milestone set out in its Roll-out Plan where, by the end of the calendar year to which that Annual Milestone relates, it has reached at least 95% (or such lower percentage as may be specified in any direction issued to the licensee by the Authority) of that Annual Milestone.

44.6 The licensee may submit a revised Roll-out Plan to the Authority only:

(a) on, or in the seven days immediately following, each anniversary, occurring prior to 31 March 2017, of the date specified in the direction issued by the Authority in accordance with paragraph 44.3; or

(b) where in response to a request from the licensee, the Authority has agreed that it may submit a revised Roll-out Plan.

44.7 Where, in accordance with paragraph 44.6, the licensee submits a revised Roll-out Plan, it must also set out its reasons, which reasons must be duly justified, for making the revisions together with such supporting Information as may be required by the Authority.

44.8 The licensee must prepare and submit to the Authority, in accordance with any direction issued to the licensee by the Authority and for such periods and at such frequency as may be specified in the direction, a report (the Progress Report) which sets out the licensee's progress and performance against the Roll-out Plan.

44.9 The licensee must publish its Roll-out Plan and any Progress Report, or such Information contained in the Roll-out Plan and any Progress Report, where it is directed to do so by the Authority.

Directions

44.10 The licensee must comply with any directions the Authority may issue for the purposes of this condition and which are addressed to it or to a category of Electricity Suppliers of which it is a member.

44.11 A direction issued by the Authority may, in particular, specify:

(a) the format of the Roll-out Plan and the Progress Report;

(b) the form and manner in which the Annual Milestones need to be included in the Roll-out Plan;

(c) the Information the licensee must include in the Progress Report, which may, where the licensee is required to provide a roll-out report to the Secretary of State under standard condition 43, include such parts of the roll-out report as are specified in the direction;

(d) requirements in relation to the submission of the Roll-out Plan and Progress Reports to the Authority; and

(e) the manner and method by which any specified Information from the Roll-out Plan and any Progress Report must be published by the licensee.

Information Request

44.12 Where the licensee receives a request for Information from the Authority for the purposes of this condition (an Information Request), it must provide that Information to the Authority within the time and in the form requested.

44.13 An Information Request issued by the Authority may in particular specify the type and nature of Information to be provided by the licensee, including in particular in respect of:

(a) the readiness of the licensee to comply with any Relevant SMS Condition; and

(b) the steps taken or to be taken by the licensee to install, arrange for the installation of, or provide (as the case may be) Smart Metering Systems, In-Home Displays and Relevant Electricity Meters in accordance with the requirements of any Relevant SMS Condition.

44.14 The licensee must ensure that the Information it provides in response to an Information Request is complete and accurate.

44.15 The licensee is not required under this condition to provide any Information which it could not be compelled to produce or give in evidence in civil proceedings before a court.

Cessation

44.16 This condition shall cease to apply to the licensee from the date which is 12 months after the date specified in paragraph 39.1 of standard condition 39 of this licence.

Interpretation

44.17 In this condition:

Annual Milestone means a percentage of the total number of Domestic Premises and Designated Premises:

(a) in respect of which the licensee is the Relevant Electricity Supplier; and

(b) at which a Smart Metering System or Relevant Electricity Meter is to be installed by the end of each calendar year falling within the period specified in a direction issued by the Authority under paragraph 44.3.

Progress Report means a report submitted in accordance with paragraph 44.8.

Relevant Electricity Meter means any Electricity Meter installed or arranged to be installed by the licensee pursuant to paragraphs 39.8, 39.9 or 39.10 of standard condition 39 of this licence.

Relevant SMS Condition means any condition of this licence which imposes obligations or contains provisions in respect of any matter relating to the provision, installation, operation maintenance or use of a Smart Metering System or an In-Home Display.

Roll-out Plan means a plan submitted in accordance with paragraph 44.3, as it may be revised in accordance with paragraph 44.6.