

To: All holders of a gas supply licence

**Gas Act 1986
Section 23(2)**

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

1. The Gas and Electricity Markets Authority ('the Authority')¹ proposes to modify the standard conditions of all gas supply licences granted or treated as granted under section 7A(1) of the Gas Act 1986 by amending licence number,

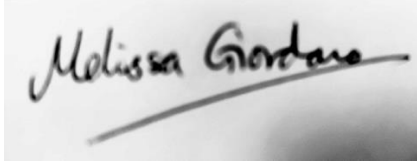
- 38A

The proposed modifications are set out in Schedule 1 to this Notice.

2. We are proposing these modifications due to the change implemented by Department for Energy Security and Net Zero (DESNZ) to years 3 and 4 of the smart meter Targets Framework, where suppliers will be required to meet minimum installation targets for both domestic and non-domestic premises, for gas and electricity, separately.²
3. The purpose of the proposed modifications is to ensure reporting requirements to Ofgem for years 3 and 4 of the Targets Framework remain accurate and align with the new domestic and non-domestic targets.
4. A copy of the proposed modifications and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively, they are available from foi@ofgem.gov.uk.
5. Any representations with respect to the proposed licence modifications must be made on or before 20 October 2023 to: Smart Metering, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to smartmetering@ofgem.gov.uk
6. We are not issuing hard copies of the modification documents, nor do we expect consultation responses by post. If, however, you do wish to receive the documents and respond by post, we are able to organise this for you. Please contact us at the email address above to request hard copies of the relevant documents.
7. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
8. If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published.

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

² [Smart meter targets framework: government response to consultation on the mid-point review](https://www.publishing.service.gov.uk/government/consultations/smart-meter-targets-framework-gov-response) ([publishing.service.gov.uk](https://www.publishing.service.gov.uk))



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Melissa Giordano
Deputy Director Retail Systems and Processes
Duly authorised on behalf of the
Gas and Electricity Markets Authority

22 SEPTEMBER 2023

Schedule 1 – Draft of proposed modifications to the standard conditions (SLCs) of all gas supply licences

SLC modifications

Beginning Of The Year Report

38A.2 No later than 2 working days after the licensee submitted the Beginning Of The Year Report to the Authority, for the First and Second Rollout Year, the licensee must publish prominently on its website the Target Number. For the Third and Fourth Rollout Year, the licensee must publish prominently on its website the Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year, and 33A.5 (e) & (f), for the Fourth Rollout Year. Relevant Suppliers must also publish prominently on their websites the additional information required to be included in their Beginning Of The Year Report under paragraph 38A.4 and 38A.4A.

38A.3 In the Beginning Of The Year Report, for the First and Second Rollout Year, the licensee must include the following information:

- (a) The Target Number for the Relevant Year;
- (b) Number of Qualifying Relevant Premises without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;
- (c) Licensee's total number of gas customers eligible for or with a Qualifying Metering System installed as of the last day of the Rollout Year ending immediately before the Relevant Year; and
- (d) Hyperlink to the Target Number published in accordance with paragraph 38A.2.

38A.3A In the Beginning Of The Year Report, for the Third and Fourth rollout year, the licensee must include:

- (a) The Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year, and 33A.5 (e) & (f), for the Fourth Rollout Year;
- (b) Number of Qualifying Relevant Domestic Premises, without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;
- (c) Number of Qualifying Relevant Designated Premises, without a Qualifying Metering System as of the last day of the Rollout Year ending immediately before the Relevant Year;
- (d) Licensee's total number of Domestic Premises, in respect of which the licensee is the Relevant Gas Supplier on the date which immediately precedes the start date of the Relevant Year
- (e) Licensee's total number of Designated Premises, in respect of which the licensee is the Relevant Gas Supplier on the date which immediately precedes the start date of the Relevant Year; and

(f) Hyperlink to the Target Number published in accordance with paragraph 38A.2.

38A.4 In the Beginning Of The Year Report, for the First and Second Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Year:

- (a) Number of credit meter customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (b) Number of pre-payment customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (c) Number of Domestic Customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises;
- (d) Number of Non-Domestic customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Premises; and
- (e) any other information as specified in a direction issued by the Authority pursuant to SLC 38A.9 and SLC 38A.10.

38A.4A In the Beginning Of The Year Report, for the Third and Fourth Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Year:

- (a) Number of credit meter customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Domestic Premises;
- (b) Number of pre-payment customers for whom the Relevant Suppliers intend to install for the first time a Qualifying Metering System at Qualifying Relevant Domestic Premises;
- (c) any other information as specified in a direction issued by the Authority pursuant to SLC 38A.9 and SLC 38A.10.

End of Year Performance Report

38A.6 At the same time as the licensee submits the End Of Year Performance Report to the Authority, for the First and Second Rollout Year, the licensee must publish the number of Qualifying Metering Systems installed in Qualifying Relevant Premises in the Relevant Previous Year prominently on its website alongside the Target Number for the Relevant Previous Year. For the Third and Fourth Rollout Year, the licensee must publish the number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises in the Relevant Previous Year, and the number of Qualifying Metering Systems installed in Qualifying Relevant Designated Premises in the Relevant Previous Year, prominently on its website alongside the Target Number

for the Relevant Previous Year. Relevant Suppliers must also publish prominently on their websites the additional information required to be included in their End Of Year Performance Report under paragraph 38A.8 and 38A.8A.

38A.7 In the End Of Year Performance Report, for the First and Second rollout year, the licensee must include the following information:

- (a) whether it met its Target Number for the Relevant Previous Year;
- (b) Number of Qualifying Metering Systems installed for Qualifying Relevant Premises for the Relevant Previous Year;
- (c) Licensee's total number of gas customers eligible for or with a Qualifying Metering System installed on the last day of the Rollout Year for the Relevant Previous Year;
- (d) Information related to Qualifying Metering Systems installed compared to planned installations in the Beginning Of The Year Report; and
- (e) Hyperlink to the number of Qualifying Metering Systems installed published in accordance with paragraph 38A.6.

38A.7A In the End Of Year Performance Report, for the Third and Fourth rollout year, the licensee must include:

- (a) whether it met its Target Number calculated in accordance with 33A.5 (c) & (d) for the Third Rollout Year;
- (b) whether it met its Target Number calculated in accordance with 33A.5 (e) & (f) for the Fourth Rollout Year;
- (c) Number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises, for the Relevant Previous Year;
- (d) Number of Qualifying Metering Systems installed in Qualifying Relevant Designated Premises, for the Relevant Previous Year;
- (e) Number of Qualifying Metering Systems installed in Qualifying Relevant Domestic Premises, that were Gas Only Premises, for the Relevant Previous Year;
- (f) Number of Qualifying Metering Systems installed in Qualifying Relevant Designated premises, that were Gas Only Premises, for the Relevant Previous Year;
- (g) Licensee's total number of gas Domestic Premises, in respect of which the licensee is the Relevant Gas Supplier as of the last day of the Rollout Year for the Relevant Previous Year;
- (h) Licensee's total number of gas Designated Premises, in respect of which the licensee is the Relevant Gas Supplier as of the last day of the Rollout Year for the Relevant Previous Year;

- (i) Information related to Qualifying Metering Systems installed compared to planned installations in the Beginning Of The Year Report; and
- (j) Hyperlink to the number of Qualifying Metering Systems installed published in accordance with paragraph 38A.6

38A.8 In the End Of Year Performance Report, for the First and Second Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Previous Year:

- (a) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for credit customers;
- (b) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for prepayment customers;
- (c) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for domestic customers; and
- (d) Number of Qualifying Metering Systems installed at Qualifying Relevant Premises for the first time for non-domestic customers.

38A.8A In the End Of Year Performance Report, for the Third and Fourth Rollout Year, Relevant Suppliers must include the following additional information for the Relevant Previous Year:

- (a) Number of Qualifying Metering Systems installed at Qualifying Relevant Domestic Premises for the first time for credit customers;
- (b) Number of Qualifying Metering Systems installed at Qualifying Relevant Domestic Premises for the first time for prepayment customers.