

To:

All holders of an electricity distribution licence

Electricity Act 1989
Section 11A(1)(b)

Modification of the standard condition 31F of the electricity distribution licences

1. Each of the licensees to whom this document is addressed is the holder of an Electricity Distribution Licence ('the Licence') 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 notice² ('the Notice') on 31 October 2023 that we propose to modify standard condition 31F (Requirements Relating to Electric Vehicle Recharging Points) of the Licence.
3. We stated that any representations to the modification proposals must be made on or before 1 December 2023.
4. A copy of the Notice was sent to the Secretary of State in accordance with section 11A(4)(b) of the Act, and we have not received directions that the changes should not be made.
5. We received eight responses to our consultation, which we carefully considered. We have placed all non-confidential responses on our website. Our response to these comments is published alongside this notice in the form of a final decision document.

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

² [Notice of statutory consultation on a proposal to modify Standard Licence Condition 31F \(Requirements Relating to Electric Vehicle Recharging Points\) of the Electricity Distribution Licence \(ofgem.gov.uk\)](https://www.ofgem.gov.uk/consult/condocs/31f/31f_notice.htm)

6. It is necessary to make two minor alterations to the modifications as set out in the Notice. These alterations are shown as tracked changes and highlighted yellow in the Licence published alongside this Notice. The reasons for any differences between the modifications set out in the Notice and the modifications reflected in the Licence published alongside this notice are to amend the numbering and formatting.

7. The reason for modifying standard condition 31F of the Licence is because we consider that Distribution Network Operators (DNOs) may not be the most appropriate parties to own, develop, manage, or operate Electric Vehicle Charging Points (EVCs) at reasonable costs. We consider that existing market participants are better placed to act as Provider of Last Resort (PoLR). Existing market participants are likely already skilled and resourced to undertake PoLR activities and are less likely to incur the additional cost burden that DNOs may be exposed to in undertaking PoLR activities. Furthermore, there are various government workstreams, funding provisions and regulations in place to support EVCs, as set out in our decision document published alongside this notice. In addition, further details and background on these licence changes are set out in the following documents:
 - a. [Informal Consultation on removal of the EV PoLR provision from SLC 31F | Ofgem](#)
 - b. [Statutory consultation to modify Standard Licence Condition 31F of the Electricity Distribution Licence | Ofgem](#)

8. The effect of this modification is to remove the Electric Vehicle (EV) PoLR provisions, in full, from standard condition 31F of the Electricity Distribution Licence, meaning that DNOs will no longer be permitted to operate EVCs as a backstop where there is no other provider following a tendering process and no other parties could do so at a reasonable cost. By removing the PoLR obligation from DNOs we remove the risk of GB energy consumers funding any costs DNOs would be exposed to if they were to act as EV PoLR.

9. Where an application for permission to appeal our decision is made to the Competition and Markets Authority under section 11C of the Act, Rule 5.6 of the Energy Licence Modification Appeals: Competition and Markets Authority Rules³

³ CMA70

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1113629/Energy_Rules.pdf

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. Section 11A(10) of the Act sets out the meaning of 'relevant licence holder', Annex 1 to this notice provides a list of the relevant licence holders in relation to this modification.

Under the powers set out in section 11A(1)(b) of the Act, we hereby modify standard condition 31F of the Electricity Distribution Licence in the manner specified on our website. This decision will take effect from 09 April 2024.

This document is notice of the reasons for the decision to modify the Electricity Distribution Licence as required by section 49A(2) of the Act.

.....

Steve McMahon

Duly authorised on behalf of the

Gas and Electricity Markets Authority

13 February 2024

Annex 1: Relevant licence holders

Electricity Distribution
Eastern Power Networks Plc
Electricity North West Ltd.
London Power Networks Plc
National Grid Electricity Distribution (East Midlands) Plc
National Grid Electricity Distribution (South Wales) Plc
National Grid Electricity Distribution (South West) Plc
National Grid Electricity Distribution (West Midlands) Plc
Northern Powergrid (Northeast) Plc
Northern Powergrid (Yorkshire) Plc
Scottish Hydro Electric Power Distribution Plc
South Eastern Power Networks Plc
Southern Electric Power Distribution Plc
SP Distribution Plc
SP Manweb Plc
Advanced Electricity Networks Ltd.
Aidien Ltd
Eclipse Power Networks Ltd.
Energy Assets Networks Ltd.
ESP Electricity Ltd.
Fulcrum Electricity Assets Ltd.
Harlaxton Energy Networks Ltd.
Independent Distribution Connection Specialists Ltd
Independent Power Networks Ltd.
Indigo Power Ltd.
Last Mile Electricity Ltd.
Leep Electricity Networks Ltd.
Mua Electricity Ltd.
Optimal Power Networks Ltd.
Squire Energy Metering Ltd.
The Electricity Network Company Ltd.
UK Power Distribution Ltd.
Utility Assets Ltd.
Vattenfall Networks Ltd.