

**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')<sup>[1]</sup> 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 numbers:
  - a. Changes to definitions in SLC 1.2
  - b. Consequential modification of 20.6A

The modifications are set out in Schedule 1.

2. We are proposing these modifications as they are consequential changes needed to implement and achieve the policy intent of our [new and updated rules for non-domestic energy suppliers](#). We are proposing technical Standard Licence Condition changes, including narrowing of defined terms 'Third Party' and 'Third Party Costs' held within SLC 1.2, and to account for this change we need to modify the wording of SLC 20.6A.
3. The effect of these proposed modifications is limited, as they are small changes needed to achieve policy intent. However, if we did not make these SLC changes our package of changes could not be fully implemented as intended -and the extra protections we are trying to achieve for non-domestic customers would not be realised.
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](http://www.ofgem.gov.uk)). Alternatively, they are available from [information.rights@ofgem.gov.uk](mailto:information.rights@ofgem.gov.uk).
5. Any representations with respect to the proposed licence modifications must be made on or before 27 June 2024 to: Non-Domestic Retail Team, Office of Gas and Electricity Markets, 10 South Colonnade, Canary Wharf, London, E14 4PU or by email to [NonDomesticRetailPolicy@ofgem.gov.uk](mailto:NonDomesticRetailPolicy@ofgem.gov.uk).
6. 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 However, if you do not wish your response to be made public then please clearly mark it as not for publication.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.

7. If we decide to make the proposed modifications, they will take effect not less than 56 days after the decision is published.



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**Jemma Baker**  
**Deputy Director – Future Retail Market**  
**Duly authorised on behalf of the**  
**Gas and Electricity Markets Authority**  
**13 May 2024**

[\[1\]](#) The terms “the Authority”, “we” and “us” are used interchangeably in this document.

## **Schedule 1 – Draft of proposed modifications to the standard conditions of all gas supply licences.**

### **Draft Supply Licence conditions**

Deletions are shown in strikethrough, changes from our Decision are underlined<sup>1</sup> and the new proposed text since our Decision are doubled underlined. We have only shown the licence conditions where modifications or deletions are made.

### **Standard Gas Supply Licence**

#### **Condition 1.2 Definitions in alphabetical order**

**Third Party** means a third-party organisation or individual that, either on its own or through arrangements with other organisations or individuals, provides information and/or advice to a ~~Micro-Business Consumer~~ Non-Domestic Customer about the licensee's Charges and/or other terms and conditions and whose payment or other consideration for doing so is made or processed by the licensee.

**Third Party Costs** means any fees, commission or other consideration including a benefit of any kind, processed by the licensee and paid or made or due to be paid or made to the Third Party in respect of a ~~Micro-Business Consumer~~ Non-Domestic Customer Contract, that are passed on to the ~~Micro-Business Consumer~~ Non-Domestic Customer.

#### **Condition 20. Enquiry service, Supply Number, advice information and dispute settlement – for Non-Domestic Customers**

##### Working with Third Party Intermediaries

##### Dispute settlement

20.6A The licensee must ensure that in respect of a Micro Business Consumer Contract or a Small Business Consumer Contract, the Third Party is a member of a Qualifying Dispute Settlement Scheme.

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<sup>1</sup> As the changes in our Decision have not yet taken effect, we are showing these new changes in relation to the changes set out in Appendix 1 of our Decision document.