

# **Distributor provision of MPAS Services**

## **Consultation Document**

April 2003      22/03

## Summary

Customers connected to any licensed distribution network should be able to transfer supplier. In order to facilitate this the 14 ex PES<sup>1</sup> distributors must provide an Metering Point Administration Service (MPAS) which allows suppliers to compete and take over the supply of customers.

The Utilities Act 2000 provides for new distributors to enter the market and for the existing ex PES distributors to operate out of their traditional distribution services areas. To facilitate competition on these networks Ofgem is proposing a modification to the distribution licence to require all licensed distributors to provide an Metering Point Administration Service (MPAS) including an enquiry service.

Ofgem are proposing through this licence modification that customers and suppliers on all licensed distribution networks are given the same level of protection in the provision of an MPAS and enquiry services as they would have received in the existing ex PES distribution services areas. Suppliers are not able to choose the distribution network to which the customer is connected. Ofgem therefore considers that the provision of an MPAS is a monopoly service that should be adequately regulated.

The proposed modification also amends the distribution licence to enable new licensed distributors to become signatories to the Master Registration Agreement (MRA). Requiring new distributors to provide an MPAS in accordance with the MRA gives suppliers confidence that they will be able to compete on all licensed networks using the existing standard industry protocols.

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<sup>1</sup> Prior to the Utilities Act 2000 the role of the Public Electricity Supplier (PES) combined both the function of supply and distribution. These roles were separated by the Utilities Act 2000. The 14 ex PESs in their distribution function continue to have certain responsibilities over and above those required of new distribution licence holders.

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# 1. Rationale

## *Issue*

- 1.1. The Utilities Act 2000 amended Section 6 of the Electricity Act 1989 to introduce distribution as a licensable activity, separate from supply, and facilitates the introduction of competition in the distribution of electricity. The legislation enables persons other than the fourteen existing licensed distributors to obtain a distribution licence and existing licensed distributors to operate licensed networks outside of their distribution services area<sup>2</sup>.
- 1.2. This document proposes a number of amendments to the Standard Licence Conditions of the distribution licence to address issues relating to the provision of an MPAS by distributors to suppliers.
- 1.3. At present, distributors operating outside of their distribution services area and potential new licensed distributors are not required by their licence to operate an MPAS including an enquiry service. Suppliers require the distributor to maintain an MPAS to facilitate supply competition in electricity to all premises connected to the distribution network. As part of maintaining an MPAS the distributor is obliged to establish an enquiry service. Suppliers need continuity in the provision of these services between distribution networks to reduce costs and provide confidence that they are able to perform to the industry agreed standards across the market.
- 1.4. Furthermore, in the event that an existing distributor operating outside of their service area or a new licensed distributor provided an MPAS or enquiry service, the regulatory requirements relating to the provision of these services set out in Standard Licence Condition 36, 36A, 36B and 36C would not apply. These standard conditions set out the manner in which these services are entered into and provided. It is important to consider the manner in which an MPAS is provided as this is a monopoly service and suppliers cannot choose between competing providers.

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<sup>2</sup> Distribution services area – A Distribution Services Direction specifies or describes a distribution services area within which the licensee shall be obliged to comply with any of the requirements of Section C of their licence. Section C sets out the Distribution Service Obligations.

- 1.5. In the event of a new distribution business gaining a licence or an existing distributor operating out of their distribution services area a conflict would arise between Standard Licence Condition 37 of the electricity distribution licence and the MRA<sup>3</sup>. This conflict arises as currently the drafting of the licence does not allow for new distribution companies to become signatories to the MRA on the grounds that they are not distribution services providers<sup>4</sup> nor providers of an MPAS.

## ***Objective***

- 1.6. Ofgem considers that there is a need for all distributors to provide an MPAS for suppliers and maintain and publicise an enquiry service for both customers and suppliers in the manner prescribed by the MRA and Section C of the licence. This is currently only an obligation on existing distribution companies acting within their distribution services area.
- 1.7. Ofgem considers that the obligation to set out the manner in which these services are entered into and provided for suppliers should be the same on all licensed distribution networks.
- 1.8. This document proposes modifications to the distribution licence that will ensure that suppliers will be able to compete for and transfer new customers on all distribution networks.

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<sup>3</sup> The MRA is an electricity supply agreement that sets out the requirements for the change of supplier process. Electricity distribution companies and suppliers are obliged to sign and comply with the MRA under Standard Licence Condition 14 of the distribution licence and Standard Licence Condition 20 of the electricity supply licence.

<sup>4</sup> Distribution services provider - means a licensed distributor in whose licence Section C has effect  
Distributor provision of MPAS  
Office of Gas and Electricity Markets

## ***Policy***

- 1.9. The options identified are as follows:

### ***Option 1: Maintain current arrangements***

- 1.10. Any new licensed distributors and existing distributors operating out of their services area would not be required under the licence to establish an MPAS nor maintain an enquiry service. In addition there would be no licence requirements setting out the terms for the provision of an MPAS to facilitate the transfer of customers on these networks. Maintaining the current arrangements would prevent new distribution companies from becoming signatories to the MRA, as a new licensed distributor would not be required to provide an MPAS in accordance with the agreed industry baseline set out in the MRA.

### ***Option 2: Require all distributors to establish an MPAS and maintain an enquiry service***

- 1.11. Ofgem could propose that all licensed distributors be obliged to establish an MPAS and maintain an enquiry service. This would enable them to become signatories to the MRA.

### ***Option 3: Maintain safeguards on provision of an MPAS and enquiry service for all licensed distributors***

- 1.12. Ofgem could propose that, in addition to establishing an MPAS and maintaining an enquiry service to facilitate competition on these networks in accordance with the MRA, the manner in which these services are provided should be adequately regulated.
- 1.13. The extension of existing obligations on distribution services providers relating to the provision of an MPAS for all electricity suppliers on all licensed networks may better facilitate competition on these networks.

## ***Recommendation***

1.14. Ofgem considers that the existing requirements on the 14 ex PES distribution service providers should be extended so that all licensed distributors are required to:

- ◆ Establish or procure an MPAS,
- ◆ Maintain an enquiry service and take steps to secure adequate publicity for this service, and
- ◆ Offer terms for the provision of an MPAS and to set out the basis upon which charges will be made for that service in a non-discriminatory fashion. In the provision of an MPAS the licensee shall not restrict, distort or prevent competition in the supply of electricity.

1.15. In addition Ofgem seeks to:

- ◆ Replicate its existing role enforcing licence conditions which set out the way in which an MPAS is provided, settling disputes on the terms of the agreement for the provision of an MPAS and issuing directions relieving the licensee of its obligations for the provision of a MPAS following consultation.
- ◆ Modify the electricity distribution licence so that new licensed distribution companies may become signatories to the MRA.

## 2. Timetable and responses

2.1. The proposed timetable for the key events in this document is as follows:

14 <sup>th</sup> April 2003	Publish a consultation document proposing a licence modification to the electricity distribution licence.
16 <sup>th</sup> May 2003	Responses requested on the issues raised in this document.
6 <sup>th</sup> June 2003	Publish a decision document and enclose a Section 11A Electricity Act 1989 notice proposing a modification to the electricity distribution licence.
4 <sup>th</sup> July 2003	Announce decision following any representations and objections.
1 <sup>st</sup> August 2003	Implement modifications to the electricity distribution licence.

### ***Views invited***

2.2. Comments are invited on the issues raised in this document and in particular Ofgem's proposed licence modification. Responses should be submitted by 16<sup>th</sup> May 2003 and should be sent to:

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## ***Contact***

- 2.3. If there are any questions regarding this document please contact either Andrew Wallace (Tel: 020 7901 7067, email: [andrew.wallace@ofgem.gov.uk](mailto:andrew.wallace@ofgem.gov.uk)) or Catherine Monaghan.

## ***Confidentiality***

- 2.4. All responses will normally be published on the Ofgem website and held electronically in the Ofgem Research and Information Centre unless there are good reasons why they must remain confidential. Where possible any confidential material should be placed in appendices in responses. Ofgem prefers to receive responses in an electronic form so they can easily be placed on the Ofgem website.

## 3. Background

3.1. This chapter sets out the current requirements for distributors to provide an MPAS and enquiry services. It looks at the current obligations on distributors operating within their distribution services area and what obligations and issues arise through the introduction of new distributors and existing distributors operating out of their services area. Finally, this chapter highlights the forthcoming changes to the Balancing and Settlement Code (BSC) and Settlement Agreement for Scotland (SAS) to facilitate the settlement of energy in a market where multiple distributors can operate in each Grid Supply Point (GSP)<sup>5</sup> group. GSP groups have historically had a one to one relationship with distribution services areas.

### ***Distribution services obligations***

3.2. Section C of the distribution licence places requirements on those distributors whose licence includes a distribution services area. Standard Licence Condition 36, 36A, 36B, 36C and 37 are contained within Section C of the licence. These licence conditions that set out the requirements to provide a MPAS and enquiry services and the way in which these arrangements are entered into are therefore not a requirement on new distribution licence holders<sup>6</sup> or existing licence holders operating out of area. Appendix 1 sets out a list of the relevant Standard Licence Conditions.

### ***Establish an MPAS and maintain an enquiry service***

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<sup>5</sup> GSP – means a Systems Connection Point at which the Distribution System is connected to a Transmission System.

<sup>6</sup> Currently there are no licensed distributors other than the 14 ex PESs. This situation is expected to change very shortly.

- 3.3. Standard Licence Condition 37 of the distribution licence obliges the licensee to establish or procure an MPAS. An MPAS holds data necessary to facilitate supply by any electricity supplier to all premises connected to its distribution system.
- 3.4. Specifically, such data should include the registered supplier, the type of metering equipment installed and a unique and accurate address of each such premises connected to the licensee's distribution system. The licensee is further obliged to maintain an enquiry service that shall provide any such data to any customer or electricity supplier as is relevant to the supply of electricity to premises which are (or are to be) owned or occupied by the customer.

### ***Provision of metering point administration services***

- 3.5. Standard Licence Condition 36B(2) and 36A of the electricity distribution licence require the licensee to offer to enter into an agreement for the provision of metering and data services on a non-discriminatory basis within its distribution services area with any person who applies for them. The metering and data services are listed in Standard Licence Condition 36B (1) and include "metering point administration services pursuant to and in accordance with the MRA".
- 3.6. Standard Licence Condition 36 obliges the licensee to prepare a statement setting out the basis upon which charges will be made for, amongst other things, metering point administration services. The MRA sets out a number of metering point administration services for which distributors are able to charge, these are listed in Schedule 8<sup>7</sup> of the MRA. Standard Licence Condition 36(1) requires that the statement of these charges be prepared in a form approved by Ofgem. The licensee is required to review the information contained in the statement at least once a year and send a copy of the statement to Ofgem and to any person who requires it.
- 3.7. Under Standard Licence Condition 36C, Ofgem is able to settle a dispute relating to the provision of the metering point administration services which is referred to it by either party when the licensee has failed to enter into an

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<sup>7</sup> Schedule 8 – Services for which Charges are levied under this Agreement.

agreement or where there is a proposal to vary the contractual terms of such an agreement.

- 3.8. In providing metering point administration services, the licensee is obliged by Standard Licence Condition 36B (8) not to restrict, distort or prevent competition in the supply of electricity.

### ***Signing and complying with the MRA***

- 3.9. Under Standard Licence Condition 37(4)(a) the MRA is described as an agreement between "...the licensee and all other distribution services providers in their capacity as providers of metering point administration services...". Standard Licence Condition 37(1) also places an obligation upon the licensee to provide or procure an MPAS.
- 3.10. Standard Licence Condition 37 is contained within Section C of the licence. Only where the Authority has issued a Distribution Services Direction to a distributor licensee shall the standard conditions in Section C have effect within the licence. Section C is a requirement on "distribution services providers" and the Authority at this time do not intend to issue a Distribution Services Direction to a new licensed distributor. As a consequence new distribution licensees are excluded from becoming parties to the MRA on two counts. First, that they are not distribution services providers and secondly they are not providers of an MPAS. This conflicts with the requirement, set out in Standard Licence Condition 14, on all licensed distributors to become a signatory to the MRA.
- 3.11. The MRA is not currently able to deal with new distributors entering the market. The MRA defines the entity providing an MPAS as a Service Provider. The MRA defines an MPAS as the service operated and maintained by each distribution business pursuant to Standard Licence Condition 37. As noted above new licensed distributors will not have Standard Licence Condition 37 switched on as it falls within Section C of the distribution licence. They therefore will not be recognised as Service Providers under the MRA. The most effective solution is to modify the licence, so that the industry can ensure equivalence and efficiency in the operation of an MPAS for all licensed networks.

## ***Other developments***

- 3.12. A modification to the BSC (P62<sup>8</sup>) will be implemented later in 2003. P62 allows multiple distributors to operate within each of the existing GSP groups in England and Wales for settlement purposes. An equivalent modification to the SAS is also currently being progressed. The agreed implementation date for P62 is the 1<sup>st</sup> Aug 2003. Ofgem has powers to agree an alternative implementation date if the BSC Panel requests one, but to date no such request has been received.
- 3.13. The MRA is also being modified to accommodate the changes to be implemented by P62 to the industry baseline. These modifications will enable the MRA to recognise a new licensed distributor, ensure that only one distributor can exercise their rights for any one metering point and that only one distributor is responsible for the MPAS obligations under the MRA. The MRA modifications are dependent upon the acceptance of the proposed licence amendments.

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<sup>8</sup> P62 – Changes to Facilitate Competitive Supply on the Networks of New Licensed Distributors  
Distributor provision of MPAS  
Office of Gas and Electricity Markets

## 4. Informal consultation

- 4.1. In November 2002 Ofgem wrote to all electricity distributors and suppliers inviting views on a set of draft proposals to modify the Standard Licence Conditions of electricity distribution licences. This letter was an informal consultation to enable Ofgem to evaluate whether it was appropriate to seek a licence modification, in advance of the DTI having set out the collective licence modification rules<sup>9</sup> which would therefore require the approval of all licensed distributors.
- 4.2. Ofgem sought the views of electricity distributors and suppliers on a set of draft proposals to modify the Standard Licence Conditions of electricity distribution licences that would:
- ◆ Require new licensed distributors to provide or procure an MPAS including an enquiry service,
  - ◆ Require new licensed distributors to take steps to secure adequate publicity for their enquiry service,
  - ◆ Maintain the obligation on those companies required to comply with Section C of the distribution licence to provide an MPAS to other distributors within their distribution services areas as may be required, and
  - ◆ Amend the licence to enable new distribution companies to become signatories to the MRA.

### ***Supplier responses***

- 4.3. Ofgem received 2 responses from suppliers. Both respondents supported the proposals and gave the following reasons for their implementation:

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<sup>9</sup> Licensees may object to proposed licence modifications. The Collective Licence Modification (CLM) rules put in place a threshold above which objections, in terms of the percentage of total MPANs and licences will prevent the modification from taking place. It is not clear whether the CLMs will be in place in advance of Ofgem's intention to issue notice of a licence modification to the distributor licence.

- ◆ Continuing suppliers' ability to access and update customers' details and so enabling the competitive supply market to function.
  - ◆ Preventing the repetition of the difficulties experienced by suppliers in the gas market when trying to serve gas customers on Independent Gas Transporters (IGT) networks.
- 4.4. One supplier stated that it would be inappropriate to have a new licensed distributor who was not a signatory to the MRA and that the current position appeared to be an oversight rather than the intention of the legislation.

### ***Distributor responses***

- 4.5. Ofgem received 5 responses from distributors, which were broadly supportive of the proposed licence modifications for the following reasons:
- ◆ Harmonising the rights and obligations placed upon new licensed distributors with those placed upon incumbent network operators.
  - ◆ Ensuring that new distributors entering the industry on a commercial basis play their part in facilitating supply competition.

### ***Maintenance of the MRA***

- 4.6. Two respondents said that it was reasonable to expect all licensed distributors to have a joint responsibility to maintain the MRA and that it was unclear why a new distributor should not share the role.
- 4.7. Ofgem considers that the price control revenues for each of the 14 ex PES distribution networks allow them to recover the costs of maintaining the MRA. The existence of the MRA is vital to the operation of the competitive supply market. It is because of the importance placed on the MRA that the obligation to maintain the MRA as a last resort should fall on the ex PES distributors with their

ability to recoup the associated costs. Ofgem considers it appropriate for all distributors to contribute towards the costs incurred by MRASCo<sup>10</sup>.

### ***Offering terms for an MPAS***

- 4.8. One respondent expressed concerns that distributors without a distribution services area will have no regulatory requirements to offer terms for an MPAS, and electricity suppliers would have no rights to seek determination in the event of a dispute. They recommend that the provisions in Standard Licence Conditions 36, 36A, 36B & 36C be moved to Section B (General) of the licence so that all licensed distributors should be obliged to offer terms for an MPAS with there also being the right to a determination.
- 4.9. In response Ofgem have amended the proposed licence modification to extend the obligations on all distributors relating to the provision of an MPAS to all electricity suppliers.

### ***Interim measures***

- 4.10. One distributor pointed to Ofgem's powers under Standard Licence Condition 2 to apply Section C in whole or in part to a new licensee. In view of the delay in implementing the collective licence modification rules and the application made for a new distribution licence, they believed that it was necessary to consider what interim measures could be implemented. They said that Ofgem could issue a distribution services direction to have the relevant parts of Section C applied to new licensees. The distribution services area could be defined as the area covered by the new licensee's distribution system. This would define the new licensee as a distribution services provider enabling signature of the MRA. They point out that any such direction could be revoked if the proposed amendments to the Standard Licence Conditions were accepted.

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<sup>10</sup> MRASCo is the company established by signatories to the MRA to be responsible for managing the day to day operation of the MRA. On the 1<sup>st</sup> September 2002 MRASCo's personnel and operational assets transferred to Gemserv.



4.11. Ofgem considers that the proposed licence modifications set out in this paper would provide an enduring solution and would be preferable to introducing short term interim measures. The issuance of a distribution services direction would introduce an unnecessary complexity to a licence application made by a new distributor.

## 5. Options

- 5.1. The following chapter discusses the options open to Ofgem and the industry in setting the obligations on distributors to provide an MPAS and an enquiry service.

### ***Option 1: Maintain current arrangements***

- 5.2. Under this option, a new licensed distributor and an existing distributor operating out of its distribution services area would not be required to establish an MPAS nor maintain an enquiry service. This is likely to impede the development of supply competition on these networks. If they were voluntarily to provide metering point administration services then the terms they offered to another party would not be regulated under their licence.
- 5.3. Ofgem considers that there is a need for all distributors to provide and publicise an enquiry service for both customers and suppliers. This is required to provide access to data required by customers and suppliers to facilitate the supply of electricity to the customer and allow them to change supplier.
- 5.4. As set out in Chapter 3 this option would also prevent new distribution companies from becoming signatories to the MRA. In this event, MRASCo as secretariat to the MRA would be called upon to find a solution for example through redrafting the MRA. It has been indicated by industry on a number of occasions that any solution which does not involve distribution licence modification would add complexity to the efficient operation of established industry processes. These complications would arise as the current drafting of the MRA sets out rights and obligations for Service Providers and assumes that the distribution business and Service Provider are the same entity. As detailed in Chapter 3, new licensed distributors will not be recognised as Service Providers under the MRA. A distribution licence modification would avoid the raising of legal matters related to deemed rights and obligations.

## ***Option 2: Establish an MPAS and maintain an enquiry service***

- 5.5. Ofgem could propose that all licensed distributors be obliged to establish an MPAS and maintain an enquiry service. This option would carry forward the proposals of the informal consultation as outlined in Chapter 4. A modification to the licence and the MRA would enable new distributors to sign the MRA.
- 5.6. This option would place a requirement upon new licensed distributors and existing distributors operating out of their distribution services area to establish an MPAS and maintain an enquiry service. However, it would not oblige the licensee to offer to enter into an agreement for the provision of an MPAS. Therefore Ofgem would be unable to regulate the manner in which an MPAS is provided, for example in settling disputes over charges.

## ***Option 3: Extend regulation in provision of an MPAS and enquiry services to all licensed distributors***

- 5.7. Ofgem could propose that in addition to establishing an MPAS and maintaining an enquiry service, all licensed distributors should be required to set out the basis upon which charges will be made for these services and to do so in a non-discriminatory fashion. Furthermore, in the provision of such services all licensed distributors could be required not to restrict, distort or prevent competition in the supply of electricity.
- 5.8. This option would enable Ofgem to replicate its existing role to settle disputes on the terms of the agreement for the provision of an MPAS and to issue directions relieving the licensee of its obligations for the provision of an MPAS following consultation.
- 5.9. At present, all licensed distributors who have a distribution services area are obliged to provide an MPAS to electricity suppliers and distributors within this service area. Under this proposal this obligation will remain. Ofgem does not consider it appropriate for new licensed distributors who do not have a distribution services area to provide an MPAS to other existing distributors operating out of their distribution services area. However, Ofgem does consider

it appropriate for new licensed distributors to provide an MPAS to electricity suppliers operating on their networks.

## 6. Recommendations

- 6.1. To facilitate competition, it is Ofgem's view that all licensed distributors should be required to provide an MPAS and an enquiry service using a standard industry baseline prescribed by the MRA. A supplier's ability to access and update customers' details and operate the change of supplier process is vital in allowing customers to benefit from competition. Suppliers are not able to choose the distribution network to which the customer is connected and Ofgem therefore considers that the necessary provision of an MPAS by a monopoly provider should be adequately regulated.
- 6.2. Ofgem considers that all licensed distributors should provide an MPAS and an enquiry service as described in Option 3 in the previous chapter. These proposed modifications are summarised in detail in Table 1 and set out in full in Appendix 2.
- 6.3. All licensed distributors are required to sign and comply with the MRA. The proposed licence modification will amend the distribution licence to enable new licensed distributors, without a distribution services area, to enter into this agreement.
- 6.4. **Ofgem requests views on the proposed modifications to the Standard Licence Conditions of the Electricity Distribution Licence set out in Appendix 2 and other issues raised in this document.**

**Table 1 Proposals for the Distributor Provision of an MPAS and an Enquiry Service**

Standard Licence Conditions	Proposal
SLC 1 – Definitions and Interpretation	<ul style="list-style-type: none"> <li>• Revise definitions of ‘Master Registration Agreement’ and ‘Metering Point Administration Service’ and ‘metering point administration services’</li> </ul>
SLC 14 – The Master Registration Agreement	<ul style="list-style-type: none"> <li>• Revise title of SLC</li> <li>• All licensed distributors obliged to sign the MRA</li> <li>• All licensed distributors obliged to provide or procure an MPAS</li> <li>• All licensed distributors obliged to maintain an enquiry service</li> </ul>
SLC 14A – Basis of Charges for Metering Point Administration Services: Requirements for Transparency*	<ul style="list-style-type: none"> <li>• charging statement for the provision of metering point administration services. Form of statement approved by Authority</li> </ul>
SLC14B – Non-Discrimination in the Provision of Metering Point Administration Services*	<ul style="list-style-type: none"> <li>• All licensed distributors obliged to offer metering point administration services in non-discriminatory fashion</li> </ul>
SLC 14C – Requirement to Offer Terms for the Provision of Metering Point Administration Services*	<ul style="list-style-type: none"> <li>• the provision of metering point administration services</li> </ul>
SLC 14D – Functions of the Authority*	<ul style="list-style-type: none"> <li>• Either party able to raise a dispute on the provision of metering point administration services with the Authority</li> </ul>
SLC 32 – Interpretation of Section C (Distribution Services Obligations)	<ul style="list-style-type: none"> <li>• Revise definition of ‘data transfer catalogue’</li> <li>• Remove definitions of ‘Metering Point Administration Service’ and ‘metering point administration services’</li> </ul>
SLC 37 – The Metering Point Administration Service and The Master Registration Agreement	<ul style="list-style-type: none"> <li>• Under SLC 37 (2) and (3) reference to ‘all other distribution service providers’ is removed and replaced with ‘all other licensed distributors’</li> </ul>

\* all new standard conditions

# Appendix 1 List of existing relevant Standard Licence Conditions

## Standard Conditions

Condition1	Definitions and Interpretation
Condition 2	Application of Section C (Distribution Service Obligations)
Condition 14	The Master Registration Agreement
Condition 32	Interpretation of Section C (Distribution Services Obligations)
Condition 36	Basis of Charges for Distributor Metering and Data Services
Condition 36A	Non-Discrimination in the Provision of Distributor Metering and Data Services
Condition 36B	Requirement to Offer Terms for the Provision of Distributor Metering and Data Services
Condition 36C	Functions of the Authority
Condition 37	The Metering Point Administration Service and The Master Registration Agreement

# Appendix 2 Proposed Licence Modifications

## Condition 1. Definitions and Interpretation

"Master Registration Agreement"	means the agreement of that title referred to and comprising such matters as are set out in <u>standard condition 14 (Provision of Metering Point Administration Service and Compliance with Master Registration Agreement)</u> and <u>standard condition 37 (The Metering Point Administration Service and the Master Registration Agreement)</u> .
"Metering Point Administration Service"	<del>for the purpose of Section C only, has the meaning given in standard condition 32 (Interpretation of Section C (Distribution Services Obligations)).</del>  means the service to be established, operated and maintained by the licensee in accordance with <u>standard condition 14 (Provision of the Metering Point Administration Service and Compliance with the Master Registration Agreement)</u> .
"metering point administration services"	<del>for the purpose of Section C only, has the meaning given in standard condition 32 (Interpretation of Section C (Distribution Services Obligations)).</del>  means the services of the <u>Metering Point Administration Service established in accordance with standard condition 14 (Provision of the Metering Point Administration Service and Compliance with the Master Registration Agreement)</u> or, where the context requires, <u>means the equivalent services provided by a distribution services provider in accordance with the provisions of its distribution licence.</u>



**Condition 14. Provision of the Metering Point Administration Service and Compliance with the Master Registration Agreement**

1. The licensee shall be a party to and shall comply with the provisions of the Master Registration Agreement.
2. The licensee shall establish, or procure the establishment of, and subsequently operate and maintain, or procure the subsequent operation and maintenance of, a service to be known as the "Metering Point Administration Service."
3. The Metering Point Administration Service shall fulfil the following functions:
  - (a) the maintenance of such a register of technical and other data as is necessary to facilitate supply by any electricity supplier to all premises connected to the licensee's distribution system and to meet the reasonable requirements of electricity suppliers in respect of such premises for information for settlement purposes, including (where so required):
    - (i) the identity of the electricity supplier responsible under the Balancing and Settlement Code (where the premises are within England and Wales) and/or the Settlement Agreement for Scotland (where the premises are within Scotland) for the metering point at such premises;

- (ii) the type of metering equipment installed at each such premises; and
  - (iii) a unique and accurate address of each such premises so far as is reasonably practicable having regard to the nature and source of the information provided to the licensee;
- (b) the amendment of the register maintained in accordance with subparagraph (a) to reflect changes of electricity supplier in respect of any premises;
- (c) the provision, in a timely and efficient manner, of such data contained in the register as is reasonably required and requested to:
  - (i) any electricity supplier or agent thereof;
  - (ii) any person identified in the Balancing and Settlement Code (where the premises are within England and Wales) and/or the Settlement Agreement for Scotland (where the premises are within Scotland) as an appropriate person for the receipt of data for settlement purposes; and
  - (iii) any person identified in the Master Registration Agreement as entitled to such data for the purpose of facilitating

changes of electricity supplier in respect of any premises;

and

- (d) the maintenance of an enquiry service for the provision to any customer or an electricity supplier, on request and free of charge to that customer, of such data contained in the register as is relevant to the supply of electricity to premises which are (or are to be) owned or occupied by the customer, and the taking of such steps as will in the opinion of the licensee secure adequate publicity for the operation of the enquiry service.

**Condition 14A. Basis of Charges for Metering Point Administration Services:**

**Requirements for Transparency**

1. The licensee shall as soon as practicable prepare a statement in a form approved by the Authority setting out the basis upon which charges will be made for the provision of metering point administration services, in such form and with such detail as shall be necessary to enable an electricity supplier to make a reasonable estimate of the charges to which the electricity supplier would become liable to pay for the provision of such services and of the other terms, likely to have a material impact on the conduct of the electricity supplier's business, upon which the service would be provided and (without prejudice to the foregoing) including the information set out in paragraph 2.
2. The statement referred to in paragraph 1 shall include a schedule of charges, for metering point administration services together with an explanation of the methods by which and the principles on which such charges will be calculated.
3. The Authority may, upon the written request of the licensee, issue a direction relieving the licensee of its obligations under paragraph 1 to such extent and subject to such terms and conditions as the Authority may specify in that direction.
4. The licensee shall not in setting its charges for, or in setting the other terms that will apply to the provision of metering point administration services, restrict, distort or prevent competition in the generation, distribution or supply of electricity .
5. The licensee:

- (a) shall, at least once in every year, review the information set out in the statement prepared in accordance with paragraph 1 in order that the information set out in such a statement shall continue to be accurate in all material respects; and
  - (b) may, with the approval of the Authority, from time to time alter the form of such a statement.
- 6. The licensee shall send a copy of the statement prepared in accordance with paragraph 1, and of each revision of such statement, to the Authority.
- 7. The licensee shall give or send a copy of the statement prepared in accordance with paragraph 1, or (as the case may be) of the latest revision of such statement, to any person who requests a copy of such a statement.
- 8. The licensee may make a charge for any statement given or sent pursuant to paragraph 7 of an amount which shall not exceed the amount specified in directions issued by the Authority for the purposes of this condition based on the Authority's estimate of the licensee's reasonable costs of providing such a statement.

## **Condition 14B. Non-Discrimination in the Provision of Metering Point Administration**

### **Services**

1. In the provision of metering point administration services the licensee shall not discriminate between any electricity supplier.
2. Without prejudice to paragraph 1, and subject to the provisions of standard condition 14A (Basis of Charges for Metering Point Administration Services: Requirements for Transparency), the licensee shall not make charges for the provision of metering point administration services to any electricity supplier which differ from the charges for such provision to any other electricity supplier except in so far as such differences reasonably reflect differences in the costs associated with such provision.

## Condition 14C. Requirement to Offer Terms for the Provision of Metering Point

### Administration Services

1. This condition sets out the obligations relating to the metering point administration services pursuant to and in accordance with the Master Registration Agreement.
2. On application made by any electricity supplier for all premises connected to the licensee's distribution system, the licensee shall (subject to paragraph 5) offer to enter into an agreement for the provision of metering point administration services.
3. In making an offer pursuant to this condition to enter into an agreement, the licensee shall set out:
  - (a) the date by which metering point administration services required shall be provided (time being of the essence, unless otherwise agreed between parties);
  - (b) the charges to be paid in respect of metering point administration services required, such charges (unless manifestly inappropriate):
    - (i) to be presented in such a way as to be referable to the statement prepared in accordance with paragraph 1 of standard condition 14A (Basis of Charges for Metering Point Administration Services) or any revision thereof;

- (ii) to be in conformity with the requirements of standard condition 14A (Basis of Charges for Metering Point Administration Services: Requirements for Transparency).
  - (c) such other detailed terms in respect of each of the metering point administration services required as are or may be appropriate for the purpose of the agreement.
- 4. The licensee shall offer terms for agreement in accordance with paragraph 2 as soon as practicable and (save where the Authority consents to a longer period) in any event not more than 28 days after receipt by the licensee (or its agent) from an electricity supplier of an application containing all such information as the licensee may reasonably require for the purpose of formulating the terms of the offer.
- 5. The licensee shall not be obliged pursuant to this condition to offer to enter or to enter into any agreement if to do so would be likely to involve the licensee being:
  - (a) in breach of its duties under section 9 of the Act;
  - (b) in breach of any regulations made under section 29 of the Act or of any other enactment relating to safety or standards applicable in respect of the distribution business;
  - (c) in breach of any Grid Code or Distribution Code; or
  - (d) in breach of the conditions.



6. The licensee shall undertake metering point administration services in the most efficient and economic manner practicable having regard to the alternatives available and the other requirements of the licence and of the Act in so far as they relate to the provision of such services.
  
7. In the provision of metering point administration services the licensee shall not restrict, distort or prevent competition in the supply of electricity.

#### **Condition 14D. Functions of the Authority**

1. If, after a period which appears to the Authority to be reasonable for the purpose, the licensee has failed to enter into an agreement with an electricity supplier entitled or claiming to be entitled thereto pursuant to a request under standard condition 14C (Requirement to Offer Terms for the Provision of Metering Point Administration Services), the Authority may, on the application of such an electricity supplier or the licensee, settle any terms of the agreement in dispute between the licensee and the electricity supplier in such manner as appears to the Authority to be reasonable having (in so far as relevant) regard in particular to the following considerations:
  - (a) that the performance by the licensee of its obligations under the agreement should not cause it to be in breach of those provisions referred to at paragraph 5 in standard condition 14C (Requirement to Offer Terms for the Provision of Metering Point Administration Services);  
and
  - (b) that the terms and conditions of the agreement so settled by the Authority and of any other agreements entered into by the licensee pursuant to a request under standard condition 14C (Requirement to Offer Terms for the Provision of Metering Point Administration Services) should be in as similar a form as is practicable.
  
2. In so far as an electricity supplier entitled or claiming to be entitled to an offer under standard condition 14C (Requirement to Offer Terms for the Provision of

Metering Point Administration Services) wishes to proceed on the basis of the agreement as settled by the Authority pursuant to paragraph 1, the licensee shall forthwith enter into and implement such agreement in accordance with its terms.

3. If either party to such agreement proposes to vary the contractual terms of any agreement for the provision of metering point administration services entered into pursuant to standard condition 14C (Requirement to Offer Terms for the Provision of Metering Point Administration Services) in any manner provided for under such agreement, the Authority may, at the request of that party, settle any dispute relating to such variation in such manner as appears to the Authority to be reasonable.
  
4. The Authority may (following consultation with the licensee) issue directions relieving the licensee of its obligations under standard condition 14C (Requirement to Offer Terms for the Provision of Metering Point Administration Services) relating to metering point administration services in respect of such parts of that condition and to such extent as may be specified in the directions.

## Condition 32. Interpretation of Section C (Distribution Services Obligations)

“data transfer catalogue”

has the meaning given at paragraph 3(c) of standard condition 37 (The Metering Point Administration Service and the Master Registration Agreement).

~~“metering point administration services”~~

~~means the services of the Metering Point Administration Service established in accordance with standard condition 37 (The Metering Point Administration Service and the Master Registration Agreement) or, where the context requires, means the equivalent services provided by other distribution services provider in accordance with the provisions of its distribution licence.~~

~~“Metering Point Administration Service”~~

~~means the service to be established, operated and maintained by the licensee in accordance with standard condition 37 (The Metering Point Administration Service and the Master Registration Agreement).~~

**Condition 37. The Metering Point Administration Service and the Master Registration Agreement**

- ~~1. The licensee shall establish, or procure the establishment of, and subsequently operate and maintain, or procure the subsequent operation and maintenance of, a service to be known as the "Metering Point Administration Service."~~
  
- ~~2. The Metering Point Administration Service shall, within the distribution services area, fulfil the following functions:~~
  - ~~(a) the maintenance of such a register of technical and other data as is necessary to facilitate supply by any electricity supplier to all premises connected to the licensee's distribution system within the distributions services area or, where so requested, connected to another distribution system within the distribution services area and to meet the reasonable requirements of electricity suppliers in respect of such premises for information for settlement purposes, including (where so required):~~
    - ~~(i) the identity of the electricity supplier responsible under the Balancing and Settlement Code (where the distribution services area is within England and Wales) and/or the Settlement Agreement for Scotland (where the distribution services area is within Scotland) for the metering point at such premises;~~

~~(ii) — the type of metering equipment installed at each such premises; and~~

~~(ii) — a unique and accurate address of each such premises so far as is reasonably practicable having regard to the nature and source of the information provided to the licensee;~~

~~(b) the amendment of the register maintained in accordance with subparagraph (a) to reflect changes of electricity supplier in respect of any premises;~~

~~(c) the provision, in a timely and efficient manner, of such data contained in the register as is reasonably required and requested to:~~

~~(i) — any electricity supplier or agent thereof;~~

~~(ii) — any person identified in the Balancing and Settlement Code (where the distribution services area is within England and Wales) and/or the Settlement Agreement for Scotland (where the distribution services area is within Scotland) as an appropriate person for the receipt of data for settlement purposes; and~~

~~(iii) — any person identified in the Master Registration Agreement as entitled to such data for the purpose of facilitating~~

~~changes of electricity supplier in respect of any premises;  
and~~

~~(d) the maintenance of an enquiry service for the provision to any customer or an electricity supplier, on request and free of charge to that customer, of such data contained in the register as is relevant to the supply of electricity to premises which are (or are to be) owned or occupied by the customer, and the taking of such steps as will in the opinion of the licensee secure adequate publicity for the operation of the enquiry service.~~

31. The licensee shall use its best endeavours, in conjunction and co-operation with all other distribution services providers, to prepare and maintain a form of agreement to be known as the Master Registration Agreement.

42. The Master Registration Agreement shall be an agreement made between:

(a) on the one part, the licensee and all other ~~distribution services providers in their capacity as providers of metering point administration services~~ licensed distributors; and

(b) on the other part:

(i) all electricity suppliers (or their agents) which require the provision of metering point administration services from at

least one ~~distribution services provider~~ licensed distributor;

and

- (ii) such other persons as are, for settlement purposes, appropriate parties to the agreement.

53. The Master Registration Agreement shall comprise:

- (a) terms for the provision of metering point administration services in accordance with the requirements of paragraph 3 of standard condition 14 (Provision of the Metering Point Administration Service and Compliance with the Master Registration Agreement) and the equivalent requirements in the distribution licences of all other ~~distribution services providers~~ licensed distributors;
- (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) a catalogue of definitions, flows and forms of such data as may require to be transferred by or to parties to the Master Registration Agreement, or as between any persons for settlement purposes or for any related purposes (the "data transfer catalogue");
- (d) arrangements for the variation of the Master Registration Agreement following consultation with the parties, or representatives of the parties, to that agreement;
- (e) provisions (which shall require to be approved in advance by the Authority) by virtue of which the whole or specified parts of the Master



Registration Agreement shall not be capable of variation without the prior approval of the Authority; and

- (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.