

Consultation

Licence fee cost recovery principles

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Response deadline: 4 weeks

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We are consulting on minor changes to the licence fee cost recovery principles. We would like views from people with an interest in the principles, particularly licence fee payers. We would also welcome responses from other stakeholders and the public.

This document outlines the scope, purpose and questions for the consultation and how you can get involved. Once the consultation is closed, we will consider all responses. We want to be transparent in our consultations. We will publish the non-confidential responses we receive alongside a decision on next steps on our website at [Ofgem.gov.uk/consultations](https://www.ofgem.gov.uk/consultations). If you want your response – in whole or in part – to be considered confidential, please tell us in your response and explain why. Please clearly mark the parts of your response that you consider to be confidential, and if possible, put the confidential material in separate appendices to your response.

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1. Introduction

1.1. The licence fee cost recovery principles (the “principles”) set out how the amounts payable to Ofgem under the gas and electricity transmission licences are calculated and billed. The principles were last updated in April 2016¹ after consultation. The consultation at the time committed to update the framework after five years.

1.2. A change to the billing schedule is required in accordance with HM Treasury rules and for consistency with other regulators. This change will not impact the licence fee cost.

1.3. This consultation sets out proposed amendments to the principles including in relation to the returning of surpluses to licence fee payers.

1.4. We are also seeking views from the licence fee payers on the letters which accompany the licence fee invoices.

1.5. The updated principles and letter structure would apply from our financial year 2021-22 onwards. The first invoices, credit notes and letters under the new framework would be issued in June/ July 2021.

1.6. We welcome your views on the areas for consideration. We are open to all feedback and opinions on the below items and will take account of the costs and benefits of all proposed amendments to the current practice.

¹ https://www.ofgem.gov.uk/system/files/docs/2016/11/lfcpr_document_april_2016.pdf

2. Proposed updates to the principles document

Question 1:

Do you have any comments on our proposed updated principles? The main proposed change is the way in which any surplus at the end of the year is managed.

2.1. The document containing our proposed updated principles also contains the following appendices: Costs; Licence fee calculation template; Definition of gas and electricity customers; and Illustrative allocation of licence fees to licence holders. This chapter of this consultation explains our proposed changes to the principles and the appendices.

The Principles

2.2. The proposed changes do not affect the underlying calculation of the cost. The changes are described below in the order they appear in the principles document.

Energywatch removed	2.4	The list of costs being recovered through the licence fee is updated to remove references to energywatch
Wording updated	2.4	Description of consumer advocacy work updated Department responsible for metrology updated Corporate plan change to forward work plan Name of electricity system operator updated
Clarification of when licence fee starts and ends	2.18, 2.19	Paragraph added to state when a newly licensed entity would start to pay the licence fee Paragraph added to state when an entity stops paying the licence fee when their licence is revoked
Consequences of late or non-payment	2.20, 2.21	Lines added to note that interest may apply and that enforcement action may be taken for late or non-payment
Process diagram	2.22	Timeline of activities added to show the end to end process by month

Appendix 1 - Costs

2.3. The main change to this appendix is to the section addressing any savings or overspend at the end of the year.

2.4. The current version provides for an adjust to be made to the next year's calculation in respect of any amount that is not spent. Ofgem proposes to change this approach in accordance with HM Treasury rules, and for consistency with other regulators.

2.5. Under the proposed approach any savings will be paid back to the licensee after the financial year end, when the final audited Ofgem position is known. The total savings will be repaid to licensees in proportion to the original payment².

2.6. The remaining changes are described below in the order they appear in Annex 1.

How Ofgem budget is set	1.1, 1.2	Text updated to explain that Ofgem's plan of work is set out in the Forward Work Plan, and the cost of that plan forms Ofgem's budget That budget has to be approved by Parliament
What costs are included - capital	2.1	Clarification that the way which Ofgem will recharge the cost of capital items (IT equipment, furniture, etc) is through depreciation This is no change to practice, just clearer wording
What costs are included – E-serve	2.2, 2.3	Wording updated to reflect that E-serve, Offshore Tender and any other costs which are not funded by the licence fee are excluded from the calculation
Setting our budget	3.1	Out of date diagram removed
Flexibility for future activities	4.2	Wording updated to explain that any changes in Ofgem's budget have to be approved by Parliament and then published
Year end savings or overspend	5.1, 5.2	Any surplus (savings) will be repaid to licensees, not netted off the licence fee the following year, as described above

² For example if Company A paid 10% of the 2021-22 licence fee, they would receive a credit note for 10% of any 2021-22 savings

Any overspend would need to be agreed with HM Treasury, including whether the additional spend was charged to the licence fee or not

Monitoring and transparency sections combined with this section and condensed

**Calculation
template**

Apx
2

Moved to an Appendix of its own

Wording and terminology updated

Appendix 2 – Licence fee calculation template

2.7. Previously part of Appendix 1. No changes proposed to the calculation template.

Appendix 3 – Definition of gas and electricity customers

2.8. Previously Appendix 2. No changes proposed to this section.

Appendix 4 - Allocation

2.9. Previously Appendix 3. Proposed minor change to headings and name of electricity system operator updated.

3. Letters accompanying invoices

Question 2:

Do you have any comments on the form and content of the letters, which accompany invoices?

3.1. The letters which accompany the invoices are very detailed. The tranche 2 letter repeats much of the tranche 1 information.

3.2. We would welcome the views of licence fee payers on which parts of the letters are useful or not useful.

3.3. Options for the accompanying letter which we would like your views on are:

- Sending future invoices with a simple covering letter which does not provide any substantial explanation of the Licence Fee costs
- Providing a summary letter, which shows the calculation template and a very brief narrative
- Providing a letter to summarise Tranche 1 charges, but only provide an equivalent letter for Tranche 2 if there is any significant change in total costs (say >5%)
- Continue with the current approach and format for letters

3.4. The current structure of the letters is:

- Confirmation that the licence fee is payable under Standard Licence Conditions and the payment terms
- Introduction – budget framework
- Savings or overspend from prior year calculation (this will no longer be needed under the new principles)
- Confirmation of amounts payable to BEIS
- Collection of fees – confirmation that Tranche 1 is for 75% of the cost and Tranche 2 is for 25% of the cost

- Calculation template
- A table showing, for the licensee: customer numbers, tranche 1 total, tranche 2 total and combined total
- A table showing the overall: tranche 1 total, tranche 2 total and combined total

4. How to respond and give feedback

Consultation stages

4.1. The consultation will be open until 2 April 2021. Responses will be reviewed and the consultation decision will be published by 31 May 2021.

How to respond

4.2. We want to hear from anyone interested in this consultation. Please send your response to Elaine Hutcheson at financialaccounts@ofgem.gov.uk

4.3. We've asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

4.4. We will publish non-confidential responses on our website at www.ofgem.gov.uk/consultations.

Your response, data and confidentiality

4.5. You can ask us to keep your response, or parts of your response, confidential. We'll respect this, subject to obligations to disclose information, for example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

4.6. If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you *do* wish to be kept confidential and those that you *do not* wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we'll get in touch with you to discuss which parts of the information in your response should be kept confidential, and which can be published. We might ask for reasons why.

4.7. If the information you give in your response contains personal data under the General Data Protection Regulation 2016/379 (GDPR) and domestic legislation on data

protection, the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Annex 2.

4.8. If you wish to respond confidentially, we'll keep your response itself confidential, but we will publish the number (but not the names) of confidential responses we receive. We won't link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

General feedback

4.9. We believe that consultation is at the heart of good policy development. We welcome any comments about how we've run this consultation. We'd also like to get your answers to these questions:

1. Do you have any comments about the overall process of this consultation?
2. Do you have any comments about its tone and content?
3. Was it easy to read and understand? Or could it have been better written?
4. Were its conclusions balanced?
5. Did it make reasoned recommendations for improvement?
6. Any further comments?

Please send any general feedback comments to stakeholders@ofgem.gov.uk

How to track the progress of the consultation

You can track the progress of a consultation from upcoming to decision status using the 'notify me' function on a consultation page when published on our website.

[Ofgem.gov.uk/consultations](https://www.ofgem.gov.uk/consultations).

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Annex 1 – Proposed new principles

Licence fee cost recovery principles

April 2021

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1. Introduction

1.1. The principles covered in this document set out the arrangements for making payments to the Gas and Electricity Markets Authority ('the Authority').

1.2. Under the Standard Licence Condition (SLC) entitled 'Payments by Licensee to the Authority' (SLC 3 in gas transportation licences and SLC A4 in electricity transmission licences) and SLC 5 'Licensee's payments to the Authority' in the electricity distribution licences), the amount to be paid annually by the licensee is an 'appropriate proportion' of the amounts specified in paragraphs 2(a)–2(l) of the gas transportation SLC, paragraphs 3(a)–3(l) of the electricity transmission SLC, paragraphs 5.1(a)-5.1(l) of the electricity distribution SLC; and an adjustment by reference to the actual costs of the previous year in paragraph 2(m) of the gas transportation, paragraph 3(m) of the electricity transmission SLC, and paragraph 5.1(m) of the electricity distribution SLC.

1.3. The 'appropriate proportion' is defined as 'the proportion of the costs attributable to the licensee in accordance with principles determined by the Authority for the purposes of this condition generally (after consultation with the licensee and others likely to be affected by the application of those principles) and notified to the licensee'. This document sets out the principles determined by the Authority for the purpose of calculating the 'appropriate proportion' in relation to the three types of licence referred to in paragraph 1.2 above.

1.4. The principles will be kept under review in the light of any material changes in circumstances, including in particular any modifications made to the 'Payments by Licensee to the Authority' SLCs or where there has been a significant change in ownership of a licensed gas or electricity network. Ofgem would expect to consult licensees before making any changes to the principles.

2. The principles

Purpose

2.1. These principles set out the arrangements for making payments to the Authority.

Legal status

2.2. These principles constitute the principles for the purpose of the 'Payments by Licensee to the Authority' or 'Licensee's payments to the Authority' SLCs and explain how the Authority will calculate the total amount payable under these SLCs for each licence holder that has this SLC included in its licence. They will apply for the financial year 2021-22 and subsequent years until changed after consulting licensees.

The principles

2.3. All of the costs that will be recovered by Ofgem will be recovered from the network businesses that hold the following types of licence:

- gas transportation;
- electricity transmission licences where the licensee has been issued with a Section C (system operator standard conditions) Direction which is still in effect; and
- electricity distribution.

2.4. The costs that will be recovered by Ofgem through the 'Payments by Licensee to the Authority' or 'Licensee's payments to the Authority' SLCs comprise in relation to a relevant year the estimate of:

- Ofgem's costs, being the net of:
 - All Ofgem's own costs less Ofgem's exceptional costs (see paragraph 2.6.) and less Ofgem's own costs that will be recovered by means other than through the use of the 'Payments by Licensee to the Authority' or 'Licensee's payments to the Authority' SLCs (see Appendix 1); and
 - All Ofgem's own income. For the purposes of these principles Ofgem's own income excludes the income recovered through the 'Payments by Licensee to the Authority' or 'Licensee's payments to the Authority' SLCs;
- the appropriate proportion of the costs of Citizens Advice, Citizens Advice Scotland and Scottish Government which form part of the advocacy work plan related to the energy sector;
- the costs of the Secretary of State and Office for Product Safety and Standards within Department for Business, Energy and Industrial Strategy (BEIS) which relate to statutory metrology services; and
- any other adjustments, which will be explained in the letter accompanying the licence fee invoice.

2.5. In any year where the Authority needs to recover exceptional costs the method for recovering these costs will either be disclosed in the forward work plan for that year or, if this is not possible, in the letter accompanying the licence fee invoice. Exceptional costs comprise significant costs that in the opinion of the Authority cannot be divided between gas and electricity licence holders without unreasonably penalising either gas or electricity customers.

2.6. The method for determining the number of gas and electricity customers is defined in Appendix 3. All the types of licence holder identified in paragraph 2.3 will be required to make formal returns, showing the number of customers on 30 September of the preceding year, to the Authority by 1 May in each year. It is this number which is used in the following calculations.

2.7. The costs that will be recovered by Ofgem as defined in paragraph 2.4 will be recovered from the gas licence holders holding the type of licence identified in paragraph 2.2 based on the following proportion:

$$\frac{\text{Total gas customers}}{\text{Total gas customers plus total electricity customers}}$$

2.8. The costs that will be recovered by Ofgem as defined in paragraph 2.4 will be recovered from the electricity licence holders holding the types of licence identified in paragraph 2.2 based on the following proportion:

$$\frac{\text{Total electricity customers}}{\text{Total gas customers plus total electricity customers}}$$

2.9. For gas licence holders, half of the amount recoverable will be allocated to the National Transmission System (NTS) and half of the amount recoverable will be allocated to licensed gas transportation networks that are not the NTS. For the purposes of this document the NTS is that part of the system for the time being designated by National Grid Gas plc as such and described in National Grid Gas plc's Ten Year Statement.

2.10. The amount payable by National Grid Gas plc in its role as the owner of the NTS will be half of the total charge to gas transportation licence holders.

2.11. The amount payable by a gas transportation licence holder in its role as owner of a licensed gas transportation network that is not the NTS will be determined by the proportion of:

$$\frac{\text{Number of gas customers that are directly connected to any licensed gas transportation network of the licence holder that is not the NTS}}{\text{Total number of gas customers}}$$

2.12. For electricity licence holders, one half of the amount recoverable will be allocated between the holders of an electricity transmission licence that has a Section C (system operator standard conditions) Direction in effect in their licence (at present this is only National Grid Electricity System Operator Limited who will therefore pay the whole of the transmission portion) and one half of the amount recoverable will be allocated between

electricity distribution licence holders.³

2.13. The amount payable by each holder of an electricity distribution licence will be determined by the proportion of:

<p>Number of electricity customers that are directly connected to any licensed electricity distribution network of that electricity distribution licence holder</p> <p>to</p> <p>Total number of electricity customers</p>
--

2.14. For price control purposes, the licence fee is treated as a pass-through cost.

2.15. Under BETTA, Ofgem amended the special conditions of each of the transmission licensees to allow recovery of the licence fee from the system operator rather than all transmission licensees. For transmission owners Ofgem retained the licence fee component in the price control but set it at zero from BETTA go-live. For the GB system operator, the licence fee component of its price control was increased to allow recovery of the total electricity transmission element of the licence fee. On 22 February 2005 Ofgem issued notices to the three transmission licensees in accordance with section 11 of the Electricity Act 1989 which included these proposals.

2.16. A reconciliation between the final version of the forward work plan for the relevant year, the budget voted by Parliament for the relevant year and the total sum being recovered for the relevant year through the 'Payments by Licensee to the Authority' or 'Licensee's payments to the Authority' SLCs will accompany invoices for licence fees.

2.17. The minimum licence fee payable will be £500 a year. Where the amount due under the formula set out above is less than this it will be rounded up to £500.

2.18. New licensees will not be included in the current financial year's licence fee. They will be included in their first full financial year of operation instead. For example, if the licence is granted in April 20X1 then the first licence fee will be paid in July 20X2.

2.19. Where licences have been revoked during the year, the licence fee is still payable for the current financial year. For example, if the licence is revoked in October 20X1 then a licence fee is still payable in July 20X1 and January 20X2. But no fee would be payable for July 20X2.

2.20. Ofgem may charge interest on fees which are not paid within 30 days of the invoice date.

2.21. Late fees or non-payment of fees may result in enforcement action.

³ Were more than one Transmission licensee to have Section C of the transmission SLCs in effect in their licenses, further changes would be required to the principles to consider the allocation of the transmission portion between these parties.

2.22. An overview of the process is set out in the summary below:

December to March

- Ofgem consult on and publish a Forward Work Plan for the next year

June

- Ofgem agrees annual budget with HM Treasury, budget is laid before Parliament (Main Estimates)
- The calculation for Tranche 1 invoices is prepared by Ofgem
- Purchase order numbers for Tranche 1 should be submitted to invoices@ofgem.gov.uk

July

- Main Estimates figures are published
- Letters and invoices are issued for Tranche 1
- Credit notes are issued and paid for any over-recovery from the prior year

August

- Tranche 1 payments are due

November

- Ofgem agrees and changes to annual budget with HM Treasury (Supplementary Estimates)
- The calculation for Tranche 1 invoices is prepared by Ofgem
- Purchase order numbers for Tranche 2 should be submitted to invoices@ofgem.gov.uk

December

- Letters and invoices are issued for Tranche 2

January

- Supplementary Estimates are laid before Parliament
- Tranche 2 payments are due

February

- Supplementary Estimates figures are published

Appendix 1 Costs

1. Budget framework

1.1. To minimise our costs on consumers whilst maximising the impact we have, it is recognised that we have a responsibility to achieve value for money from all our activities. Ofgem set a Forward Work Plan each year, and seek approval for the cost of this work from Parliament each year through the Supply Estimates process.

1.2. The Supply Estimates process is the way by which Ofgem and other government departments seek Parliamentary approval for their annual spend. An initial spending plan is put forward at the [Main Estimates](#), and any changes during the year are reflected in the [Supplementary Estimates](#). The approved budgets are published by HM Treasury.

2. What costs are included

2.1. All Ofgem's administration and depreciation costs will be included.

2.2. Expenditure which is not funded by licence fee is excluded. The main areas are within E-serve and Offshore Tender.

2.3. E-Serve chiefly undertakes work on behalf of other government departments (such as scheme administration for Renewable Obligation, Feed-in Tariff, Domestic and Non-Domestic Renewable Heat Incentive)⁴ and these costs are recovered directly, either from the respective government departments (such as BEIS), or from the scheme itself.

3. Setting our budget

3.1. Our budget setting process is led by our senior leadership team. We prioritise those activities that we expect to deliver the greatest value for consumers.

3.2. Our activities are split into projects and core business. Where project expenditure is lower than planned, savings are reassessed to ensure that the correct work is commissioned in order to achieve our strategic objectives.

4. Flexibility for future activities

4.1. The nature of some projects and legal cases undertaken by Ofgem can be quite significant in relation to the size of our overall budget. An unexpected major new project or a lengthy regulatory appeal could therefore have significant implications for the budget (and the costs potentially charged to licensees).

4.2. Any increase in Ofgem's budget must be approved by HM Treasury and then Parliament. If an increase is approved and the activity is funded through licence fees,

⁴ Further information can be found at: <https://www.ofgem.gov.uk/environmental-programmes>

then we will inform licensees that this amount will be recovered. Whilst Ofgem would aim to give licensees advance notification of such an event, this may not always be possible.

5. Year-end savings or overspend

5.1. Any licence fee saving identified at year-end will be returned to those who funded it, in line with the original apportionment calculation. Once the final position has been calculated and audited (usually in June or July), credit notes will be issued for any funds to be returned.

5.2. The treatment of any overspend would have to be agreed with HM Treasury and any additional costs would be communicated to licensees in a separate letter. Ofgem's senior leadership⁵ monitor performance against budget on a monthly basis and action taken to mitigate the risk of overspending. An overspend would only occur in exceptional circumstances.

5.3. Ofgem will ensure that progress and details of any savings or overspend are fully transparent to licence fee payers. Information will be provided in the following ways:

- *Forward Work Programme*
Improving our efficiency and effectiveness for consumers is an essential element of our Forward Work Programme.
- *Annual Report and Accounts*
Ofgem's Annual Report and Accounts, which is audited by the National Audit Office, will detail the savings or overspend outstanding at the financial year end
- *Licence fee request*
Reconciliations between the Forward Work Plan, costs approved by Parliament, and the licence fee will be provided in the letter accompanying the invoices.

⁵ Managing public money: <https://www.gov.uk/government/publications/managing-public-money>

Appendix 2 Licence fee calculation template

The total cost to licence fee payers for Ofgem will be £xx,xxx million. The calculation is as follows:

	£000	£000
Ofgem gross expenditure 20xx-xx ¹	xx,xxx	
Less E-Serve related income:		
• Administration of environmental schemes excluding Renewable Energy Guarantees Origin	(xx,xxx)	
• Renewable Energy Guarantees Origin ²	<u>(xxx)</u>	(xx,xxx)
Less other income:		
• Offshore tenders and competition income	(x,xxx)	
• Income which is not funded by the licence fee	<u>(x,xxx)</u>	(xx,xxx)
Ofgem net cost to licence fee payers	xx,xxx	
Add other relevant organisation costs:		
• Advocacy costs ³		xx,xxx
• Metrology costs ⁴		xx,xxx
Total cost to licence fee payers		xx,xxx

¹ Ofgem gross costs will be shown in the Forward Work Programme and the Main/ Supplementary Estimate.

² Administration of the CCL (now closed) and Renewable Energy Guarantees Origin (REGO) is not funded through the licence fee.

³ Payments to BEIS which represent the energy-sector related costs of Citizens Advice. This is an estimate based on the prior-year budget, which will be amended in the second-tranche licence fee request.

⁴ Payments to BEIS in respect of their statutory responsibility to undertake metrology services.

Relevant details concerning actual licence fee calculations for future years will be set out in that year's Forward Work Programme and licence fee request.

Appendix 3 Definition of gas and electricity customers

The same basis for defining gas customers applies to all gas transportation licence holders for the purposes of this document.

A gas customer is:

A customer means any person to whose premises or pipe-line system gas has been conveyed by a Gas Distribution Network. Customers should be identified from their unique Supply Meter Point Reference Number (MPRN) or connected system exit point (CSEP) location. The method adopted by GDNs to identify customers from their MPRNs or CSEPs shall be agreed in advance with the Gas and Electricity Markets Authority (the "Authority").

Source:

The above definition of gas customers has been extracted from version 5 of the QoS RIGs.

The same basis for defining electricity customers applies to all electricity transmission and electricity distribution licence holders for the purposes of this document.

An electricity customer is:

Any energised or de-energised entry or exit point to the licensed electricity distribution system, where metering equipment is used for the purpose of calculating charges for electricity consumption. Customers should be identified from Metering Point Administration Numbers (MPANs), such that individual customers are identified at each connection point.

The total number of electricity customers is defined as the total number of customers directly connected to the licence holder's licensed electricity distribution network as at 30 September each year.

Only one (individual) customer should be identified at each connection point. This means aggregating multiple MPANs which arise due to the type of "tariff" (or equivalent) and/or metering arrangements (e.g. import/export meters) but are associated with a single connection point (i.e. MPANs in respect of additional concurrent meters should not be counted).

In some cases (e.g. flats) the connection point may be from the licensed electricity distribution system to wiring owned by a landlord or a facilities manager. In such cases, individual customers supplied by such wiring are classed as customers of the licensed distribution system where they are identifiable from MPANs.

Source:

The above definition of electricity customers has been developed from Annex A
– Glossary of the Regulatory Instructions and Guidance.

Appendix 4 Illustrative allocation of licence fees to licence holders

Illustrative allocation of licence fees to licence holders

Licence holders	Illustrative Customer numbers	Allocation of licence fees (%)
Electricity distribution		
Electricity Distributor 1	1,000,000	1.5625
Electricity Distributor 2	1,000,000	1.5625
Electricity Distributor 3	1,000,000	1.5625
Electricity Distributor 4	1,000,000	1.5625
Electricity Distributor 5	1,000,000	1.5625
Electricity Distributor 6	1,000,000	1.5625
Electricity Distributor 7	1,000,000	1.5625
Electricity Distributor 8	1,000,000	1.5625
Electricity Distributor 9	1,000,000	1.5625
Electricity Distributor 10	1,000,000	1.5625
Electricity Distributor 11	1,000,000	1.5625
Electricity Distributor 12	1,000,000	1.5625
Electricity Distributor 13	1,000,000	1.5625
Electricity Distributor 14	1,000,000	1.5625
Electricity Distributor 15	1,000,000	1.5625
Electricity Distributor 16	1,000,000	1.5625
Electricity Distributor 17	1,000,000	1.5625
Total	17,000,000	26.5625
Electricity Transmission		
National Grid Electricity System Operator Limited (50%)	17,000,000	26.5625
Total Electricity	34,000,000	
Gas transportation networks (excluding the NTS)		
Gas Transporter 1	1,000,000	1.5625
Gas Transporter 2	1,000,000	1.5625
Gas Transporter 3	1,000,000	1.5625
Gas Transporter 4	1,000,000	1.5625
Gas Transporter 5	1,000,000	1.5625
Gas Transporter 6	1,000,000	1.5625
Gas Transporter 7	1,000,000	1.5625
Gas Transporter 8	1,000,000	1.5625
Gas Transporter 9	1,000,000	1.5625
Gas Transporter 10	1,000,000	1.5625
Gas Transporter 11	1,000,000	1.5625
Gas Transporter 12	1,000,000	1.5625
Gas Transporter 13	1,000,000	1.5625
Gas Transporter 14	1,000,000	1.5625
Gas Transporter 15	1,000,000	1.5625
Total	15,000,000	23.4375
Gas Transmission		
National Grid Gas plc (NTS) (50%)	15,000,000	23.4375
Total Gas	30,000,000	
Total Gas and Electricity	64,000,000	100.000

Annex 2 – Privacy notice on consultations

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

3. With whom we will be sharing your personal data

None

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for six months after the review project is completed.

5. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete

- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data
- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

6. Your personal data will not be sent overseas

7. Your personal data will not be used for any automated decision making.

8. Your personal data will be stored in a secure government IT system.

9. More information For more information on how Ofgem processes your data, click on the link to our "[Ofgem privacy promise](#)".