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## F<sup>1</sup> SCHEDULES

### F<sup>1</sup>SCHEDULE 2ZB U.K.

Section 5B

#### DUTIES OF SUPPLY EXEMPTION HOLDERS

##### Textual Amendments

**F1** Sch. 2ZA, Sch. 2ZB inserted (10.11.2011) by [The Electricity and Gas \(Internal Markets\) Regulations 2011 \(S.I. 2011/2704\)](#), regs. 1(1), 21(3), **Sch. 2**

##### *Change of supplier*

1. (1) This paragraph applies if a supply exemption holder enters into a contract with a customer to start supplying electricity to any premises.
- (2) The supply exemption holder must, within 7 days beginning with the day on which the contract is entered into, give any person who is currently supplying electricity to the premises a notice stating—
  - (a) that the contract has been entered into, and
  - (b) when the supply exemption holder will start supplying electricity to the premises.
- (3) Subject to sub-paragraphs (4) and (7), the supply exemption holder must start supplying electricity to the premises within 21 days of the relevant date.
- (4) The supply exemption holder need not comply with sub-paragraph (3) if—
  - (a) the customer requests that the supply start on a later date;
  - (b) the customer terminates, or gives notice to terminate, the contract; or
  - (c) one or more of the reasons in sub-paragraph (5) applies.
- (5) The reasons in this sub-paragraph are—
  - (a) that the supply exemption holder—
    - (i) does not have all of the information it requires in order to start supplying electricity to the premises, despite having taken all reasonable steps to obtain the missing information from the customer; and
    - (ii) cannot readily obtain that information from another source;
  - (b) that the customer is taking a supply of electricity through an exempt distribution system and the supply exemption holder is unable to start supplying electricity to the premises because—
    - (i) a connection which the customer or supply exemption holder requires to be made in pursuance of paragraph 7(2) of Schedule 2ZA has not yet been made; or
    - (ii) the distribution exemption holder has specified, in a notice under paragraph 1(6)(a)(i) of Schedule 2ZA, a metering arrangement

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- which it considers would be required for access to be given to a third party supplier (within the meaning of that Schedule) and that metering arrangement is not yet in place;
- (c) that any other circumstance which is outside the control of the supply exemption holder and which it has taken all reasonably practicable steps to resolve prevents it from starting to supply electricity to the premises.
- (6) If, because of a reason in sub-paragraph (5), a supply exemption holder is not required to start supplying electricity to the premises within 21 days of the relevant date, it must start supplying electricity to the premises as soon as is reasonably practicable after the reason ceases to apply, and in any event within 21 days of the date on which the reason ceases to apply (but if there is more than one reason, references in this sub-paragraph to a reason's ceasing to apply are to all the reasons' having ceased to apply).
- (7) If another supply exemption holder is currently supplying electricity to the premises and has objected to the change of supplier under paragraph 2, then the supply exemption holder mentioned in sub-paragraph (1) above—
- (a) must not start supplying electricity to the premises before that objection is resolved; but
- (b) must start supplying electricity to the premises as soon as is reasonably practicable after the objection is resolved, and in any event within 21 days of the date on which the objection is resolved.
- (8) For the purposes of sub-paragraph (7) an objection made under paragraph 2 is taken to be resolved—
- (a) in the case of an objection based on the reason in paragraph 2(5)(a) alone—
- (i) when the customer, or the supply exemption holder who made the objection, informs the supply exemption holder mentioned in sub-paragraph (1) above that the debt has been paid off in full, or
- (ii) when an arrangement such as is mentioned in paragraph 2(5)(a)(iii) is made with respect to the debt;
- (b) in the case of an objection based on the reason in paragraph 2(5)(b) alone, when the period mentioned in that paragraph expires;
- (c) in the case of an objection based on both those reasons, when the objection has been resolved in relation to each reason in accordance with paragraphs (a) and (b) above; or
- (d) in any case, when the objection is withdrawn.
- (9) In this paragraph “the relevant date” means—
- (a) the day after the day on which the supply exemption holder enters into the contract mentioned in sub-paragraph (1); or
- (b) if, after the contract is entered into, there is a period within which the customer may decide not to proceed with it, the earlier of—
- (i) the day after the day on which that period ends; or
- (ii) the 14th day after the day on which the contract was entered into.
2. (1) This paragraph applies if—
- (a) a person (“the new supplier”) has entered into a contract with a customer to start supplying electricity to any premises; and
- (b) a supply exemption holder is currently supplying electricity to the premises under a contract with that customer.

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- (2) If one or more of the reasons in sub-paragraph (5) applies, the supply exemption holder may object to the change of supplier by sending notice of the objection and the reason (or reasons) for it to—
    - (a) the new supplier; and
    - (b) the customer.
  - (3) A notice under sub-paragraph (2) must be sent—
    - (a) as soon as reasonably practicable; and
    - (b) if the supply exemption holder is notified under paragraph 1(2), or in accordance with a condition in a licence, that the contract has been entered into, not later than the end of the 14th day after the day on which it receives that notification.
  - (4) If the supply exemption holder objects to a change of supplier because of the reason in sub-paragraph (5)(b), the notice of this objection must also state when the period mentioned in that sub-paragraph will expire.
  - (5) The reasons in this sub-paragraph are that—
    - (a) the customer owes money (“the debt”) to the supply exemption holder in respect of electricity supplied to the customer and—
      - (i) the supply exemption holder has demanded payment of the debt;
      - (ii) at least 28 days have passed since the date on which the demand was sent to the customer and any date for payment stated in the demand has also passed; and
      - (iii) the new supplier and the supply exemption holder have not agreed to an arrangement under which some or all of the debt will be assigned to the new supplier; or
    - (b) a contract between the supply exemption holder and the customer includes a term which prevents the customer from terminating that contract within a specified period which has not expired.
  - (6) The supply exemption holder must comply with any reasonable request from the new supplier to provide any information, or take any other steps, required to enable the new supplier to start supplying electricity to the customer’s premises.
3. (1) A supply exemption holder must not require a household customer to pay any sum in respect of a change of supplier by that household customer.
- (2) Sub-paragraph (1) does not prevent a supply exemption holder from requiring payment of any termination fee payable under any contract between it and the household customer.
  - (3) A supply exemption holder must take all reasonable steps to ensure that a final bill in respect of any unpaid charges for electricity supplied to a household customer’s premises is sent to that customer within 6 weeks of the date on which the supply exemption holder stops supplying electricity to the premises.

#### *Customer contracts*

4. (1) Where a supply exemption holder enters into a contract with a household customer for the supply of electricity it must provide the customer with a copy of the contract.
- (2) The contract must specify—

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- (a) the identity and address of the supply exemption holder;
  - (b) the services provided, including any maintenance services provided;
  - (c) any service quality levels that are to be met;
  - (d) if a connection is required, when that connection will take place;
  - (e) the means by which up-to-date information may be obtained about—
    - (i) any applicable tariffs and maintenance charges; and
    - (ii) the supply exemption holder’s standard terms and conditions;
  - (f) the duration of the contract;
  - (g) any conditions for renewal of the contract;
  - (h) any conditions for termination of the contract or of any services provided under it and whether the customer can terminate the contract if the supply exemption holder increases the applicable tariffs or charges, or changes one or more of the main contractual conditions;
  - (i) any charges for early termination of the contract;
  - (j) any compensation and refund arrangements which apply if any service quality levels specified in the contract are not met, including any arrangements which apply in the event of inaccurate or delayed billing;
  - (k) the methods of dispute resolution available to the customer in the event of a dispute with the supply exemption holder, including how such dispute resolution procedures can be initiated; and
  - (l) where further information on the customer’s rights as a consumer of electricity can be found.
- (3) If a supply exemption holder intends to increase the applicable tariffs or charges payable under a contract with a household customer it must inform that customer of the change and of any applicable termination rights as soon as practicable and no later than the date on which the customer is first charged for electricity at the increased rate.
- (4) If a supply exemption holder intends to change any of the main contractual conditions of a contract with a household customer it must inform that customer of the change and of any applicable termination rights at least one month before the change is to come into effect.
- (5) Any charge made under the contract for offering a particular payment method, including any charge for use of a pre-payment meter, must reflect the cost to the supply exemption holder of making that payment method available.
- (6) A supply exemption holder must not treat a household customer or group of household customers differently without good reason when offering different payment methods to customers.
- (7) In this paragraph, “main contractual conditions” means any conditions of the contract which relate to a matter mentioned in any of paragraphs (b), (c) and (f) to (j) of sub-paragraph (2).

#### *Customer information*

5. (1) No later than 12 months after entering into a contract with a customer to start supplying electricity to any premises, and at intervals of not less than 12 months thereafter, a supply exemption holder must send the customer the information specified in sub-paragraph (3), (4) or (5) (whichever is applicable).

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- (2) But the supply exemption holder is required to specify the matters mentioned in sub-paragraphs (3)(b) and (4)(b) only so far as it is reasonably practicable to do so.
  - (3) If the customer is charged for its supply wholly or partly by reference to the quantity of electricity supplied and a meter records the quantity supplied to that customer separately from the quantity supplied to other customers, the information in question is—
    - (a) the number of that meter if it has one;
    - (b) the amount of electricity recorded by that meter as having been consumed by that customer in the 12 months immediately preceding the date on which the information is sent (or in the part of the period during which the supply exemption holder supplied electricity to those premises under the contract with the customer); and
    - (c) the total cost that the customer has been charged for that electricity.
  - (4) If the customer is charged for its supply wholly or partly by reference to the quantity of electricity supplied and that quantity is not recorded using a separate meter, the information in question is—
    - (a) the number of any meter that recorded the total electricity consumed by that customer and other customers in the 12 months immediately preceding the date on which the information is sent (or in any part of that period during which the supply exemption holder supplied electricity to those premises under the contract with the customer);
    - (b) the amount of electricity recorded by that meter; and
    - (c) an explanation as to how the proportion of electricity charged to the customer was determined.
  - (5) If the customer is not charged for its supply by reference to the quantity of electricity supplied, the information in question is the total cost that the customer has been charged for that electricity in the 12 months immediately preceding the date on which the information is sent.
  - (6) A supply exemption holder who is supplying electricity to any premises under a contract with a customer must comply with any written request by the customer to send relevant information—
    - (a) to the customer, or
    - (b) to a person who is not currently supplying electricity to the premises under a contract with the customer but has expressed an interest in doing so.
  - (7) In sub-paragraph (6) “relevant information” means—
    - (a) if information has been sent to a customer in accordance with sub-paragraph (1) in the previous 12 months, a copy of that information;
    - (b) in any other case, so much of the information referred to in sub-paragraph (1) as can be readily provided by the supply exemption holder.
  - (8) A supply exemption holder must not require a customer to pay for any costs associated with preparing or sending information to the customer, or to any other person at the customer’s request, in accordance with this paragraph.
6. (1) A supply exemption holder must, so far as is reasonably practicable to do so, inform each customer with each bill of the following matters—
  - (a) what sources of energy were used to generate the electricity supplied in the period covered by that bill;

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- (b) the proportions in which the sources of energy were used; and
  - (c) where further information can be found about the environmental impact of generating electricity using those sources of energy.
- (2) A supply exemption holder must, at the end of any period of 12 months during which it has supplied a customer with electricity but has neither sent a bill nor provided the customer with information under this sub-paragraph, provide the customer with the information required by sub-paragraph (1) (but for this purpose sub-paragraph (1)(a) is to be read as if the reference to the period covered by the bill were to the period of 12 months mentioned in this sub-paragraph).
- (3) A supply exemption holder must not require a customer to pay for any costs associated with preparing or sending information to the customer in accordance with this paragraph.
7. (1) A supply exemption holder must—
- (a) with each bill inform each customer what methods of dispute resolution are available to the customer in the event of a dispute with the supply exemption holder; and
  - (b) with each bill inform each household customer—
    - (i) where the energy consumer guidance and the concise consumer guidance can be found; and
    - (ii) that the household customer has a right to request a copy of the concise guidance from the supply exemption holder.
- (2) At the end of any period of 12 months during which a supply exemption holder has supplied a customer with electricity but has not sent a bill (nor provided the customer with information under this sub-paragraph) the supply exemption holder must inform the customer of—
- (a) the matters mentioned in sub-paragraph (1)(a), and
  - (b) if the customer is a household customer, the matters mentioned in sub-paragraph (1)(b).
- (3) A supply exemption holder must send a household customer a copy of the concise guidance within one month of receiving a request for it from or on behalf of that customer.
- (4) A supply exemption holder must not require a customer to pay for any costs associated with preparing or sending information to the customer in accordance with this paragraph.
- (5) In this paragraph—
- (a) “the energy consumer guidance” means any guidance such as is mentioned in section 19A(1)(a) of the Consumers, Estate Agents and Redress Act 2007 which is published under that section; and
  - (b) “the concise guidance” means any summary such as is mentioned in section 19A(1)(b) of that Act which is so published.

*Determination of disputes*

8. (1) Sections 44C and 44D apply in relation to an exempt supply dispute as they apply in relation to an Article 37 dispute such as is mentioned in section 44C(1), but as if in section 44C(8) the words “against whom a complaint is made as mentioned in section 44B(1)(a), and” were omitted.

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- (2) A dispute is an “exempt supply dispute” if—
- (a) it is wholly or mainly a dispute—
    - (i) regarding an obligation of a supply exemption holder under this Schedule; or
    - (ii) as to whether a supply exemption holder who has objected to a change of supplier because of a reason in paragraph 2(5) of this Schedule was entitled to object on that basis;
  - (b) it arises from a written complaint made against the supply exemption holder; and
  - (c) it is a dispute between the complainant and that supply exemption holder.

#### *Interpretation*

9. In this Schedule—
- “customer” means a person who purchases electricity for the person’s own consumption;
  - “household customer” means a customer who purchases electricity for consumption by the customer’s own household.]

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