

Interim Panel Update:

Modification 778R - Gas Vacant Sites Process Review

Meeting #1

Primary purpose: To Establish whether Vacant Site Status should be introduced into the UNC

Discussion areas:

Previously rejected Modification 282 - Positives & Negatives in Ofgem Decision Letter

The Authority has concluded that:

1. implementation of the modification proposal may better facilitate the achievement of the relevant objectives of the UNC¹⁵; but that
2. directing that the modification be made would not be consistent with the Authority's principal objective and statutory duties.

How the process work now:

Site properties (AQ / SOQ / EUC) remain static: no read means no periodic revision

No temporary cessation to allocation: any over allocation resolved when Meter eventually read / reconciled

Mitigations available now:

Access via Landlord

Access via Warrant, where theft or debt suspected

Discussions around 2-yearly meter inspections

Use of Isolation: Suspends energy allocation

Use of Isolation and Withdrawal: Suspends energy & transportation charges

Provisions introduced to mitigate COVID effect

(Noted that temporary closures that may become permanent & other associated uncertainty factors)

Meter clamping / Meter removal & GS(M)R cut-off process

Acknowledgement of BSC P196 Process & agreement to deep dive

Meeting #2

Discussion of BSC P196 Process:

Process Trigger: 2 failed attempts to read meter, (at least three months apart)

Supplier must endeavour to read meters, may include:

- Check gas situation is comparable

- Track down possible key holders – Estate agents etc

Must attempt access at least every 7 months and re-evaluate status

Audit trail must be maintained

Audit rights available to PAB

Change of Supplier wipes Vacant status

Noted that:

- Product Class (PC) coverage: largely agreed Vacant provisions should be available to all PC

- AMR should provide reads and should reduce Rolling AQ

- Even empty premises can still consume: e.g. Frost protection Thermostat

- Vacant status would have to be periodically validated

- Solution options may be cross-code and impact REC

- CDSP may be able to offer a validation service, (outwith UNC)

Meeting #3

Points of note:

AMR meters should be able to identify “no usage” and AQ roll accordingly

Vacant sites may relate principally to dumb metered sites, (exceptions will occur)

However, view was that site characteristics should be main driver, not meter characteristics

Information from Meter Reading Agents key to establishment of Vacant status

Agreed that a process flow chart would be beneficial

Lessons need to be learnt to avoid a Mod 282 outcome

Care needs to be taken to avoid misappropriation of status: e.g. on holiday rather than empty scenarios

High level agreement of categorisation based on:

- Unoccupied

- Non-consuming

- No access

(Although exceptions could also form part of definition)

Agreement that process would probably require a guidance / “Related” Document

Meeting #4

Points of note:

Further consideration of the Vacant Site criteria and how they could be applied in practice

Some thought given to the “switch-off” or exit criteria / provisions, for instance

- Receipt of an incrementing read

- Change of Tenancyetc

Some thought given to what financial relief would be offered by declaring Vacant Status

- What costs would be avoided: Energy allocation or both Energy & Transportation

- Would this be different for short-term vacant as opposed to long-term vacant

- What role does the AQ amendment process play

Some thought given to misappropriation of status or site changing status unbeknown to shipper

- Reconciliation of consumption may not reflect avoided costs

- Should more elaborate financial remedies be applied

- Views expressed that PAC would have a policing role to play

Some thought given to periodic revalidation of Vacant Status

- This is required by BSC P196 process