

PROCEDURES FOR THE CALCULATION OF UNRECORDED CONSUMPTION FOLLOWING DISCOVERY OF THEFT

1. Approach

Assessment of unrecorded gas usage, following either interference with a meter or defect with it, should be carried out in a systematic, consistent and transparent way. No one single method is necessarily appropriate in all cases, but it is recommended that:

- 1.1 where there is a clear pattern from past consumption history, by which is meant an obvious step change following an earlier established level or pattern then this may be used as the basis for assessing what should have been consumed from the time of that change. Less obvious but inconsistent consumption history may also be used in support of, or to check, the general value obtained using other methods;
- 1.2 if consumption history is not conclusive and where the customer permits an audit of appliances, then this method will be used. Standard consumption figures should be applied, concentrating on the major appliances which the customer admits to using or have obviously been in use. Account should be taken of valid input from the customer to assess whether some scaling of the figures might be appropriate.
- 1.3 if consumption history is not conclusive and the customer will not co-operate by allowing audit of appliances, then the *Guide to Fuel Running Costs* should be used to estimate consumption

2. General

The following general points should be considered:

- 2.1 Where the customer will not permit an audit of appliances, this should be recorded.
- 2.2 Attempts should be made to agree with the customer the time over which the interference has taken place - past consumption history may help. Account should be taken of the date of the last site visit known (e.g. a meter reader), if the interference is obvious and should have been reported earlier. Account should also be taken of the length of occupancy.
- 2.3 The assessment should be set out in a clear manner and the basis explained to the customer, who may be requested to sign to confirm agreement. However, the customer's right to refer the matter to energywatch should be explained, together with the fact that energywatch representatives are aware of the methodology of and values used in calculation of the assessment.
- 2.4 The basis of average consumption values or Fuel Running Costs, as rooted in national load research with a large sample base, using established statistical criteria and capable of independent audit, should be stressed.

- 2.5 Whilst conducting the investigation, direct evidence of an appliance in use (e.g. a gas fire seen 'on') should be noted and witnessed, which may help counter any later claims by a customer challenging an assessment that a particular appliance did not exist or was never used.

3. Apportionment of Unrecorded Units Between Multiple Suppliers

The period of assessment will not be extended beyond the date of transfer to the existing supplier.

4. Particular arrangements

Customers will be required to pay for assessed illegal gas usage at deemed contract tariff rates. Where the assessed period extends over more than one deemed contract tariff and or VAT rate, CV, etc. charges must be apportioned accordingly. This apportionment should also reflect the seasonal usage of the appliance in use (in the case of domestic customers, the apportionment will assume a two-thirds consumption of total annual gas usage in the two winter quarters. The appropriate standing charges should also be levied if it has not already been charged. Charges should be calculated and sent to the customer with a covering letter as soon as possible after discovery of the theft, in any event, within 21 days. Assessments may need to be amended following representation from the customer(s) concerned. When the level of assessed loss has notified to the customer, GT (xoserve) should be informed accordingly.