

Action 0006: GE to provide a view on the C&D regulations where a non relevant supplier is notified that a meter is connected – what action should they take.

CW challenged if Suppliers should be commissioning the installation of meters without a supply contract. The group concluded it was desirableessential that meters should not be fitted until a signed contract with the customer was in place, it was recognised such practise could reduce Shipperless sites.

CW noted that a fundamental principle of dealing with shipperless and unregistered sites was the ability for parties to be able to recover their costs from consumers. He highlighted that this was a principle identified within UNC Modification Proposal 0369 where a deemed supply contract would be established. CW asked how Transporters would recover the energy costs incurred from gas offtaken at an unregistered site under

this modification. GE was under the impression that this could be achieved through the Gas Act, however CW believed that recovery could only be made where a duty to investigate under its licence applied. CW clarified that under the proposal, Transporters would be liable for costs even if the consumer provided evidence of a supply contract. However, given this CW emphasised that the Transporters had no duty to investigate the theft and consequently any vires to recover costs if there has been a theft. He explained that Transporters must be under the 'reasonable endeavours provisions in GT licence

Condition 7 would not apply. CW noted that Transporters were mandated to be cash neutral under the licence in the event they were able to recover costs from the consumer for an illegal taking of gas the theft of gas. If theft has occurred and reasonable endeavours have been made to recover the cost of the gas, Transporters can recover the money through the reasonable endeavours scheme. However, if the customer has a contract with a supplier and refuses to pay the Transporter for the duration they have offtaken gas between the MPRN creation and being identified as not having a supplier. CW explained the cash neutrality and doubted questioned how whether energy charges as would be levied under Proposal 0410 on Shippers or Transporters would constitute 'investigation costs' as identified within the GT Licence. Transporters recover the costs due to the trigger of the creation of the MPRN following the supply pipe fitting.

In conclusion CW was concerned that the modification would have the effect of was placing a financial liability on Transporters and Shippers for gas offtaken during a period where a site was not registered for which each party would be unable to recover from the relevant consumer.

CW reiteratedwas concerned that if a customer demonstrates they are paying a supplier and the site is not registered, Transporters (or the Shipper who created the MPRN) would still; be liable under this modification for the energygas offtaken and that Transporters or the Shipper's Supplier -would have not be able to claim compensation from the customer when the customery wasere already paying a supplier (being in the case of a supplier who created the MPRN, a different supplier).

Ofgem was asked for a view under the licence conditions if Transporters can disconnect customers that are not registered by a Shipper but are paying a supplier for a gas supply.

Action 0007: Ofgem to provide a view of licence conditions – can Transporters disconnect a customer who is not registered by a Shipper but are paying a supplier for a gas supply^[1].