

UNIFORM NETWORK CODE – REASONABLE ENDEAVOURS DOCUMENT
FOR GAS ILLEGALLY TAKEN (v.1)

1. Introduction

This document has been prepared by each Transporter as required under condition 7 (Provision of Information Relating to Gas Illegally Taken) of the standard conditions of the Transporter's Licence.

The document defines the circumstances in which a Supplier shall be presumed for the purposes of standard conditions 7(5) and 7(7) of the Transporter's Licence to have used its reasonable endeavours to recover charges in cases of gas taken illegally.

If reasonable endeavours have been used, but the Supplier has failed and cannot reasonably be expected to recover some or all of the Supplier's charges, as referred to in Standard Condition 7(5)(a)(ii) of the Transporter's Licence, to which it is entitled under a contract or deemed contract or otherwise, then the Transporter will, in addition to treating the amount of gas to which the Supplier's charges relate as not having been taken out of its System for the relevant Shipper User for the purposes of calculating and claiming charges to be paid to it by that Shipper User in pursuance of arrangements between them, reduce the Shipper User's charges by an amount equal to an allowance to the relevant Shipper User in respect of:

- (i) the reasonable cost to the Supplier concerned of complying with a request or requirement to investigate gas illegally taken and using its reasonable endeavours to recover its charges; and
- (ii) an amount calculated in accordance with principles set out in a scheme designated by the Authority for the purposes of standard licence condition 7 of the Transporter's Licence.

2. Reasonable Endeavours Description

Without prejudice to standard condition 7(10) of the Transporter's Licence, the Supplier concerned shall be presumed to have used its reasonable endeavours if, following an investigation into a situation of gas taken illegally:

- (i) in the case of an offence under the Act, action (1) listed in paragraph 3 has been completed;
- (ii) in all cases, action (2) listed in paragraph 3 has been completed; and
- (iii) where the whereabouts of the gas User are known, actions (3) - (7) listed in paragraph 3, (so far as applicable), have been completed.

3. Reasonable Endeavours Actions

- (1) In the case of an offence under paragraph 10(1) or 11(1) of Schedule 2B to the Act, a report of the investigation, including an estimate of the amount of gas taken illegally and supported by any appropriate evidence and statements from witnesses, has been presented to the police and a crime number requested.
- (2) In all cases, efforts have been made to determine the identity and whereabouts of the person, or a representative in the case of an organisation, with whom the Supplier has a contract or deemed contract.

These efforts are to use where relevant, and not to the exclusion of any other source which the Supplier might consider appropriate, information which the Supplier has established:

- (i) from any contract in its possession, and / or
- (ii) following enquiries which should be made by the Supplier to such local authorities, landlords or owners/occupiers of any neighbouring properties as may reasonably be able to assist.

Additional actions to be taken when the whereabouts of the person with whom the Supplier has a contract or deemed contract is known:

- (3) The person with whom the Supplier has a contract or deemed contract has been furnished with a demand for payment for the Supplier's charges (that is the charges to which it is entitled, in respect of the supply of gas taken as mentioned in standard condition 7(4) of the Transporter's Licence, including any sum to which it is entitled in connection with the taking of the gas or by way of costs incurred in investigating or pursuing the matter). This requirement is irrespective of any action which the Supplier might have taken either at the time of discovery of the illegal taking, or subsequently, to cut off the supply or to disconnect the premises of the person offending with whom the Supplier has a contract or deemed contract.
- (4) Arrangements have been made available to the person identified in action (3) above to make payment to the Supplier in accordance with one or more of the methods identified in Conditions 43, 35(2)(b),35(2)(d),35(2)(e) and 35(2)(f) of the standard conditions of Supplier's Licences. Such arrangements shall be designed so that the agreed sum will be recovered within a maximum period of 24 months from agreement of the arrangements. A sum less than the whole of the Supplier's charges may be agreed where, having due regard to the means available to the person (and the importance of securing that the Supplier's charges are paid), this would not provide an opportunity for the person to avoid any part of the payment which could reasonably be made.

Where appropriate, a prepayment meter should be installed to assist recovery of the charges.

- (5) If no arrangements can be agreed under action (4) above or if such arrangements, having been agreed, have failed to result in completion of the agreed payments to the Supplier, the supply to the person identified in action (3) above has been cut off, or the premises of the person have been disconnected, and so remain for a period of not less than 28 days, in either case in so far as the Supplier has the power to do so and may do so without causing it to be in breach of its licence or statutory obligations.
- (6) Where an individual has become bankrupt or has had an interim order made in respect of his affairs or the company has gone into liquidation, administrative receivership or entered into a voluntary agreement, a claim has been filed with the official receiver, interim receiver, liquidator, administrative receiver as appropriate or, in the case of voluntary arrangements, with the nominee.

Additional actions to be taken in certain other cases of gas illegally taken:

- (7) In cases where the person in 3 above, taking into account any gas taken illegally, is not a 'domestic customer' as defined in standard condition 1(1) of the Supplier's Licence, civil proceedings have been issued and served to secure payment for any amount due unless it can be demonstrated that there is good reason for not doing so.