

**UNC Workgroup 0410 Minutes**  
**Responsibility for gas off-taken at Unregistered Sites following**  
**New Network Connections**  
**Thursday 26 April 2012**  
**at 31 Homer Road, Solihull, B91 3LT**

**Attendees**

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Alan Raper	(ARa)	National Grid Distribution
Alex Ross	(ARo)	Northern Gas Networks
Alison Jennings	(AJe)	Xoserve
Brian Durber	(BD)	E.ON UK
Chris Warner	(CW)	National Grid Distribution
Claire Thorneywork	(CT)	National Grid NTS
Dave Mitchell	(DM)	Scotia Gas Networks
David Addison	(DA)	Xoserve
Edward Coleman	(EC)	E.ON UK
Edward Hunter	(EH)	RWE npower
Elaine Carr	(EC)	ScottishPower
Emma Smith	(ES)	Xoserve
Erika Melèn	(EM)	Scotia Gas Networks
Fergus Healy	(FH)	National Grid NTS
Gareth Evans	(GE)	Waterswye
Graham Wood*	(GW)	British Gas
Jon Dixon	(JD)	Ofgem
Kathryn Heard	(KH)	National Grid NTS
Lorna Lewin	(LL)	Shell
Marie Clarke	(MC)	Scottish Power
Mark Jones	(MJ)	SSE
Rob Cameron-Higgs	(RCH)	Wales & West Utilities
Stefan Leedham	(SL)	EDF Energy
Tim Davis*	(TD)	Joint Office

\* by teleconference

Copies of all papers are available at: [www.gasgovernance.co.uk/0410/260412](http://www.gasgovernance.co.uk/0410/260412)

**1. Review of Minutes and Actions**

**1.1 Minutes**

The minutes of the previous meeting were accepted.

**1.2 Actions**

**0004:** WWU, SGN and NGN to confirm whether they share the National Grid Distribution intention to proactively visit unregistered sites and disconnect them if no action is taken to address registration.

**Update:** CW confirmed that Xoserve are working on unregistered sites process improvements and he understands that they will be writing to the occupants to seek a response before a disconnection process is activated. Transporters are seeking legal advice on the rights to disconnect

## 2. Discussion

GE explained Ofgem have written and asked for more clarity on the SAP process and situation of recovery of costs through contractual relationships. He wished to provide more clarity to Ofgem and proceed with the Workgroup report in May.

AJ asked if GE was providing a set of business rules to take away for the production of a ROM.

AR confirmed that a meeting with their lawyers is to take place next week to discuss drafting text. CW believed a defined set of business rules would assist with the production of text.

GE provided an amended set of Business Rules v2.2. The business rules were considered.

### **Action 0005: All to review the business rules as amended during the meeting and feedback to GE.**

GE believed that the trigger point for claiming the unregistered gas costs is the creation of the MPRN by the Transporter. However, Xoserve challenged that the fixing of a meter is the problem as it allows gas to be offtaken. AJ confirmed that Transporters would not disconnect a customer if the customer were paying a supplier. The only situation it was deemed that the customer was at fault of offtaking gas from the supply is where the customer has commissioned the fixing of a customer owned meter and offtakes gas without securing a supplier. A disconnection will not take place if no gas is offtaken and a meter is in situ.

ARa advised that meters can be fitted legally or illegally. AJ believed that in the majority of cases meters are fitted through a request via a supplier.

The scenario of a meter fitted by supplier A and the customer doesn't sign a contract with supplier A and decides to change their mind and sign a contract with supplier B. AJ was aware this can occur. It was questioned if Supplier A has facilitated an illegal offtake. In such an instance it was agreed that supplier A would not be responsible for gas offtaken, however they may be in breach of the C&D regulations. It was envisaged that Supplier B would be responsible for any gas offtaken.

### **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 desirable 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 asked how Transporters would recover the energy from gas offtaken 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 if there has been a theft. He explained that Transporters must be under licence Condition 7 to be cash neutral for 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 questioned how Transporters recover the costs due to the trigger of the creation of the MPRN following the supply pipe fitting.

CW was concerned that the modification was placing a liability on Transporters for gas offtaken during a period

CW was concerned that if a customer demonstrates they are paying a supplier and the site is not registered Transporters would still; be liable under this modification for the gas offtaken and that Transporters would have not be able to claim compensation from the customer when they were already paying a 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.**

**3. Any Other Business**

None raised.

**4. Diary Planning for Review Group**

*Further details of planned meetings are available at: [www.gasgovernance.co.uk/Diary](http://www.gasgovernance.co.uk/Diary)*

Workgroup meetings will take place within the Distribution Workgroup on:

Thursday 24 May 2012, 10:30, ENA, 52 Horseferry Road, London SW1P 2AF

### Workgroup 0410 – Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0004	22/03/12	2	WWU, SGN and NGN to confirm whether they share the National Grid Distribution intention to proactively visit unregistered sites and disconnect them if no action is taken to address registration	WWU (RCH), SGN (EM) and NGN (ARo)	Pending
0005	26/04/12	2	All to review the business rules as amended during the meeting and feedback to GE	All	Pending
0006	26/04/12	2	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.	WatersWye (GE)	Pending
0007	26/04/12	2	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.	Ofgem (JD)	Pending