
UNC Workgroup 0425 Minutes
Re-establishment of Supply Meter Points – Shipperless sites
Wednesday 10 October 2012
31 Homer Road, Solihull, B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office of Gas Transporters
Helen Cuin (Secretary)	(HC)	Joint Office of Gas Transporters
Alex Ross	(ARo)	Northern Gas Networks
Anne Jackson	(AJ)	SSE
Andrew Wallace	(AW)	Ofgem
Andrew Margan	(AM)	British Gas
Chris Warner	(CW)	National Grid Distribution
Collette Baldwin	(CB)	E.ON UK
Darren Lond	(DL)	National Grid Transmission
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Brendan Murphy	(BM)	Waterswye
Lorna Lewin	(LL)	DONG
Marie Clark	(MC)	Scottish Power
Naomi Anderson	(NA)	EDF Energy

**via teleconference*

Copies of all papers are available at: www.gasgovernance.co.uk/0425/101012

Workgroup Report is due to the UNC Modification Panel on 15 November 2012.

1. Review of Minutes and Actions from previous meeting

1.1. Minutes

The minutes of the previous meeting were accepted.

1.2. Actions

1001: National Grid (CW) to double-check what the GSRU requirements are with regard to what happens when a Transporter visits a site and find that whilst no meter is present, the customer states that they still require gas.

Update: Carried Forward

2. Workgroup Report

British Gas confirmed that the modification had been amended and that a [draft version](#) was made available for consideration at today's meeting.

CW provided a quote from schedule 2b section 8 paragraph 2 of the Gas Act 1986, which covers deemed contracts.

Some concern was expressed that where a customer has asked for a meter to be removed this would terminate the relationship with the supplier, if the customer then re-fits a meter and does not secure a new supplier, a deemed contract would be considered to be in place with the previous supplier. This in theory will never allow a customer or Supplier an option to terminate their relationship. It was suggested if the supply was also removed, any subsequent reconnection would require the creation of a new MPRN and if not reconfirmed, would in theory become an unregistered site.

AJ was concerned that if a meter is removed the site goes off the radar until the site is revisited to be cut off under the service under the GA(I&U)R. In the mean time another meter could be fitted and gas offtaken. AJ was concerned about the risks and the rights to access the site under a deemed contract.

AJ believed that by using deemed contracts, it wouldn't remove theft in the gas market it would simply redefine it. However, the consequence of a deemed contract would prevent the theft legislation being used to recover costs. AJ believed if there is such thing, as a deemed contract, theft couldn't in theory exist.

AJ was keen to incentivise customers to come forward to solve any problem with being able to secure a supplier when they are already taking gas.

CW explained the Shipper could be considered to have a deemed contract in place if the supplier has not ceased to supply the site. This may occur if a withdrawal has been processed in error but it is later discovered the same meter is on site - the site would need to be reconfirmed back to the withdrawal date.

The scenario where a meter has been removed and a new meter is fitted without a registration was discussed. CW believed there is not a deemed contract if there is a meter fit date that does not go back to the withdrawal date. If there is a gap between the withdrawal and meter fit date a deemed contract cannot exist in this period, any gas used cannot be recovered by the Shipper, as it is theft in conveyance.

DA was concerned about the retrospective charges and how this would work. If a Shipper provides a meter fit date Xoserve can back bill but only if the Shipper sends through a request for an adjustment. He asked if the modification would expect Xoserve to bill even when a request for an adjustment is not actually made.

DA explained Meter fit notices received via the C&D store may not provide an MPRN or address, if an MPRN or address is supplied information can be communicated to the Shipper. If there isn't a registered Shipper, Xoserve would not currently notify the previous registered Shipper. If however a file flow is requested by a Shipper on a site that is not registered with them this is reported back to the Shipper.

It was questioned if a disconnection notice is provided to the C&D whether Xoserve provide any onward communication to the Transporters. It was believed Xoserve do not currently provide disconnection notices which are only supplied to the C&D store.

The scenario of an unregistered site where there is some record of activity, which suggests the site is being supplied by a different Shipper to that previously registered i.e. data flows from a Shipper such as a failed confirmation, failed registration, failed readings, Xoserve could register the site with the “new” Shipper was discussed. CW was concerned there was no fail mechanism in the modification if a site has been registered for a Shipper where file flows have been submitted in error i.e. wrong MPRN, wrong address. AJ was concerned about deemed contracts in this situation and that a deemed contract could not exist simply for fitting a meter, it would have to be ongoing activity such as submitting consecutive reads.

AW believed if there is no deemed contract and there is evidence of gas being offtaken, the GT would have to chase the debt but without a deemed contract and they would not be able pass on the collected debt, these would be factored into the Transportation charges.

In the unlikely event of more than one shipper with activity on a site then the most recent activity would be considered first in terms of ownership of the site.

CB was concerned about the scenario where a Shipper has ceased ownership, a different meter is on site and the Shipper has lost the customer due to a change of tenancy. She asked about the ability to chase the debt with the previous customer. It was questioned if a deemed contract would apply to the new tenant if the site wasn't registered with the previous customer.

AJ challenged if the Transporter has access rights when an unregistered site exists why is the Shipper being asked to take on the role of addressing the site registration and the costs recovery.

AJ was concerned about the retrospectively of the modification when they are unable to mitigate the risks of a customer installing a meter without engaging with a supplier especially when they have previously and rightly withdrawn from the site following a meter removal.

It was questioned if there ought to be an alternative to the modification with a Transporter lead process involving Shippers if activity is identified onsite, which suggests a supply contract.

It was challenged if the modification should exclude sites where a supplier has not fitted the meter as this should be easily identifiable with data flows, this would then exclude customer fitted meters from the modification. It was agreed if the supplier has commissioned a meter they should be responsible for the site and have a deemed contract to utilise for the management of any debt. It was considered where a customer has fitted their own meter without securing a supplier this would limit the suppliers liability and ability to recover debt.

DA was concerned about identifying a site with a customer fitted meter and the use of data flows from a Shipper as an indication of a supplier fitted meter. He suggested that data flows wouldn't necessarily validate a supplier fitted meter.

DA explained the process of rejected RGMA flows and that Xoserve advise of such rejections, which allows suppliers and shippers to investigate and correct any registration issues.

The Workgroup recognised there were three scenarios:

Scenario A: Erroneous withdrawal i.e. instead of exchange and is recognised at a later date by the Shipper/Supplier.

Scenario B: Correct withdrawal but an indication of supplier involvement i.e fitting meter and/or data flows.

Scenario C: Correct withdrawal with no further Shipper/Supplier activity but a new meter on site not fitted by supplier.

DA believed Xoserve it would be difficult to differentiate between Scenarios A and C until further communication was received of an incorrect withdrawal and a request to correct the data flow with an exchange.

Following the scenario discussion and concerns raised AM agreed to consider the points raised and re-examine the modification.

3. Any Other Business

None.

4. Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/Diary

The next meeting will take place within the business proceedings of the Distribution Workgroup on:

Thursday 25 October 2012, 10:30, at 31 Homer Road, Solihull, B91 3LT.

Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0425 1001	05/10/12	2.	To double-check what the GSRU requirements are with regard to what happens when a Transporter visits a site and find that whilst no meter is present, the customer states that they still require gas.	National Grid Distribution (CW)	Update to be provided in due course.