

UNC Workgroup 0425 Minutes
Re-establishment of Supply Meter Points – Shipperless sites
Tuesday 12 June 2012
at 31 Homer Road, Solihull, B91 3LT

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HC)	Joint Office
Alex Ross	(ARo)	Northern Gas Networks
Alison Jennings	(AJe)	Xoserve
Andrew Margan	(AM)	British Gas
Anne Jackson	(AJa)	SSE
Chris Warner	(CW)	National Grid Distribution
David Addison	(DA)	Xoserve
David Mitchell	(DM)	Scotia Gas Networks
Elaine Carr*	(EC)	ScottishPower
Erika Melèn	(EM)	Scotia Gas Networks
Lorna Lewin	(LL)	DONG Energy
Marie Clarke	(MC)	Scottish Power
Richard Vernon	(EH)	RWE npower
Steve Mulinganie	(SM)	Gazprom

* by teleconference

Copies of all papers are available at: www.gasgovernance.co.uk/0425/120612

1.0 Outline of Modification and initial discussion

AM introduced the modification, he felt there was an imbalance in Shipperless Sites where a different meter has been found on site following a Gas Safety Regulations (GS(IU)R) cut-off visit and is capable of flowing gas. This modification allows the previous registered Shipper to investigate the situation, with the expectation that the previous Shipper will re-register the site. If the Shipper does not register site the Transporter will register on behalf of the Shipper.

2.0 Discussion

The Workgroup considered the work flow diagram.

It was estimated that 4500 customers are taking gas without a registered supply point.

SM asked if there was a cut off point where a Shipper can be held responsible for the costs of an isolated and withdrawn site when it is subsequently found to be using gas. He questioned the rules around the isolation and withdrawal process in that this should reduce a Shipper's exposure to costs. He also challenged that the modification is reducing the effectiveness of the isolation and withdrawal rules, as this would not achieve protection for Shippers.

AM explained that Shippers would in theory only have exposure to 12 months as the supply should be removed through the GS(IU)R process. However, SM asked about GS(IU)R visits slipping beyond 12 months.

SM was keen to understand and include within the modification, that if a Shipper disconnects a meter and the service, this would discharge any obligations they have, as they cannot be held responsible if a new service has been connected and gas offtaken without a contract. It was clarified that commercial arrangements can be made for a service to be connected; it doesn't have to be undertaken by the Distribution Network. AJe confirmed that the removal of a service results in the MPRN being set to dead, if a new service and meter is found following a visit, the new meter would be classed as a found meter and a new MPRN would be required.

CW explained that if a meter was not in situ at the GS(IU)R cut-off visit, the supply would be disabled (though this does not mean the service will be cut off). For the site to be reinstated following a GS(IU)R visit service removal, a new MPRN would need to be created.

AJe believed if a Shipper isolates and withdraws from a supply point in good faith, if the customer then starts to use gas there must be a mechanism to bring a customer back into the system, particularly if a new customer has moved into a property or a new meter is fitted.

AJa explained that currently where there is no meter fitted on site, theft becomes the Transporters responsibility, and where there is a meter it is the Shippers' responsibility. However, she felt that this modification was mixing the responsibilities. AJa was concerned about the access rights once a meter has been removed and the ability for Shippers to be actually allowed to recover their costs.

SM explained that this modification could ultimately force Shippers to cut-off the supply to prevent risks and exposure to future costs, but this may not be in the long term interests of customers or the industry as a new connection would be required should the property be reoccupied.

AJa questioned what constitutes a Shipper investigation? AM explained that the previous supplier would have 3 months to investigate the situation if a Transporter identifies that a new or existing meter has been installed on a previously registered supply point. AJe explained that the re-registration of a supply point would always have to be a prospective date, however the meter fit date could be retrospective. The Workgroup questioned if a break in registration dates would affect what was considered to be a deemed contract. It was agreed to obtain a view from Ofgem.

It was recognised that if the meter fit date is not known the industry would have to use information that was available to them, if a label or sticker provides an opening read and installation date, these could be used.

AJa asked what if the customer is not cooperative and refused to provide information to the investigating Shipper. It was anticipated that if a customer refuses to obtain a supply contract, theft of gas procedures would be followed to seek the disconnection of the customer for refusal to obtain a supply contract.

AJa asked from a customer perspective, what happens if the customer seeks to put in place a gas supply contract with a supplier, to find later that the site has been re-registered in the mean time by the previous supplier, under a deemed contract which contract applies? AJe suggested that if the modification was implemented, Xoserve could look into the supply point enquiry service and where a site is not registered with a supplier, the previous supplier details could be provided to consumers where requested.

CW asked about the application of the modification if a site is isolated but not withdrawn. CW explained that currently when the meter status changes to reflect

it has been isolated this triggers the site being set to dead and prompts a GS(IU)R visit. A shipper does not need to withdraw, this is only undertaken where a Shipper wished to reduce the exposure to certain costs.

CW stated that the modification currently does not cover any GS(U)R compensation. He explained that the Transporters can only recover costs if a GS(IU)R cut-off is undertaken, if the GS(IU)R cut-off visit is aborted due to a meter being found, these costs cannot be recovered. CW expressed that Transporters want to charge the costs of aborted cut-off visits. It was agreed that the Transporters would provide some further information on the number of aborted GS(IU)R cut-off visits.

AM asked about any residual obligations, in particular if a customer has fitted a meter and there is an erroneous data flow for a meter exchange, why should a Shipper have to pay for an abandoned cut-off visit where it is clear the Shipper was not responsible for a meter being able to flow gas as they do not have rights of access to check.

The scenario of live services without a meter being fitted was discussed and that the GS(IU)R do not apply to live services that have never had a meter fitted. It was recognised that Modification 0410 - Responsibility for gas off-taken at Unregistered Sites following New Network Connections was addressing this.

Following the consideration of the process flow diagram the Business Rules were considered. A number of amendments and considerations were recorded for updating the business rules, these included:

- GS(IU)R visits taking place within 12 months of the notified meter removal opposed to the trigger being the effective withdrawal date;
- Building in to the Business Rules that isolated sites are still covered by the modification, the site need not be withdrawn;
- If a site has subsequently been registered with a new supplier following a GS(IU)R site visit and investigation what steps if any would need to be undertaken;
- If a breaks in registration can occur for a deemed contract to apply.
- The removal of rules 2.15 and 2.17
- Consistency with Modification 0424
- The inclusion of rechargeable costs for aborted GSR cut off visits.

Action 0001: British Gas to provide a set of Shipperless Site scenarios and potential timelines.

Action 0002: DNs to consider an appropriate timescale for Business Rule 2.7

Action 0003: Ofgem to provide a view on deemed contracts and if a deemed contact can only exist where there is no gap in the supply point registration date.

Action 0004: DNs to provide a view on the number of aborted GS(IU)R cut off visits

It was anticipated that the Business Rules and the Modification would be updated for further consideration on 10 July.

3.0 Consider Terms of Reference

The Workgroup raised no issues regarding the Terms of Reference.

4.0 Any Other Business

None raised.

5.0 Diary Planning for Review Group

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

Workgroup meetings will take place within the Distribution Workgroup on:

Tuesday 10 July 2012, 10:30, 31 Homer Road, Solihull, B91 3LT

Wednesday 08 August 2012, 10:30, 31 Homer Road, Solihull, B91 3LT

Workgroup 0425 – Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0001	12/062012	2.0	British Gas to provide a set of Shipperless Site scenarios and potential timelines.	British Gas (AM)	Pending
0002	12/062012	2.0	DNs to consider an appropriate timescale for Business Rule 2.7	All DNs	Pending
0003	12/062012	2.0	Ofgem to provide a view on deemed contracts and if a deemed contact can only exist where there is no gap in the supply point registration date.	Ofgem	Pending
0004	12/062012	2.0	DNs to provide a view on the number of aborted GSR cut off visits	All DNs	Pending