

## Representation

### Draft Modification Report

#### **0424: Re-establishment of Supply Meter Points – prospective measures to address shipperless sites**

**Consultation close out date:** 02 November 2012

**Respond to:** enquiries@gasgovernance.co.uk

**Organisation:** ScottishPower Energy Management Ltd

**Representative:** Marie Clark

**Date of Representation:** 02 November 2012

#### **Do you support or oppose implementation?**

Support

#### **Please summarise (in one paragraph) the key reason(s) for your support/opposition.**

Shipperless sites have been a major concern to the Industry and despite proactive engagement within the Industry to revise current procedures and working practices which support the resolution of these sites, the number of Shipperless sites have continued to increase. It cannot be assumed that gas is being offtaken at these sites. However evidence provided by Transporters at the Distribution Workgroup confirms that on occasion gas is being consumed, either through the reconnection of a meter or by an illegal connection and in some cases consumers may even be paying a Supplier.

We agree that where it is identified that the meter installed at the time when the Supply Point Withdrawal took place remains connected and is capable of flowing gas, the previous registered Shipper should be responsible for the Supply Point from the original date of withdrawal and for any gas offtaken at the site. We concur with the Proposer that the Shipper and the related Supplier are in the best position to investigate the circumstances relating to the offtake or potential offtake of gas at this site.

We believe that it is no longer acceptable for the SSP market sector, through RbD allocation to be held responsible for the energy consumed at this category of site. This Proposal will ensure the investigation of the circumstances surrounding any re-enabling of the Supply Meter and that costs are more appropriately targeted at a responsible Shipper.

## Are there any new or additional issues that you believe should be recorded in the Modification Report?

No

### Relevant Objectives:

*How would implementation of this modification impact the relevant objectives?*

Standard Special condition A11.1 (d) Securing of effective competition.

This modification seeks to assign responsibility to the last registered shipper where it is identified that a Shipperless site is capable of or is flowing gas by means of the meter that was installed at the site at the time of Supply Point Withdrawal. We support the view that this Shipper is in the best position to investigate the site to ascertain the circumstances of where gas has or will be taken from the system. We believe that costs associated with the site should be assigned to the last responsible Shipper, with a view to them addressing their cost exposure with the consumer. The consequence of this approach will mean that the costs for all these sites will no longer be smeared to the collective SSP market sector through RbD allocation and ensure accurate allocation of costs to those responsible for them.

Standard Special condition A11.1 (f) Promotion of efficiency in the implementation and administration of the network code.

We believe that through this Modification that Shippers will have increased awareness and understanding of their responsibilities under the UNC and the potential liabilities where a Supply Point Isolation or Effective Supply Point Withdrawal has been undertaken and the Supplier has chosen to leave the Supply Meter connected. Modification 424, will allow the Transporter to auto-register the Supply Point where it is identified that the same meter remains installed and is capable of flowing gas. This will therefore reduce instances of Shipperless sites going forward and ensure that the relevant Supplier is able to bill the consumer for gas usage at the meter point.

### Impacts and Costs:

*What analysis, development and ongoing costs would you face if this modification were implemented?*

None

### Implementation:

*What lead-time would you wish to see prior to this modification being implemented, and why?*

0424

Representation

02 November 2012

Version 1.0

Page 2 of 3

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No issues identified.

**Legal Text:**

*Are you satisfied that the legal text [and the proposed ACS (see [www.gasgovernance.co.uk/proposedACS](http://www.gasgovernance.co.uk/proposedACS))] will deliver the intent of the modification?*

Yes

**Is there anything further you wish to be taken into account?**

*Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.*

No.