

**UNC Workgroup 0778R Minutes  
Gas Vacant Sites Process review  
Wednesday 03 November 2021  
via Microsoft Teams**

**Attendees**

Loraine O'Shaughnessy (Chair)	(LOS)	Joint Office
Maitrayee Bhowmick-Jewkes (Secretary)	(MBJ)	Joint Office
Andy Clasper	(AC)	Cadent
Antonia Scott	(AS)	Shell Energy
Clare Manning	(CM)	E.ON
David Addison	(DA)	Xoserve
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Heather Ward	(HW)	Energy Assets
James Barlow	(JB)	Xoserve
Jonathan Matthews	(JM)	Crown Gas
Kerry Howie	(KH)	SSE
Kundai Matiringe	(KM)	BU UK
Lee Greenwood	(LG)	British Gas
Marion Joste	(MJ)	ENI
Olga Batsari	(OB)	Wales & West Utilities
Oorlagh Chapman	(OC)	Centrica
Paul Senior	(PS)	Utilita Energy
Stacy Helps	(SH)	SSE
Tracy Saunders	(TS)	NGN

Copies of all papers are available at: <http://www.gasgovernance.co.uk/0778/031121>

The Workgroup Report is due to be presented at the UNC Modification Panel by 18 August 2022.

**1.0 Introduction and status Review**

Loraine O'Shaughnessy (LOS) welcomed all to the meeting.

**1.1. Approval of Minutes (23 September 2021)**

The minutes from the previous meeting were approved.

**1.2. Approval of Late Papers**

There were no late papers.

**1.3. Review of Outstanding Actions**

**Action 0901:** British Gas (LG) to provide an overview of the (P196) electricity process.

**Update:** This action was discussed under Agenda item 3.0. **Closed**

**Action 0902:** British Gas (LG) to provide an overview of the consequences of a failed audit. (i.e. what happens to a site that is discovered as occupied).

**Update:** Lee Greenwood (LG) advised he was still making inquiries into this and advised he would provide a detailed update at the next Workgroup meeting. **Carried Forward**

**Action 0903:** CDSP (DA) to provide an overview of the current provisions within UNC and how the AQ process would treat a site getting reads and not getting reads.

**Update:** Dave Addison (DA) presented a slide with an overview of the current provisions within the UNC for the AQ process. Please see published slides on the meeting page. The Workgroup noted the process highlighted. LOS advised the Workgroup would have to review these processes to recommend a solution for this Review. **Closed**

**Action 0904:** Joint Office (LOS) to seek a view from the Performance Assurance Committee (PAC) on the role for assurance monitoring for Vacant Sites.

**Update:** LOS advised the Workgroup that she had discussed this with the PAC Chair and a standard agenda item has been added to PAC Agenda to carry out the assurance function for Vacant Sites.

Ellie Rogers (ER) noted that at present there were no processes set up for assurance monitoring for Vacant Sites. LOS agreed and advised that until a process was agreed by PAC it would be hard to monitor performance. The Workgroup agreed that the outputs from this Workgroup will need to be highlighted to PAC for information.

Stacy Helps (SH) suggested that the Workgroup would also need to consider what PAC would monitor under the assurance function. The Workgroup agreed with this suggestion.

The Workgroup decided to review the role of PAC in the assuring Vacant Sites once the solution or recommendations for this Review had been agreed. **Closed**

**Action 0905:** British Gas (LG) to provide a description on how Shippers/Suppliers satisfy themselves that their approach not to inspect meters at least once every 2 years complies with health and safety legislation.

**Update:** LG advised he was still collating this information and would provide a full update at the next Workgroup meeting. **Carried Forward**

**Action 0906:** British Gas (LG) to consider the impacts of a Vacant Site Process including the aims and treatment of capacity and commodity charges.

**Update:** This action was discussed under Agenda item 6.0. This will be added as a standing Agenda item for future meetings. **Closed**

**Action 0907:** CDSP (DA) to provide a view on the impact of having Vacant Sites on energy balancing.

**Update:** DA presented a slide highlighting the impact of Vacant Sites for energy balancing. Please see published slides on the meeting page. LOS recommended that workgroup review the slides with their organisations and any questions to direct to Xoserve. **Closed**

## 2.0 Amended Request

LOS explained that an amended Request was discussed at the last Workgroup and a further amended Request was not necessary.

## 3.0 Review of P196 Electricity Process

Actions 0901 and 0906 are covered below.

Lee Greenwood (LG) presented a view of the P196 Process for Electricity setting out the criteria for Suppliers in order for a site to remain vacant:

- *Supplier has received from the NHHDC at least two D0004 data flows, at least 3 months apart with the Site Visit Check Code data item (J0024) populated with code 02 'Site not Occupied'.*
- *Supplier must proactively make attempts to identify the owner of the property and attempt to obtain a reading. The following could be seen as proactive attempts to identify the owner of the property and attempting to obtain a reading:*
  - *Checks to see whether the same problems in obtaining Meter readings occur for gas (noting that this is only possible where the Supplier supplies both gas and electricity to the property, and that gas Meters can often be found on the outside of the property); or*
  - *Attempts have been made to contact such bodies as estate agents, letting agents, councils, the land registry etc to find out who the owner is. Where an owner has been identified, attempts have been made to contact the owner and obtain a reading without success.*

LG noted some additional points for consideration for a vacant site were that a Supplier:

- *Must attempt to take a meter reading at least every seven months. This would be confirmed by the receipt by the Supplier of a D0004;*
- *Continue to make proactive attempts to identify the owner of the property and gain entry to take a Meter reading;*
- *Would need to maintain an audit trail of the checks that have been carried out in their monitoring of vacant sites.*

LG further added that a Change of Supplier event would remove a Site from the 'Vacant' category.

The Workgroup discussed this with key points of discussion noted below:

- LG suggested that a rolling AQ (Annual Quantity) was the vehicle for changing the current processes. The Workgroup Members discussed this suggestion further under considering the impacts of the Vacant Site process.
- Stacy Helps (SH) noted that the Electricity process should be reviewed to clarify how they can be implemented in the Gas market.
- The Workgroup discussed how the information required for the process is fed to the Shippers from Suppliers. Tracey Saunders (TS) asked if this question should be considered by CACoP (Code Administrators Code of Practice) and should be covered under REC Code to facilitate discussion between the different Codes. The Workgroup agreed with this suggestion.

**New Action 1101:** Joint Office (LOS) to ask CACoP to consider how the information required for the P196 process can be replicated in the Gas market and how the information can be passed to Shippers from Suppliers.

- LG added that to mirror the Electricity processes, consideration needs to be given to how the 'no access' data flow can be mirrored. LG also stated that a Supplier must be proactively trying to take meter readings or contact the owner of the property, even if the flow is used and an audit trail would need to be kept of this.
- The Workgroup considered whether to include all Product Classes when reviewing the rules for a Site to enter and leave the Vacant category. It was noted that most Vacant Sites fell under Product Class 4.
- LOS recapped discussions that the Workgroup would need to consider:
  - Whether the Vacant Sites processes for Electricity should be mirrored in the Gas market?
  - Which Product Classes should be included?
- Dave Addison (DA) advised that if a solution for Vacant Sites was being sought, it should include all Product Classes as there is an incentive on Shippers to regain any benefits from the UIG (Unidentified Gas) factors and highlighted Modification 0664VVS *Transfer of Sites with Low Valid Meter Read submissions from Class 2 and 3 to Class 4*.
- SH asked how long a Product Class had to be non-performing in order to move from Class 2 and 3 to Class 4. DA explained that to force sync sites, a whole portfolio would have to be non-performing for three consecutive months and then forced out for a minimum of two months when the process restarts. James Barlow (JB) agreed with DA's explanation. LOS asked if all Product Classes were included in the solution for Vacant Sites, would this include all areas of non-performance as well?  
LG suggested that if there was a non-performing site, it would have to be given an opportunity to be made Vacant or it would move back to Product Class 4. LG and DA discussed this point.
- Jonathan Matthews (JM) noted that when a Class 3 Meter Point flatlines, it demonstrates that there is some vacancy at the site and whether a premise is vacant should not depend on the metering equipment.  
LG suggested that if a Class 3 Meter Point had an AMR meter which was recording correctly, it would bring the AQ down and only a dumb meter would show vacancy. SH noted that the other criteria for P196 meant that it was unlikely a site with a Class 3 Meter Point would be vacant.  
LG acknowledged this view and noted the Workgroup's consensus to include all Product Classes in the solution for this Review.
- DA advised that whilst 'no access' might be worth considering, it would be better to consider *de minimus* consumption instead as an empty rental property might have a thermostat which would mean some energy would still be consumed. DA suggested that the solution for this Review should therefore consider consumption rather than no access.
- Olga Batsari (OB) asked how Shippers would handle Vacant Sites if they could not gain entry to the premises. OB asked if Shippers would withdraw from a Vacant Site or report the meters needed to be removed and if so whether this process would be beneficial.
- DA asked OB to clarify whether she had experienced any instances where Shippers had incorrectly labelled a site as Vacant in order to withdraw from it. OB explained that she was unsure if that happened, but as a Transporter she had found that sometimes a Vacant Site was reported incorrectly. OB asked if this was an error in the Shippers' processes.
- LOS asked if a Shipper incorrectly labelled a Vacant Site to withdraw from it, whether there would be an incumbent Shipper. DA suggested that in those instances a Shipper may forget about the Site. If there was a customer in place and the Shipper could not gain access, the customer would keep consuming gas and the Shipper may never fully recover the money. DA highlighted this was a risk to UIG as well.

- OB asked if this could be flagged in order to be safeguarded. SH noted this would assist in Gas Safety withdrawal as well. SH added that without physically visiting and checking whether a Site did not have a meter, a Shipper would not withdraw from it, but noted that possibly there were instances where if a Site had no reads for a prolonged period, a Shipper may withdraw from it.
- LG asked for a view on rolling AQ. LG and DA discussed this. DA asked if this should be considered for Vacant Sites as these sites were at greater risk of energy theft. LG suggested that if there were Site Visit Codes for three months, then the Site would enter the Vacant process, but added that Shippers would still proactively need to make contact after this event. LG noted that if there was no contact, it could not continue to be labelled as Vacant without further checks in order to alleviate the risk of the Site falling off the Shipper's radar.
- DA asked who would carry out these checks, noting that in Electricity there is a central body to verify information whilst there is no such equivalent in Gas. LG agreed with this and noted that this was because there was no dedicated flow in Gas for this process as in Electricity.  
The Workgroup considered how the arrangements in Electricity could be mirrored in Gas. DA suggested that as part of the solution, the CDSP (Central Data Service Provider) could be involved in the process as it is like historic processes for meter inspections which CDSP has carried out previously. DA added that the steps following the inspection would also need to be mapped out.
- Ellie Rogers (ER) noted that to meet the criteria for the CDSP to carry out checks on a Site, a cross code exercise was likely. ER asked whether the Shippers or Suppliers would carry this out? Whilst sending the request to the CDSP to carry out a check would likely be issued by the Shipper would this need to sync with the Supplier and the REC (Retail Energy Code)?
- OB asked if Site was classed as Vacant, what would the recommendations be to ensure no gas goes through the meter? OB suggested installing a device to stop the gas passing through. LG advised that to put a clamp on the meter, access to the meter was necessary and the problem with a Vacant Site was that most likely there would be no access which would make this challenging. LG suggested adding additional steps in the process to confirm that a Site was Vacant.
- LOS asked the Workgroup if they accepted DA's suggestion that the CDSP could carry out the checks to ensure a Site was Vacant and whether this would be compliant with the UNC or whether a Modification would be required? DA advised that the process can be outside the UNC suggesting that the UNC may refer to the assurance activities carried out by the Shippers but anything beyond would fall to the CDSP to check, i.e. after a certain time of not having Read Warranty, the CDSP would check for a Vacant Site. DA added that the CDSP obligations would therefore not need to be added to the UNC as Code is principle based and is not an instruction manual so it should state what needs to happen, not necessarily how this is achieved. The Workgroup agreed with this suggestion.

LOS recapped that:

- Workgroup agreed that all Product Classes should be considered in the solution to this Review. However, it was noted that it is recommended that this is discussed with workgroups organisations and any impacts discussed at the next meeting.
- The P196 processes would be mirrored to create the Gas Vacant Sites process and the recommendation would be that CDSP would manage the actual process.

#### **4.0 Review of Current Provisions**

LOS noted that some slides had been provided just prior to the meeting commencing to aid the discussion on Action 0903. Covered under Agenda item 1.3 Action 0903.

#### **5.0 Performance Assurance**

Covered under Agenda item 1.3 Action:0904.

## 6.0 Impacts of Charging Mechanisms

LOS suggested that until a solution or recommendations for this Review had been agreed in terms of changing AQ, the impacts of the Charging Mechanism could not be considered. LG agreed with this view.

LOS asked whether rolling AQs needed to be considered and whether the CDSP could review this. ER advised that if the rolling AQ was changed, it would impact the formula year AQ. Therefore, anything addressing only rolling AQ for the AQ correction process could not be used.

LG suggested that in order to take this forward, asked for Workgroup Members' views on this topic and asked whether they were interested in progressing this and recommended taking this back for discussions with their organisations for discussion at the next meeting.

**New Action 1102:** All Workgroup Members to review the impact and appetite for changing the Rolling or Formula Year AQ.

## 7.0 Next Steps

LOS confirmed the next meeting would focus on reviewing:

- Site Visit codes
- Challenges to change the AQ

## 8.0 Any Other Business

None

## 9.0 Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Workgroup meetings will take place as follows:

Time / Date	Venue	Programme
TBC	Microsoft Teams	<ul style="list-style-type: none"> <li>• Standard Request Workgroup Agenda</li> </ul>

**Action Table (as at 03 November 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0901	23/09/21	1.0	British Gas (LG) to provide an overview of the (P196) electricity process.	British Gas (LG)	Closed
0902	23/09/21	1.0	British Gas (LG) to provide an overview of the consequences of a failed audit. (i.e. what happens to a site that is discovered as occupied).	British Gas (LG)	Carried Forward

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0904	23/09/21	1.0	Joint Office (LOS) to seek a view from the Performance Assurance Committee (PAC) on the role for assurance monitoring for Vacant Sites.	Joint Office (LOS)	Closed
0905	23/09/21	1.0	British Gas (LG) to provide a description on how Shippers/Suppliers satisfy themselves that their approach not to inspect meters at least once every 2 years complies with health and safety legislation.	British Gas (LG)	Carried Forward
0906	23/09/21	1.0	British Gas (LG) to consider the impacts of a Vacant Site Process including the aims and treatment of capacity and commodity charges.	British Gas (LG)	Closed
0907	23/09/21	1.0	CDSP (DA) to provide a view on the impact of having Vacant Sites on energy balancing.	CDSP (DA)	Closed
1101	03/11/21	3.0	Joint Office (LOS) to ask CACoP to consider how the information required for the P196 process can be replicated in the Gas market and how the information can be passed to Shippers from Suppliers.	Joint Office (LOS)	Pending
1102	03/11/21	6.0	All Workgroup Members to review the impact and appetite for changing the Rolling or Formula Year AQ.	All Workgroup Members	Pending