

Representation

Draft Modification Report

0369/0369A: Alternative Re-establishment of Supply Meter Points – measures to address shipperless sites

Consultation close out date: 03 February 2012
Respond to: enquiries@gasgovernance.co.uk
Organisation: **ScottishPower**
Representative: Marie Clark
Date of Representation: 03 February 2012

Do you support or oppose implementation?

0369 - Support/ *delete as appropriate*

0369A - Not in Support *delete as appropriate*

If either 0369 or 0369A were to be implemented, which would be your preference?

Prefer **0369** *delete as appropriate*

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

ScottishPower support the intention of this Modification and the proposed changes to UNC drafting which clarify the obligations in relation to sites where a Supply Point Isolation and Withdrawal has taken place but the meter remains in situ and therefore remains capable of gas being offtaken. We believe that the proposed amendments to the drafting of the UNC to establish responsibility for gas which is subsequently offtaken at the meter, is a positive move and will increase the incentives on the withdrawing Shipper/Supplier to ensure that appropriate measures are taken to have the meter removed or that suitable arrangements are put in place should, at a later date, the customer intend to re-establish their gas offtake.

As it currently stands gas offtaken at Shipperless sites is wholly allocated to the SSP market sector. Modification Proposal 369 will ensure that this is no longer the case and where it is identified that gas has or is capable of being offtaken at a meter that appropriate action is taken to ensure that that energy allocations are adjusted and applied to the User deemed responsible.

With regard to the additional considerations of Mod 369A and where the meter equipment is owned by the consumer, we do have sympathy were the Supplier is not permitted to physically remove the meter. However we believe that appropriate measures can be taken through the terms of their contractual agreements that will permit these risks to be mitigated to some extent. In addition the consumer needs to be made fully aware, at the time of termination of the supply that any re-connection without the registration of the meter point will be regarded as theft and as such they will be held liable for any gas offtaken.

Where a meter remains in situ, the Shipper/Supplier who has requested the Isolation and Withdrawal may chose to undertake additional monitoring at the site in an attempt to assist in the early identification of any change in circumstances. This action would allow appropriate action to be taken to register the meter point and establish a contract at the earliest opportunity.

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

None identified

Relevant Objectives:

How would implementation of either of these modifications impact the relevant objectives?

ScottishPower believe that Modification 369 facilitates the following Relevant Objectives

Standard Special Condition A11.1 (d)

Gas offtaken at Shipperless sites is wholly allocated to the SSP market sector. Modification 369 will ensure that this is no longer the case and were it is identified that gas has or is capable of being offtaken at a meter point that appropriate action is taken to ensure that that energy allocations are adjusted and applied to the Users deemed responsible.

We believe that measures intended to remove the burden on SSP Shippers solely picking up the cost liability for Shipperless sites is a positive move forward and offers increased accuracy in cost allocations. As such implementation of this Modification should promote competition between Shippers and Suppliers.

Standard Special Condition A11.1 (f)

Modification 369 will introduce appropriate incentives on Users to proactively manage redundant meter points and therefore reduce the instances of potential Shipperless sites. This reduction and the assignment of costs to the Relevant Shipper will promote the efficiency and operation of the UNC.

Impacts and Costs:

What analysis, development and ongoing costs would you face if either of these modifications were implemented?

There may be additional costs in managing sites which are subject to Isolation and Withdrawal.

Implementation:

What lead-time would you wish to see prior to either of these modifications being implemented, and why?

Some process development will be necessary however we would suggest that this Modification is implemented as soon as possible following a positive direction from Ofgem.

Legal Text:

Are you satisfied that the legal text will deliver the intent of each modification?

We are satisfied with the Legal Text provided.

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.