

## Representation

### Draft Modification Report

#### 0399: Transparency of Theft Detection Performance

**Consultation close out date:** 02 March 2012  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** SSE  
**Representative:** Anne Jackson  
**Date of Representation:** 2 March 2012

#### Do you support or oppose implementation?

Not in Support

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

Theft obligations rest with suppliers and transporters and shippers act as a conduit for information. Therefore this report requirement should be governed by the SPAA in parallel with the proposed Theft Code of Practice and not within the UNC.

This modification is laying out reporting requirements for theft before Ofgem has determined how the theft investigation regime will look in the future. The detail for this report is being decided prematurely and may not be appropriate to the future regime. Additionally it will show statistics for shippers and not suppliers, which would be more appropriate.

The statistics are already available for shippers anonymously, although not under any formal governance. They do not allow benchmarking currently and this is not improved by revealing the shippers name as there is no relativity for the statistics, such as the portfolio size. Consequently the statistics can be misleading and open to misinterpretation. Similarly, this also applies to the statistics for the Distribution Networks.

Ofgem already receive the statistics and we do not see any further benefits in removing anonymity.

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

### Relevant Objectives:

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

- c) Efficient discharge of the licensee's obligations.
- d) Securing of effective competition:
  - (i) between relevant shippers;
  - (ii) between relevant suppliers; and/or
  - (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.

The proposer suggests that the mod will impact the relevant objectives above, which we would agree it may, but not necessarily in a positive way. Competition means that participants do not want to reveal how they are successful to retain that competitive edge. If information is released some 'perverse incentives' could be created, particularly where it brings financial reward, as may be the case if the SETS regime is introduced. We believe that consumers under investigation for theft should be treated fairly and evenly across the Industry and would be disappointed if revealing performance statistics incentivised other behaviours contrary to this approach.

### 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?*

No comment

### Legal Text:

*Are you satisfied that the legal text 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.*

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