



GAS FORUM
Minutes from the NRPS Workgroup 10-01
19th July 2010
Ofgem, 9 Millbank, London SW1P 3GE

Attendees:

Anne Jackson – SSE (Chair)
David Moore – Gas Forum
Andrew Wallace – Ofgem
Gareth Evans – Waters Wye
Mike Gibson – Consultant
Kevin Woollard – Centrica
Nick Haliman – Gemserv
Alan Dick – UKRPA
Colette Baldwin – EON (via telecon)
Mike Blake – EDF
Jonathan Wisdom - npower
Abigail Hall – Consumer Focus
Audrey Gallacher – Consumer Focus
Lorraine Kerr – Scottish Power
Richard Street – Corona Energy
Steve Mulinganie – Gazprom
Dan Simmons - EDF
James Cooper – Siemens Metering
Alison Jennings – xoserve (via telecon)
Joanne Ferguson – Northern Gas Networks (via telecon)
Phil Lucas – National Grid (via telecon)

1. Introduction and Apologies for Absence

Anne Jackson (AJ) welcomed the attendees and confirmed that she would be chairing the meeting in the absence of Colette Baldwin (CB).

AJ gave a brief overview of the background to the UNC Modifications (0245 & 0274) and also the background to the workgroup. AJ explained that the Gas Forum had agreed to sponsor the workgroup and to that end had set aside finance to fund the work of the Group. AJ confirmed that further detail would be provided as part of the presentation that would be given later in the meeting.

There were no apologies for absence received.

2. Ofgem aspirations for revised theft arrangements

Andrew Wallace (Ofgem) gave a presentation to the Group which outlined Ofgem's views on the current arrangements as well as their thoughts on what the Group should be looking to achieve (i.e. increased theft detection rates).

The Group discussed the Impact Assessment that had been mentioned in the presentation and Andrew Wallace (AW) confirmed that Ofgem were aiming to publish the IA by early 2011. AJ commented that the IA has been factored into the draft plan, and had been flagged as a dependency.

David Moore (DM) confirmed he would circulate the slides to the attendees.

Action NRPS 10/01–01: DM to circulate Ofgem slides to the NRPS workgroup attendee list.

3. Overview of the background to the proposal

AJ gave a presentation to the Group outlining in detail the background to the proposal including the history of the 'theft' UNC Modifications going back to 2005. The presentation covered the development of the NRPS proposal as well as the high level principles that should guide the work of the Group. The Group agreed that the principles should also include:

- A requirement to protect the vulnerable; and
- The need to look for synergies with the electricity model.

Action NRPS 10/01-02: CB to include additional items (relating to electricity model synergy and vulnerable people) on the list of principles.

A proposed operating model was also presented which contained six key elements:

- Industry Revenue Accounting;
- Prosecution & risk management;
- Debt recovery;
- Investigation of individual cases;
- Data analysis and reporting; and
- Get data & intelligence.

The Group debated the proposed model, and one attendee commented that a potential issue maybe the merging of the electricity and gas models in the future. It was pointed out that the electricity industry was currently going through a process which was not due to deliver until October 2010, the Group agreed that the NRPS work should still develop in parallel to ensure the momentum was maintained.

Attendees queried the use of the data that would be required as the core element of the proposal, and it was confirmed that the Data Protection Act (1998) allowed for an exemption relating to detection of theft, in addition attendees noted the NRPS would be acting as a service provider on behalf of suppliers and therefore the issue of data 'sharing' would be mitigated.

The high level milestones for the plan were also presented and debated by the Group, it was agreed that as the timeline for the publication of the IA differed from that currently outlined in the plan, the plan should be altered to accommodate this change.

Action NRPS 10/01-03: CB to update NRPS plan with revised IA publication date

AW confirmed that Ofgem would be working closely with the NRPS workgroup to ensure their respective plans are aligned. AW commented that Ofgem would be requiring approximate costing and more details of the operating model. Abigail Hall (Consumer Focus) confirmed that Consumer Focus would be providing input to the IA outlining the principles for the protection of vulnerable customers.

AJ also confirmed that the Request for Information (RFI) was due to be released in September 2010, as per the draft plan. The large volume of required data was raised as a potential issue and members of the Group confirmed that they had spoken to a data analysis company (currently working with energy suppliers and with the insurance industry) where large volumes of data was routinely handled and they therefore did not consider it to be a large obstacle.

One attendee commented on whether the DCC model that was being developed for Smart Metering could potentially be utilised as the data source for the NRPS.

Action NRPS 10/01-04: DM to circulate CB's slides and draft NRPS plan to NRPS Group attendees list.

4. Stakeholder Views

AW confirmed that Ofgem would be keeping DECC up to date with all of the developments of the NRPS work. The Group also considered that the following parties should be kept informed as to the progress of the work of the NRPS Group:

- Criminal Prosecution Service;
- Home Office;
- Citizen Advice Bureau;
- Health and Safety Executive; and
- Local Authorities.

5. Confirmation of future meeting dates and venue

The next meeting is to be held on the 16th August at EON's offices in Pall Mall, London.

6. AOB

There was none.

Outstanding Actions

Action NRPS 10/01-01: DM to circulate Ofgem slides to the NRPS workgroup attendee list.

Action NRPS 10/01-02: CB to include additional items (relating to electricity model synergy and vulnerable people) on the list of principles.

Action NRPS 10/01-03: CB to update NRPS plan with revised IA publication date.

Action NRPS 10/01-04: DM to circulate CB's slides and draft NRPS plan to NRPS Group attendees list.