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6 May 2011

Dear Steve

## **Open letter consultation on responsibility for Uniform Network Code Sub-Deduct Arrangements**

We agree in the main with Ofgem's preliminary position which indicates that default responsibility for sub-deduct networks should rest with National Grid Gas. Our views are based on testimony from existing E.ON personnel who were previously employed by the former British Gas Corporation and who were involved in the design and installation of sub-deduct networks and the presentation of these as a legitimate design configuration.

We are aware of networks where existing pipework, owned by the site operator, was adapted to facilitate the installation of sub-deduct meters. Typically these would be former industrial premises that had been converted to smaller industrial units.

We are also aware that construction of new networks occurred up to 1994 throughout Great Britain. The design criteria and materials used for many of these networks were identical to those used for standard transporter mains and services and the works themselves were carried out by BG.

It would appear that responsibility was not transferred at the time of DN sale, however transportation revenue enabled by sub-deduct networks has been collected by NGG and the other DNs since the sale and this continues to be the case.

Transporters charge Users registered to sub-deduct meter points on the same basis as standard freestanding meter points and have done so since the creation of the competitive GB gas market. Neither do they differentiate sub-deduct installations from conventional freestanding installations in terms of emergency service provision.



Given that they enjoy transportation revenue from sub-duct Users we assume that the DNs accept that they are conveying gas through these networks and should therefore take responsibility for them.

Yours sincerely

Brian Durber (by email)  
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