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1<sup>st</sup> June 2012

Dear Steve,

**Re: British Gas's request for changes to its meter inspection licence obligations (Reference 43/12)**

National Grid Gas plc (NGG) welcomes the opportunity to comment on this consultation. Please find below our observations against the main principles, rather than each specific question. These build upon our response to Ofgem's open letter consultation regarding the application for derogation from the Gas Supply Licence and Electricity Supply Licence "must-inspect" obligation which was published on 18<sup>th</sup> November 2010.

NGG acting in its role as Gas Transporter has no objection to the derogation request from British Gas as long as it can be demonstrated, on an individual basis, that all aspects of safety are at least maintained to those levels that currently exist, especially in relation to vulnerable customers but also the safe condition of meters and metering equipment. NGG also suggests that because this proposal is extending the frequency of which meters are inspected, then British Gas may wish to consider a review of its revenue protection and theft detection activity, in order to ensure identification of theft is not compromised.

Under Gas Transporter Licence Standard Special Condition A10 Provision and Return of Meters; and Standard Special Condition A50 System Development Obligation, obligations are placed upon Gas Transporters to provide suppliers with inspection related information and keep records respectively. NGG will continue to meet such licence obligations notwithstanding that in the event the derogation request is approved there would be no requirement to change any of our systems and processes which would continue as normal.

In relation to Appendix Five we have no comments or complaints to make on the manner in which this consultation has been conducted.

Should you want to discuss any of the points made in this response, please contact Chris Warner on 07778 150668

Yours sincerely,

[by email]  
Paul Rogers  
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National Grid Gas Distribution