

Consent given by the Gas and Electricity Markets Authority to British Gas Trading Limited, pursuant to standard condition 12.8 of the Gas Supply Licence (as issued under section 7A(1) of the Gas Act 1986) granting British Gas Trading Limited a derogation from the requirement to carry out physical meter inspections every two years.

Whereas:

1. British Gas Trading Limited (the "Licensee") is the holder of a Gas Supply Licence (the "Licence") granted under section 7A(1) of the Gas Act 1986 (the "Act") on 28 September 2001.
2. On 6th August 2009 the Licensee requested that the Gas and Electricity Markets Authority (the "Authority") grant a consent, to the Licensee, pursuant to standard condition 12.8, which derogates the Licensee from the requirement to inspect at least once every two years in respect of premises at which it has at all times during that period been the Relevant Gas Supplier.
3. The Authority considers that a consent should be granted to the Licensee, because the Authority is satisfied that, having considered a range of factors, including safety, theft of energy, billing, competition and impact on networks, that the consent would be in the interests of consumers. Further, the Authority is satisfied that the conditions being placed on the Licensee will protect consumers whilst also promoting quality and value for consumers. The Licensee will be required to monitor and report to the Authority against a set of key performance indicators, which will further safeguard consumers.

The Authority hereby consents as follows:

4. In accordance with standard condition 12.8 of the Licence, the Authority hereby grants the Licensee, by way of consent, a derogation from the requirement to carry out meter inspections every two years as required under the terms of this condition.
5. The consent is granted with the following conditions:-

That the Licensee shall,

- a) take all reasonable steps (including obtaining a warrant for access, where reasonable) to ensure that it inspects any Relevant Meter and associated installation, in respect of premises at which it is the Relevant Gas Supplier as frequently as appropriate, based on the risk profile of the meter;

- b) assess the risk profile for the purposes of sub-paragraph a), and in particular assess; the type of meter, age of the meter, location of the meter, and the likelihood of theft from that meter;
- c) without prejudice to sub-paragraph a), take all reasonable steps (including obtaining a warrant for access, where reasonable) to ensure that it inspects any Relevant Meter, at least once every two years, in respect of premises where the Domestic Customer is a Vulnerable Customer and where it is the Relevant Gas Supplier;
- d) without prejudice to sub-paragraph a), take all reasonable steps (including obtaining a warrant for access, where reasonable) to ensure that it inspects any Relevant Meter in respect of premises where it is the Relevant Gas Supplier for a Domestic Customer who is not a Vulnerable Customer,
 - i. within 2 years of becoming the Relevant Gas Supplier for such premises; and
 - ii. where subparagraph i. applies thereafter at least once every five years, where it has at all times during that period been the Relevant Gas Supplier; and
 - iii. where subparagraph i. does not apply at least once every five years, where it has at all times during that period been the Relevant Gas Supplier;
- e) take all reasonable steps (including obtaining a warrant for access, where reasonable) to ensure that it inspects any Gas Meter that is not a Relevant Meter, at least once every two years, in respect of premises where it is the Relevant Gas Supplier;
- f) ensure that any inspection carried out under sub-paragraphs a), c), d) and f) is carried out by a person possessing appropriate skill and experience;
- g) ensure that any inspection carried out under sub-paragraphs a), c), d) and f) includes;
 - i. the taking of a meter reading;
 - ii. inspecting the Gas Meter and associated installation for evidence of tampering;
 - iii. inspecting the Gas Meter and associated installation for evidence that the meter has not continuously been in position for the purpose of registering the quantity of gas supplied;
 - iv. arranging for information in respect of any gas leakage identified in the vicinity of the Gas Meter to be passed on in accordance with the

Gas Safety (Management) Regulations 1996 as if the licensee had been informed of that leakage;

- v. inspecting the Gas Meter for any evidence of deterioration which might affect its safety or proper functioning; and
- vi. where necessary, and subject to the consent of the owner of the meter, changing any batteries in the Gas Meter.

(Nothing in sub-paragraph g)(i) to (vi) requires the Licensee to disassemble any part of the meter);

- h) take all reasonable steps (short of seeking a warrant for access) to obtain a meter reading from any Relevant Meter, at least once every two years, in respect of premises at which it is the Relevant Gas Supplier, by visiting the premises, direct from the Domestic Customer or the Relevant Meter itself;
 - i) meet minimum levels of theft detection as set out in the Annex A to this document, in respect of premises with a Relevant Meter and where it is the Relevant Gas Supplier;
 - j) continue to take all reasonable steps (short of seeking a warrant for access) to ensure that it inspects, at each available opportunity, where appropriate and reasonably practicable any Gas Meter, in respect of premises at which it is the Relevant Gas Supplier;
 - k) maintain documentary records of the systems and processes used, and activities undertaken, to give effect to sub-paragraphs a) and b);
 - l) provide a written report to the Authority, on a quarterly basis, detailing compliance with the terms of this consent and in particular provide information in respect of the indicators set out in the Annex B.
6. For the purposes of the conditions set out in paragraph 5 and the definitions set out in paragraph 7, any term used in paragraph 5 or 7, which is defined in the Licence shall have the same meaning as provided in the Licence.
7. For the purposes of the conditions set out in paragraph 5;

"Relevant Meter" means

- i) a Traditional Meter;
- ii) a Gas Meter that is an advanced meter as defined in Condition 12 of the Licence, which is installed in accordance with the obligations in that condition; or
- iii) a Gas Meter that has the functional capability specified in the Licensee's Smart Meter Specification and complies with the requirements of the Smart Meter Specification.

"Smart Meter Specification" means the document headed PR_smart_Part1_GenReq Final V4.0 2010 03 29.

"Traditional Meter" means a Gas Meter that cannot provide the Licensee, either on its own or with any ancillary device that has been installed, remote access to measured gas consumption data for multiple periods"

"Vulnerable Customer" means a Domestic Customer who is listed on the Licensees Priority Services Register established under condition 26 of the Licence.

8. The consent has effect from 1st April 2013 and shall remain in force until 31st March 2016 (the "Expiry Date"), unless;
 - i. it is revoked or amended by the Authority;
 - ii. the Expiry Date is extended by the Authority following a review carried out by the Authority immediately following the second anniversary of the date this consent commenced; or
 - iii. the Licensee gives notice to the Authority that the consent is no longer required by the Licensee, in which case the consent shall cease to be of effect.
9. In the event that the Authority determines that the Licensee has breached this consent or any of its terms, this consent shall be revocable immediately without notice, at the sole discretion of the Authority.
10. This consent constitutes notice for the purposes of section 49A of the Act.

Dated: 14/12/2012

Signed: 

Colin Sausman

Partner, Markets

Signed on behalf of the Gas and Electricity Markets Authority

ANNEX A

Minimum levels of theft detection required for the purposes of paragraph 5i) of the consent.

Fuel / minimum annual targets	Theft (individual cases)
Gas	1806 per annum

ANNEX B

Indicators of information required for the purposes of paragraph 5I) of this consent.

Narrative	Measurement Level
Number of Occurrences - Theft SSP (Gas)	Number
Number of Occurrences - Theft LSP (Gas)	Number
Quantity of Theft Detected - SSP (Gas)	kWh
Quantity of Theft Detected - LSP (Gas)	kWh
Number of Meter Reads - (Gas)	
- Estimated Reads	Number
- Site Visist (Firm)	Number
- Customer Reads (Firm)	Number
- Remote reads	Number
Vulnerable Customers - (Gas)	
- On Register	Number
- Meters Inspected	Number
Warrants Obtained - (Gas)	Number
Meter Points Gained - Churn (Gas)	
- Meters aquired via churn	Number
- Meters Inspected	Number
Inspection frequency status (Gas)	Number
- Size of portfollio	Number
- 5 year inspection cycle	Number
- 4 year inspection cycle	Number
- 3 year inspection cycle	Number
- 2 year inspection cycle	Number
- 1 year inspection cycle	Number

