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| **Draft Determination Publication** | |
| **Network Queries** | |
| **Network Reference number** | CADENT \_DDQ\_94 |
| **Licence** | GD |
| **Topic/Activity:** | Theft of gas |
| **Question:** | We would welcome further clarity from Ofgem as to the mechanics of the updated Theft of Gas proposal, notably:   * Confirmation that there will be no requirement to confirm cases of theft before we can recoup our legitimate costs. * Absent of Ofgem providing an allowance for investigation costs associated with theft of gas recovery, clarity on the specifics as to how investigation will be treated in TIM / the PCFM. * Whether the costs and recoveries will form part of the Opex regressions for RIIO-3. * How recovered monies that flow to GDNs after 31st March 2026 (because of the lag time that exists between theft identification and cost recovery) will be treated. |
| **Confidential** | No |
| **DDQ raised by** | Peter McClenaghan |
| **Date query raised** | 13/08/2020 |
| **Expected response date** | 20/08/2020 |
| **Ofgem Response:**   * We are proposing to apply the same approach as in RIIO-GD1 in this respect – any costs legitimately incurred in investigations can be recouped regardless of whether theft is confirmed to have occurred. * We intend to develop this through the license drafting workstream. The amended version of SLC7 will be discussed at the License Drafting Working Group on 26th August. * We will make a decision on this in the lead-up to RIIO-GD3. * We are still considering this, as we will need to apply the same treatment to monies flowing to GDNs after March 2021 (where these relate to investigations carried out in RIIO-GD1). | |
| **Attachments:** | |