

# **Electricity North West Limited**

## **Code of Practice**

### **Revenue Protection**

## INDEX

Clause	Headings	Page
1.	DEFINITIONS AND INTERPRETATION .....	1
2.	PRINCIPLES .....	4
3.	INITIATION OF WORK .....	5
4.	GENERAL PROCEDURES FOR INVESTIGATION .....	7
5.	RE-VISITS.....	11
6.	SERVICES PROVIDED .....	12
7.	MAINTENANCE OF RECORDS.....	13
8.	OPERATION OF THIS CODE.....	13
9.	VOTING ENTITLEMENTS OF PARTIES .....	14
10.	DATA TRANSFER .....	14
	APPENDIX 1 Guidelines for provision of information by the Supplier.....	17
	APPENDIX 2 Collection and Retention of Evidence .....	20
	APPENDIX 3 Procedures for the Assessment of unrecorded units .....	22
	APPENDIX 4 Format of Reports .....	24
	APPENDIX 5 Constitution of the Committee .....	26

## **1. DEFINITIONS AND INTERPRETATION**

1.1 In this Code of Practice, unless the subject matter or context otherwise requires:

<b>“Act”</b>	means the Electricity Act 1989;
<b>“Committee”</b>	means the body established pursuant to clause 2.4;
<b>“Customer's Installation”</b>	means any structures, equipment, lines, appliances or devices used or to be used by any customer and connected or to be connected directly or indirectly to the Distribution System (or, in Scotland, the Transmission System);
<b>“Data Collector”</b>	means a person appointed to provide the services described in Condition 11C (or, where the PES is incorporated in Scotland Condition 8C of Part V) paragraph 1(c) and (d) of the PES Licence in relation to the relevant Metering Point;
<b>"Data Transfer Catalogue"</b>	has the meaning given to that term in the Data Transfer Service Agreement;
<b>"Data Transfer Network"</b>	has the meaning given to that term in the Data Transfer Service Agreement;
<b>"Data Transfer Service Agreement"</b>	has the meaning give to that term in the Use of System Agreement between the relevant Parties;
<b>"DTC Event Log"</b>	means a table, substantially in the same form as the table set out at Appendix 6, provided by the relevant RP Service to the relevant Supplier pursuant to Clause 10.1;
<b>“De-energise”</b>	means, in relation to any Metering Point, deliberately to prevent the flow of electricity from the Distribution System (or, in Scotland, the Transmission System) through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to the relevant Customer's Installation for any purpose other than a System Outage;
<b>“De-energisation Works”</b>	means the movement of any switch, the removal of any fuse or meter, or the taking of any other step to De-energise a Metering Point;
<b>“the Director”</b>	means the Director General of Electricity Supply appointed for the time being pursuant to the Act;
<b>“Distribution System”</b>	means a PES's system for the distribution of electricity and shall have the meaning given to the phrase "Licensee's Distribution System" in the

	PES Licence;
<b>“Distributor Vote”</b>	shall be construed in accordance with clause 9.1;
<b>“Exit Point”</b>	means a point of connection at which a supply of electricity may flow between the Distribution System (or, in Scotland, the Transmission System) and the Customer's Installation or Supplier's Installation or the distribution or transmission system of another person;
<b>"Gateway"</b>	has the meaning given to that term in the Data Transfer Service Agreement;
<b>“Installation”</b>	means, as the context requires, the meter and/or any directly associated supply or connection equipment, plant and cable at a customer’s premises;
<b>"Market Domain ID"</b>	has the meaning given to that term in the Data Transfer Service Agreement;
<b>“Master Registration Agreement”</b>	means the agreement of that name dated 1 June 1998, as at the date of this Agreement;
<b>“Meter Operator”</b>	means a person appointed to provide the services described in Condition 11C (or, where the PES is incorporated in Scotland, Condition 8C of Part V) paragraphs 1(a) and 1(b) of the PES Licence in relation to the relevant Metering Point;
<b>“Meter Operator Agreement”</b>	means an agreement appointing a Meter Operator in respect of a Metering Point or series of Metering Points;
<b>“Metering Point”</b>	has the meaning given to that term in the Master Registration Agreement;
<b>“Party”</b>	shall have the meaning given to that term in clause 2.3;
<b>“PES”</b>	means the holder of a PES Licence;
<b>“PES Licence”</b>	means a public electricity supply licence granted pursuant to Section 6(1)(c) of the Act (and, where the PES is incorporated in Scotland, the composite generation, transmission and public electricity supply licence granted pursuant to Sections 6(1)(a), (b) and (c) of the Act);
<b>“PES Supply Vote”</b>	shall be construed in accordance with clause 9.1;
<b>“Re-energise”</b>	means, in relation to any Metering Point,

	deliberately to allow the flow of electricity from the Distribution System (or, in Scotland, the Transmission System) through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to the relevant Customer's Installation where such flow of electricity was previously prevented by De-energisation Works;
<b>“RP Service”</b>	shall have the meaning given to that term in clause 2.2;
<b>“Second Tier Supply Licence”</b>	means a second tier supply licence granted pursuant to Section 6(2) of the Act;
<b>“Second Tier Vote”</b>	shall be construed in accordance with clause 9.2;
<b>“Settlement”</b>	has the meaning given to that term in the Settlement Agreement;
<b>"Settlement Agreement"</b>	means the Pooling and Settlement Agreement dated 30th March 1990 (as amended), including all Service Lines and Agreed Procedures (as therein defined) made under it, as at the date of this Code of Practice;
<b>“Supplier”</b>	means the holder of a Second Tier Supply Licence;
<b>“Supplier's Installation”</b>	means structures, equipment, lines, appliances or devices connected or to be connected to the Distribution System (or, in Scotland, the Transmission System) at any Exit Point used or to be used by the Supplier in connection with the Use of System Agreement;
<b>“System Outage”</b>	shall have the meaning given to that term in the Use of System Agreement;
<b>"Transmission System"</b>	means, where the PES is incorporated in Scotland, the PES's system for the transmission of electricity as defined in the PES Licence and, for the avoidance of doubt, does not include the interconnection, as defined in the PES Licence;
<b>“Unmetered Supply”</b>	shall have the meaning given to that term in the Use of System Agreement;
<b>“Use of System Agreement”</b>	means a Use of Distribution (and, in Scotland, Transmission) System Agreement between a PES and a Supplier pursuant to which the PES agrees to transport electricity to customers of the Supplier through its distribution (and, in Scotland,

its transmission) system;

**“Working Day”**

shall have the meaning given to that term in the Act.

- 1.2 In this Code, unless the context otherwise requires, any reference to:
  - 1.2.1 a “person” includes a reference to a body corporate, association or partnership;
  - 1.2.2 the singular shall include the plural and vice versa;
  - 1.2.3 this “Code” shall mean this Code of Practice and the Appendices;
  - 1.2.4 a clause or Appendix is a reference to a clause of or appendix to this Code; and
  - 1.2.5 writing includes all methods of reproducing words in a legible and non-transitory form.
- 1.3 The headings in this Code are for ease of reference only and shall not affect its interpretation.
- 1.4 In this Code, references to “include” or “including” are to be construed without limitation to the generality of the preceding words.

## **2. PRINCIPLES**

### **2.1 Objectives**

This Code sets out the responsibilities of each PES to investigate and provide initial remedy where, as a result of information received, interference with a meter, associated supply equipment or any other physical form of illegal abstraction of electricity is suspected, which together is referred to in this Code as “interference”. This Code also sets out the corresponding obligations of Suppliers in relation to such matters. It does not deal with other types of theft or fraud, or the recovery of bad debts, or the abstraction of electricity from meters which are only used to measure the flow of electricity on a private network.

### **2.2 Organisational Requirements**

Each PES will provide a revenue protection function with adequate resources to meet the requirements specified in this Code, which function is referred to in this Code as the “RP Service”. For the avoidance of doubt, the PES shall have no obligation to perform all services of the function specified in this Code within one separate operating unit.

### **2.3 Parties**

Each PES who has agreed pursuant to a Use of System Agreement to provide, and each Supplier who has agreed pursuant to a Use of System Agreement to take, revenue protection services in accordance with the provisions of this Code will, whilst any such Agreement continues in force, constitute a Party to this Code.

## **2.4 The Committee**

The Parties will establish and maintain the Committee, which will be a standing body. The objects, membership and procedural rules of the Committee will be those set out in Appendix 5. For the avoidance of doubt, amendments to Appendix 5 will constitute amendments to this Code.

## **3. INITIATION OF WORK**

### **3.1 Sources of Information**

3.1.1 The Supplier will, as soon as reasonably practicable, inform the RP Service of any incident where it has reason to believe that there has been damage to any electrical plant, electric line or meter, or any other form of interference. The Supplier will use its reasonable endeavours to ensure that its agents and contractors (including Meter Operators and Data Collectors) promptly inform the Supplier (and, in an emergency or where otherwise agreed, the RP Service) of any such incidents of which they become aware and will use its reasonable endeavours to ensure that its customers also report such incidents.

3.1.2 In particular (but without prejudice to the generality of clause 3.1.1), the Supplier will require that:

- (a) whenever a Data Collector or Meter Operator operative gains access (for whatever reason) to premises supplied by the Supplier, a visual check of the metering equipment at such premises is conducted by such operative to the level of their technical competence, for signs of interference and that any irregularities identified are reported to the Supplier (and, in an emergency or where otherwise agreed, to the RP Service). The Supplier will further require that all Data Collector and Meter Operator operatives visiting its customers' premises are adequately trained in the identification of interference and that, wherever evidence of interference is discovered, all possible evidence (including metering equipment) is left in situ pending a visit by the RP Service;
- (b) whenever a Meter Operator operative has removed metering equipment from premises supplied by the Supplier, the metering equipment and the service position is checked by such operative for irregularities and that any irregularities identified are reported to the Supplier (and, in an emergency or where otherwise agreed, to the RP Service);
- (c) whenever it is proposed to install at premises supplied by the Supplier any metering equipment that has previously been installed at any premises, such metering equipment is checked for signs of interference and, where any irregularities are identified, that such metering equipment is not installed without first having been made good; and
- (d) the consumption and payment records of its customers are monitored and that any irregular patterns giving cause for suspicion that abstraction has taken or is taking place (e.g. persistent failure by

prepayment customers to purchase credit) are reported to the RP Service.

- 3.1.3 Information arising from other sources, for instance distribution business consumption audits or “tip offs”, and reported directly to the RP Service will be assessed by the RP Service and dealt with as the RP Service considers appropriate. The Supplier will be informed as soon as reasonably practicable of any action taken or proposed to be taken by the RP Service. In these situations, a request for further information may be issued to the Supplier by the RP Service. On receipt of such a request, the Supplier will respond by providing the information referred to in clause 3.3.2(a).
- 3.1.4 The RP Service may, additionally, undertake investigations in its own right or as part of a process of general follow-up as in clause 5.3. The RP Service may, at its discretion, extend the scale of an investigation, for example to check other customer meters in a multi-occupancy dwelling (see clause 6.3 regarding funding in these cases). In these situations, a request for further information may be issued to the Supplier by the RP Service. On receipt of such a request, the Supplier will respond by providing the information referred to in clause 3.3.2(a).

## 3.2 Priorities

- 3.2.1 The following levels will normally be allocated by the Supplier when notifying the RP Service under clauses 3.1.1 and 3.1.2:

A.	Serious safety concern
B.	Evidence of interference but with no particular safety concern
C.	Information giving cause for suspicion that abstraction has taken or is taking place.

Category B and C cases should not be referred without “screening” of the information to ensure that there is a legitimate concern regarding interference.

- 3.2.2 In the absence of allocation of priority by the Supplier, or where the information is not through the normal notification procedure, the RP Service may allocate priority. It may also challenge an allocated category, on the basis of additional information which it may have, and re-allocate priority with the agreement of the Supplier.

## 3.3 Information Exchange

### 3.3.1 General Information

- (a) The Supplier will, at the commencement of its Use of System Agreement, advise the RP Service of its general policy in respect of De-energisation, Re-energisation and remedy for the purposes of this Code, and in respect of any other matters expressed in clause 4 to be dependent upon the Supplier’s policy. The Supplier will notify the RP



Service of any changes to such policy from time to time and, unless otherwise agreed between the Supplier and the RP Service, will in any event notify the RP Service of its current policy when making any notification under clause 3.2.1. This policy may differ between different customer types (e.g. domestic or commercial). Guidance as to the nature of this advice is given in Appendix 1.

- (b) The RP Service will, at the commencement of a Use of System Agreement, advise the relevant Supplier as to its practices for De-energisation of a supply and what its policy is with regard to the fitting of special security devices on a customer's Installation considered to be at risk.

### 3.3.2 Case Information

- (a) In order properly to investigate reported interference, case-specific information will be needed by the RP Service. The Supplier will provide the RP Service with the relevant information when reasonably requested.
- (b) Where this information is not available to the Supplier, or where the RP Service takes action without consulting the Supplier, then it will be the responsibility of the RP Service to attempt to obtain it either before visiting the premises or subsequently, and the Supplier will provide all such co-operation as may be necessary in this regard.
- (c) To assist the RP Service further, where reasonably requested, the Supplier shall provide additional information such as:
- Previous payment record
  - Relevant supply contract terms

## 4. GENERAL PROCEDURES FOR INVESTIGATION

### 4.1 Minimum Response Times

Following notification and, where necessary, receipt of information the RP Service will visit (where appropriate) and use its reasonable endeavours to resolve the matter within the following target times:

Priority Level A	- Visit within maximum of 8 hours and resolve within 20 Working Days
Priority Level B	- Visit within 21 Working Days and resolve within 40 Working Days
Priority Level C	- Visit and resolve within 90 Working Days

In this context:

- “**visit**” means use reasonable endeavours to gain access to the Installation; and
- “**resolve**” means gain access to the Installation, investigate and take action as in clause 4.3, but does not include assessment of unrecorded units (which will be carried out as soon as reasonably practicable) nor the provision of any optional services.

For the avoidance of doubt, the time periods set out above will not be deemed to commence until (in Priority A cases) the RP Service has been provided with the address of the premises at which interference is suspected and the nature of the suspected interference or (in Priority B and C cases) the RP Service has been provided with information in accordance with clause 3.3.2.

## 4.2 **Entry**

The Parties to this Code acknowledge that rights of entry under the Act entitling the obtaining of a Justice’s warrant under The Rights of Entry (Gas and Electricity Boards) Act 1954 may not in all cases be available to the RP Service where the premises concerned are supplied by a Supplier (as opposed to the PES’s own supply business). Where entry is refused or the RP Service believe it to be necessary, and the RP Service is entitled to obtain a warrant, the RP Service shall use reasonable endeavours to obtain a warrant. Where the RP Service’s initial application for a warrant is unsuccessful it shall notify the relevant Supplier as soon as reasonably practicable. In such cases, where the RP Service is unable to gain access to premises by consent, it will have no obligation to take further steps to gain access unless the Supplier obtains an appropriate contractual injunction or interdict. The provisions of this Code that assume access to premises has been gained therefore apply only where entry is possible as described in this clause 4.2.

## 4.3 **Investigation Process**

### 4.3.1 **General**

- (a) Once entry has been gained or enquiries commenced the course of action undertaken will be determined by the circumstances as indicated in clauses 4.3.2 to 4.3.5 below.
- (b) Where as a result of any investigation interference is suspected or discovered, the RP Service will immediately begin to collect evidence in accordance with all relevant statutory provisions, codes of practice and other applicable guidelines.
- (c) In all cases the principles of the OFFER Policy Statement on “Equipment Damage and Meter Interference” will be given consideration, in particular to explain to the customer why specific action is being taken, to provide a contact number for the Supplier and, where appropriate, to advise the customer of the right to contact OFFER and provide a telephone number for the OFFER regional office for the area in which the customer resides.

- (d) In all cases where meter measurement is found by the RP Service to have been affected by a fault or interference, an assessment of unrecorded units will be made, based on the best available information as to the time for which the fault has existed and according to the guidelines of Appendix 3, and the Supplier will be advised of such assessment.
- (e) Where an assessment of unrecorded units is made pursuant to clause 4.3.1 (d) the Supplier shall pass details of the assessment to the Data Collector.

#### **4.3.2 No Irregularity**

Where the meter and supply equipment are found to be in order with no evidence of interference, the Supplier will be advised of this as soon as reasonably practicable, together with details of the meter reading, and the customer likewise advised if appropriate. It will be the Supplier's responsibility to pass details of the meter reading to the Data Collector. Where the property is found to be unoccupied, this will also be reported to the Supplier.

#### **4.3.3 Minor Damage or Irregularity**

Where the Installation is found to have minor damage or irregularity, but with no particular cause to suspect interference, the Supplier will be advised, as in clause 4.3.2. In circumstances where the PES has been appointed Meter Operator in respect of the relevant Metering Point, the Installation will be made good in accordance with the terms of the relevant Meter Operator Agreement.

#### **4.3.4 Major Damage or Fault**

Where the meter is found to be damaged or to have a fault, but with no particular cause to suspect interference:

- (a) if measurement has stopped, this will be reported to the Supplier. In circumstances where the PES has been appointed Meter Operator in respect of the relevant Metering Point, the RP Service will, if possible, remedy the fault and ensure resumed continuity of measurement in accordance with the Meter Operator Agreement. This will usually require replacement of the meter, and unless the Supplier's policy dictates otherwise, this will be done and the Supplier and the customer will then be advised of the new and replaced meter details and the relevant meter readings. It will be the Supplier's responsibility to pass details of the meter readings to the Data Collector. If further instructed by the Supplier and as an optional service, the RP Service may negotiate with the customer the amount and method of repayment on its behalf; and
- (b) if measurement has not stopped but the meter appears to the RP Service to be recording incorrectly, this will be reported to the Supplier.

#### **4.3.5 Suspicion of Interference with Insufficient Evidence**

If the RP Service suspects interference involving the meter or associated supply equipment (e.g. cut-out, timeswitch or radio teleswitch) but decides that there is insufficient evidence to support any further action, then it will replace the equipment, in the case of a meter replacing it with a like meter and ensuring that the meter removed is stored for a period agreed with the Supplier (but see also clause 4.4) in case any further evidence should come to light. In this sub-clause “like” means “able to support the same tariff or contract type and the same method of data collection”. Where the meter is a half-hourly meter the RP Service will consult with the relevant Supplier to make appropriate arrangements to replace the meter to the extent that this is not dealt with in the Supplier's policy. Where a meter is replaced, new meter tails will be fitted where the existing ones show signs of interference or are not of a modern standard, and the RP Service may install additional security devices, according to its policy advised to the Supplier. The Supplier will be informed of the details of the removed and new meters. If the interference is such that units have gone unrecorded then the RP Service will proceed in accordance with clause 4.3.4 relating to a fault or stopped meter.

#### **4.3.6 Suspicion of Interference with Sufficient Evidence**

- (a) Where interference involving the meter is apparent or suspected and the RP Service decides that it has sufficient evidence to support further action then it will act in accordance with the Supplier's policy and local prosecution agreement by either:
  - (i) summoning the police to the premises, recounting the action taken and offering all relevant evidence and exhibits; or
  - (ii) forwarding details of all evidence including any statement or evidence made by the customer and exhibits to the local police or to the Supplier in order that court proceedings may be considered.
- (b) Dependent upon the Supplier's policy, the RP Service may either leave the supply De-energised but safe or in the case of non-half hourly meters replace the meter with a like meter (i.e. install another credit meter where there was one before) or replace it with a prepayment meter. In the case of half-hourly meters the RP Service shall consult with the Supplier before replacing such a meter. The Supplier will be advised of any action by the RP Service pursuant to this paragraph as soon as reasonably practicable.
- (c) If the Supplier's policy is to De-energise the supply, the RP Service may override that decision if it believes that by De-energising it will place a particularly vulnerable person at the premises at serious risk. If the Supplier's policy is to Re-energise the supply, the RP Service may override that decision if it fears that Re-energisation is likely to lead to a continuing or new safety risk (in line with clauses 16 and 30 of the OFFER Policy Statement on Equipment Damage and Meter

Interference). In either case, the Supplier will be advised as soon as possible, and in any event within 5 Working Days, that its policy has been so overridden.

- (d) In any case the RP Service will ensure that all information in respect of the actions it has taken is forwarded to the Supplier as soon as reasonably practicable for recording purposes and any further action they deem necessary.

#### **4.4 Collection and Safe Keeping of Evidence**

4.4.1 Appendix 2 to this Code gives guidance on the collection and safe keeping of evidence.

4.4.2 If the Supplier's policy is to consider the evidence before informing the prosecution authority, or the prosecution authority declines to accept the exhibits for storage, then the RP Service will be responsible for storing exhibits in such a manner as to preserve their suitability for evidence, for a minimum period expiring 28 days after:

- (a) it has been informed that no court action will take place or the case is resolved in court and no appeal or further appeal is lodged;
- (b) where applicable, the Director authorises the RP Service to destroy or dispose of a meter pursuant to paragraph 4(4) of Schedule 6 of the Act; or
- (c) the OFFER appeal determination period expires;

whichever is the later.

4.4.3 The RP Service will have the right to request the Supplier to store exhibits, or to charge the Supplier for storage of exhibits, if it is not informed of what action is to be taken within 5 months of its initial report to the Supplier.

#### **4.5 Installation of Prepayment Meters**

Each Supplier acknowledges that it will be empowered to replace a credit meter with a prepayment meter only where it has first secured the appropriate contractual entitlement from the relevant customer. Each Supplier undertakes to indemnify the relevant PES against all actions proceedings costs, demands, claims, expenses, liability loss or damage arising from, or incurred by that PES as a consequence of, the RP Service installing a prepayment meter in accordance with the provisions of this Code in circumstances where the Supplier has failed to first secure such contractual entitlement.

### **5. RE-VISITS**

#### **5.1 To complete the remedy**

When a supply is De-energised and not Re-energised during the same visit, the RP Service will, unless instructed by the Supplier to the contrary, make one visit, provided that it is safe to do so, within 14 days to check the safety of the Installation

and ensure that no unlawful Re-energisation has taken place. The RP Service will advise the Supplier of the details and result of such visit as soon as reasonably practicable after it has been made. Further visits will be treated by the RP Service as a re-visit and charged as a transactional service, unless the Supplier provides fresh evidence sufficient for the RP Service to initiate a new investigation in accordance with the provisions of this Code.

## **5.2 At the request of the Supplier**

The Supplier may request that the RP Service re-visit:

5.2.1 a specific customer after a specified period; or

5.2.2 a specified percentage per annum of its customers;

who in each case has or have previously been suspected of meter interference (whether or not confirmed) but in respect of whom there is no fresh evidence giving cause to suspect that interference is taking place. Such re-visits are a transactional service.

## **5.3 General follow-up**

The RP Service may, at its own cost, re-visit customers previously reported to it. In the event that further interference is discovered, action will be taken in respect of such interference in accordance with the provisions of this Code and such action including the re-visit may form part of the standard, transactional or optional services as appropriate.

# **6. SERVICES PROVIDED**

The following categorisation of services is for charging purposes only. Standard services will be provided in all cases in accordance with the provisions of this Code. Transactional services will be provided in all cases subject only to the Supplier's policy notified to the RP Service pursuant to this Code. Optional services will be provided only where agreed separately between the PES and the Supplier. Where services are expressed in this Code to be provided by the PES as Meter Operator (see clauses 4.3.3 and 4.3.4) charges will be payable by the Supplier in accordance with the provisions of the relevant Meter Operator Agreement.

## **6.1 Standard Services**

The following services shall be provided as standard services:

6.1.1 initiating and conducting an investigation as specified in clause 4.1 above, or in accordance with clause 3.1.4;

6.1.2 where there is no irregularity, reporting this to the Supplier as referred to in clause 4.3.2;

6.1.3 reporting details of faults to the Supplier as referred to in clauses 4.3.3 and 4.3.4;

- 6.1.4 collecting, storing and forwarding evidence in accordance with clauses 4.3.6(a) and (d) and 4.4 (subject to further charges as referred to in clause 4.4.3); and
- 6.1.5 carrying out an assessment of lost or unrecorded units in accordance with the procedures detailed in Appendix 3.

## **6.2 Transactional Services**

The following services shall be provided as transactional services:

- 6.2.1 the taking of action as referred to in clauses 4.3.6(b) and (c) (where interference is suspected with sufficient evidence to support further action);
- 6.2.2 in the absence of instruction to the contrary, making one visit within 14 days of any De-energisation in accordance with clause 5.1;
- 6.2.3 undertaking re-visits as per clause 5.2;
- 6.2.4 providing witnesses for any court proceedings involving a customer of the Supplier; and
- 6.2.5 obtaining a warrant as referred to in clause 4.2.

## **6.3 Optional Services**

The RP Service may offer other chargeable services, subject to separate agreement between the PES and the Supplier. An example of such a service is the negotiation of payment with the customer, according to the procedures laid down in the Supplier's policy advised as per clause 3.3.1 (and see also Appendix 1).

## **7. MAINTENANCE OF RECORDS**

Each RP Service and each Supplier may wish to maintain, on a voluntary basis, records in relation to their compliance with this Code, in order to assist the Committee in making recommendations with regard to changes to this Code. Guidelines regarding the kind of information which could be relevant are set out at Appendix 4.

## **8. OPERATION OF THIS CODE**

### **8.1 Changes to this Code**

- 8.1.1 No amendment to this Code will be made otherwise than in accordance with this clause 8.1.
- 8.1.2 Minor amendments to this Code may be made by resolution of the Committee in accordance with Appendix 5. For the avoidance of doubt, no amendment affecting the costs, risks or obligations of any Party to any material extent will be considered to be minor.
- 8.1.3 Where any amendment is proposed to this Code which is not approved by the Committee as minor and which is referred to the Parties by the Committee, or referred by a Voting Member of the Committee, in accordance with sub-

paragraphs 10.3 or 10.6 of Appendix 5, the Secretary of the Committee shall forthwith upon such referral notify all Parties of the proposed amendment. Such amendment will become effective only when approved by the Parties in accordance with clause 8.1.4.

- 8.1.4 Within 20 Working Days after notification of the proposed amendment to the Code by the Secretary (in this clause 8.1.4 the “**Voting Period**”), each Party shall be entitled to submit to the Secretary its vote for or against such amendment. The proposed amendment shall be considered approved if it receives the support of 65% or more of each of the Distributor Votes, the PES Supply Votes and the Second Tier Votes received by the Secretary during the Voting Period. Any amendment so approved shall take effect 20 Working Days after the end of the Voting Period.

## **8.2 Resolution of Disputes**

Any dispute between Parties regarding the interpretation of this Code will be resolved between the Parties concerned in accordance with the provisions of the applicable Use of System Agreement(s).

## **8.3 Training and Qualification of RP Service Staff**

Each PES will ensure that the RP Service staff it employs receive the necessary training to ensure that:

- 8.3.1 they are technically qualified to perform the electrical tasks required of them and understand safety procedures relating to work on electrical systems;
- 8.3.2 they are competent to carry out evidence gathering, questioning of witnesses and preparation and presentation of evidence; and
- 8.3.3 they have the necessary communications and customer contact skills.

## **9. VOTING ENTITLEMENTS OF PARTIES**

- 9.1 Each Party that is a PES will be entitled:
- 9.1.1 in its capacity as the operator of an RP Service, to one Distributor Vote; and
  - 9.1.2 in its capacity as a Supplier (if such is the case) to one PES Supply Vote.
- 9.2 Each Party that is not a PES will be entitled in its capacity as a Supplier to one Second Tier Vote.

## **10. DATA TRANSFER**

- 10.1 Each RP Service shall, prior to the commencement of a relevant Use of System Agreement, provide the Supplier which is a party to that agreement with a DTC Event Log.
- 10.2 Any notice, request or other communication shall be sent by the means (if any) indicated in the DTC Event Log and shall have the content (if any) indicated in the DTC Event Log and where the DTC Event Log specifies a Data Transfer Catalogue reference number in relation to any notice, request or other communication, such



notice, request or communication shall be sent in the format and with the content described under such reference in the Data Transfer Catalogue, as amended from time to time.

- 10.3 Where this Code of Practice requires any notice, request or other communication to be sent via the Data Transfer Network, the relevant message shall be addressed to the appropriate Market Domain I.D. specified in the Use of System Agreement between the relevant Parties.
- 10.4 Where this Code of Practice requires any notice, request or other communication to be sent via the Data Transfer Network, the Party sending the relevant message shall be responsible for ensuring that it reaches the relevant Gateway within any time period laid down in this Code of Practice for the provision of such notice, request or communication (and any such message shall be deemed received by the recipient at the point in time it is delivered to such Gateway). Provided that the Party sending a message shall have no obligation to ensure receipt where the intended recipient has failed, contrary to the Data Transfer Service Agreement, to remove or process all messages delivered to its Gateway and to ensure that such messages are made available to its internal systems as expeditiously as possible so that the Gateway is able to continue to process incoming and outgoing messages.
- 10.5 If the Data Transfer Network or any relevant part of such network is at any time for any reason unavailable for the sending of messages between the relevant Parties, then during the period of unavailability:
  - 10.5.1 the relevant Parties shall use any means reasonable in the circumstances to send any notice, request or other communication that this Code of Practice would otherwise require to be sent via the Data Transfer Network;
  - 10.5.2 where other means are used in accordance with Clause 10.5.1, the relevant Parties shall be relieved from any service levels set out in this Code of Practice relating to any affected notice, request or other communication (except to the extent that this Code of Practice expressly provides for alternative service levels in such circumstances) but shall use their reasonable endeavours to send such notice, request or other communication as soon as reasonably practicable; and
  - 10.5.3 to the extent that no such other means are practicable given the nature of the communication and the surrounding circumstances, such unavailability of the Data Transfer Network shall be deemed (to the extent not caused by a breach by either Party of the Data Transfer Service Agreement) to constitute a circumstance of Force Majeure for the purposes of the relevant Parties obligation to comply with this Code of Practice pursuant to the Use of System Agreement to which they are both parties.
- 10.6 Where any Party, in breach of its obligations under Clause 10.4, fails to deliver any notice, request or other communication to the recipient's Gateway and such failure occurs for reasons outside that Party's direct control, the breaching Party shall have no liability to the other under this Code of Practice in respect of that breach and the relevant Parties shall rely instead upon the provisions of the Data Transfer Service Agreement.



## **APPENDIX 1**

### **GUIDELINES FOR PROVISION OF INFORMATION BY THE SUPPLIER TO THE RP SERVICE REGARDING ITS REVENUE PROTECTION POLICY**

This Appendix 1 is intended as a guide to assist Suppliers in preparing their individual policies for notification pursuant to clause 3.3.1(a) of this Code. Its provisions are not intended to be mandatory. The Supplier's policy will affect the nature of the action taken by the RP Service under clauses 4.3.4, 4.3.6 and 4.4.2 of this Code (and under clause 6.3 where such optional services are provided).

The RP Service will, following the discovery of actual interference, replace the meter, assess the amount of units lost and provide evidence and supporting information to the Supplier to a standard to substantiate the matter. Where interference is suspected but cannot be proved, it will secure the equipment and report. It will (where appointed as Meter Operator in respect of the relevant Metering Point) replace a damaged meter with a like meter where it investigates a report but interference is not suspected, and will report suspicion of an inaccurate meter. Should the Supplier wish different or additional action to be undertaken, then the information below should be provided. Action by the RP Service in accordance with these points may incur additional charges. The Supplier is responsible for advising the customer in writing of what action is being taken or has been taken in cases of meter damage or actual or suspected interference.

The Supplier should advise the RP Service of any differing policies with regard to domestic and commercial customers, for instance regarding De-energisation and the installation of prepayment meters.

#### **1. Should the supply be left De-energised rather than replace the meter?**

- (a) Where evidence of interference is found, the Supplier may wish supply to be withheld until the matter is remedied to its satisfaction, at which stage it should advise the RP Service who will Re-energise according to instructions given. The Supplier should state if its policy is specifically not to De-energise.
- (b) Attention is drawn to clause 4.3.6(c) of this Code, which allows the RP Service representative on site to overrule the Supplier's policy should the situation warrant.
- (c) The RP Service will explain to the Supplier the method of De-energisation (for instance removal of the main fuse, installation of a "dead" prepayment meter, etc.) operated within the PES's authorised area and the Supplier will confirm to the RP Service the approach to be taken with its customers.

#### **2. Should a credit meter be replaced with a prepayment meter?**

The Supplier may not wish to continue to supply on credit terms a customer found interfering with supply equipment. It will need to specify/agree the type of prepayment meter to be installed and the initial set up of the meter - emergency credit allowed, initial credit setting (if any), debt recovery settings (if any), whether a key or smartcard is to be supplied, etc.

3. **Should a damaged meter be replaced?**

The Supplier may wish its Meter Operator to deal with a damaged meter, in which case the matter will be reported by the RP Service but no action taken. A customer should not be left without supply if the Meter Operator is not able to attend within a reasonable time.

4. **Is it policy to recommend prosecution of the offender?**

- (a) Where there is sufficient evidence, the Supplier may wish to pursue criminal prosecution and/or civil proceedings. Details of this policy must be provided, for instance whether it should be reported to the police immediately upon discovery or whether the Supplier would wish to consider the evidence before reporting, whether the policy applies to every case, only where the case is “strong”, or only for specified categories of offenders, electrical contractors, employees of an organisation involved in the electricity supply market, commercial customers, cases involving extensive loss, etc.
- (b) The RP Service will endeavour to provide evidence and information of a standard to substantiate court proceedings (whether criminal or civil, according to the Supplier’s policy), using rules for collection and safe keeping of evidence as per Appendix 2, and will provide its staff to attend court and act as witnesses as appropriate. Where the Supplier does not have a policy of criminal prosecution or of civil proceedings, this should be specifically stated.
- (c) The RP Service is not compelled to report an offence. However, where a police officer becomes involved and witnesses actual interference, particularly where there is a device in situ, then in England and Wales the matter may be (at police discretion) reported to the Crown Prosecution Service, and in Scotland is likely to be reported to the relevant Procurator Fiscal, in both cases irrespective of the Supplier’s policy.
- (d) It is strongly recommended, particularly with more serious cases, that information is passed to the police for prosecution as part of an ongoing deterrent philosophy.

5. **Is a revisit required?**

- (a) If the RP Service has De-energised supply it will make one return visit to check safety and security within 14 days unless instructed otherwise within that period. Any additional visits required will be chargeable but the Supplier may wish for continuing checks at specified intervals.
- (b) In cases where interference is suspected but the RP Service has found insufficient evidence to proceed, the Supplier may wish the ongoing security of supply equipment to be checked at a specified interval. The Supplier may also wish the RP Service to carry out surveillance of a property supposedly empty, but suspected occupied and illegally connected.

6. **Is negotiation of payment on site/at the time required (as an optional service)?**

It is the Supplier’s responsibility whether and to what extent recompense is sought from the customer for lost units assessed by the RP Service and reported back by it.

However, if previously agreed with the Supplier as an optional service, the RP Service will commence negotiation with the customer for repayment of lost units on behalf of the Supplier. Criteria for what are (to the Supplier) acceptable terms and conditions of any agreements reached must be specified, for example installation of a prepayment meter, minimum “up front” payment (if required), size and number of instalments, methods of payment, etc. Negotiations will adhere to the principles of the OFFER Policy Statement on “Equipment Damage and Meter Interference”.

**7. Can the RP Service deal with accuracy disputes?**

The Supplier may wish the RP Service to deal with any dispute to the extent that it may lawfully do so, with a customer involving accuracy of the meter following from an investigation of a report. Since this is an optional service, it should be established whether the RP Service has the appropriate expertise and/or resources to do this. The procedures to be used should be specified.

**8. Discussion with the RP Service**

In notifying the RP Service of the policy “package”, the Supplier is urged to take into account that the RP Service has knowledge of the local ethos from dealing with its own customers, and to extend to it the maximum discretion possible to conduct any case according to the expertise which it has built up. Discussion between the Supplier and the RP Service is recommended to clarify general philosophy and points of detail before finalising any instructions.

**9. What are “additional security devices”?**

These are physical devices which are fitted to a supply Installation to upgrade its security, essentially making it more difficult to utilise common known practices of interference. In general they do not prevent access by the Supplier’s Meter Operator to the meter, including the ability to change the meter if required. The RP Service will advise the Supplier of the type(s) of device(s) used in the PES’s authorised area, and its general policy regarding fitting them - which will not necessarily mean that they will be installed as routine on all Installations referred for investigations

## **APPENDIX 2**

### **COLLECTION AND RETENTION OF EVIDENCE**

Regard will in all cases be had to the principles of the Police and Criminal Evidence Act 1984 (and, in Scotland, the Criminal Procedure (Scotland) Act 1995) insofar as they relate to the collection and retention of evidence.

Evidence may be classified as oral, documentary or real (physical), the last two usually taking the form of Exhibits. This Appendix is concerned with the collection and retention of evidence. Presentation of evidence, especially oral presentation, should be covered by appropriate training of staff (see clause 8.3 of the Code).

#### **Collection of Evidence**

1. The quantity of evidence required to support a case will depend on the nature of the interference and the type of action proposed. In general it is imperative to accumulate as much evidence as possible.
2. Photographic evidence is valuable. The equipment interfered with should be photographed before it is touched, if possible in the presence of the customer or customer's agent. Supporting photographs of the premises and meter site may also prove useful. Alternatively where photography is not possible, a sketch plan should be made.
3. All irregularities should be brought to the attention of the customer and any witnessing party e.g. an accompanying police officer. Where the meter is not recording, this should be demonstrated by switching on electrical appliances.
4. Where interference is obvious, or suspected such that further expert inspection is deemed necessary, the equipment (usually the meter but including any other equipment affected and any tampering device or other relevant object found) should then be removed and treated as in paragraph 6 below. The right to remove an item should be established before doing so. A meter subject to bridging out or the application of a "black box" should be removed by cutting the meter tails and leaving sufficient cable attached to the meter to provide the evidence.

#### **Exhibits**

5. In order that evidence produced in court can be substantiated as that which was obtained during investigation, it is necessary to be able to prove "the chain of custody" i.e. that no item (Exhibit) collected at the site of the alleged offence has been altered or introduced subsequently. "Alteration" does not apply to tests on a removed meter, which may need to be dismantled, but this process itself should be documented by an engineer's report and, if possible, photographed, both report and photographs then becoming Exhibits.
6. Where the RP Service proposes to dismantle an Exhibit it shall first inform the appropriate prosecution authority of this intention and also inform the relevant customer of his right to have an independent expert in attendance during such dismantling.

7. Equipment removed from site as in paragraph 4 above is an Exhibit and will be labelled, placed in an Exhibit Bag and sealed as soon as possible. The label should indicate the location, the date obtained and by whom. In addition, any meter which is removed from a property and in respect of which there is, or is likely to be, a dispute notified to OFFER regarding meter damage or accuracy will be treated as an Exhibit.
8. Computer generated documents (e.g. account details) should also be treated as Exhibits but should be supported by a statement from a person occupying a responsible position in relation to the operation of the computer.
9. Other statements obtained at the time or subsequently may also be treated as Exhibits.
10. Photographs taken or sketches made as in paragraph 2 above are Exhibits.

### **Safe Keeping of Exhibits**

11. In many cases the police will take possession of Exhibits and will retain them until the court hearing. In this case they will provide a receipt for the items.
12. In cases where the police do not wish to retain Exhibits, the RP Service will ensure that:
  - (a) Exhibits are always logged into and stored in a secure and locked place;
  - (b) any movements of Exhibits is recorded both on the property label and in the store log book, and includes the date and time of removal, by whom and the reason. The party taking possession of the property must also sign the label and book;
  - (c) whenever an Exhibit is opened, a statement is made and signed by the person responsible, and the bag then resealed; and
  - (d) the Exhibit label and, if requested, the log book is/are available to the court.

### **Retention of Exhibits**

13. All Exhibits will be retained for the period specified in clause 4.4 of this Code.

## **APPENDIX 3**

### **PROCEDURES FOR THE ASSESSMENT OF UNRECORDED UNITS**

#### **1. Approach**

Assessment of units unrecorded, following either interference with a meter or defect with it, should be carried out in a systematic, consistent and transparent way. No one single method is necessarily appropriate in all cases, but it is recommended that:

- 1.1 where there is a clear pattern from past consumption history, by which is meant an obvious step change following an earlier established level or pattern, then this may be used as the basis for assessing what should have been consumed from the time of that change. Less obvious but inconsistent consumption history may also be used in support of, or to check, the general value obtained using other methods;
- 1.2 if consumption history is not conclusive and where the customer permits an audit of appliances, then this method will be used. Standard consumption figures should be applied, concentrating on the major appliances which the customer admits to using or have obviously been in use. Account should be taken of valid input from the customer to assess whether some scaling of the figures might be appropriate;
- 1.3 if consumption history is not conclusive and the customer will not co-operate by allowing audit of appliances, then standard load profiles with typical consumption levels should be applied, taking into account where available the type of premises, tariff in use, number of occupants and occupancy patterns (e.g. night working), other fuels available, geographic location, etc.

#### **2. General**

The following general points should be considered:

- 2.1 Note should be taken generally of Section V of the OFFER Policy Statement on Equipment Damage and Meter Interference. Where the customer will not permit an audit of appliances, this should be recorded.
- 2.2 Attempts should be made to agree with the customer the time over which the interference has taken place - past consumption history may help. Account should be taken of the date of the last site visit known (e.g. a Data Collector operative), if the interference is obvious and should have been reported earlier. Account should also be taken of the length of occupancy.
- 2.3 The assessment should be set out in a clear manner and the basis explained to the customer, who may be requested to sign to confirm agreement. However, the customer's right to refer the matter to OFFER will be explained, together with the fact that OFFER representatives are aware of the methodology of and values used in calculation of the assessment.
- 2.4 The basis of average consumption values or standard profiles, as rooted in national load research with a large sample base, using established statistical criteria and capable of independent audit, should be stressed.



- 2.5 Whilst conducting the investigation, direct evidence of an appliance in use (e.g. an electric fire seen ‘on’) will be noted and witnessed, which may help counter any later claims by a customer challenging an assessment that a particular appliance did not exist or was never used.

### **3. Apportionment of Unrecorded Units Between Multiple Suppliers**

- 3.1 The assessment of unrecorded units will generally take the form of “x kWh per annum for y years”, the latter being what the customer will admit to as per paragraph 2.2 above. Some assessment methods will provide for further breakdown, for instance as between summer/winter seasons or on a quarterly basis.
- 3.2 Where it is known that the customer has had more than one Supplier during the admitted period, then the total amount of units unrecorded should be apportioned according to the period for which each Supplier was responsible for the supply. The degree to which this apportionment is “ad hoc” or “exact” will depend on how far the assessment method allows breakdown and on knowledge of the precise beginning and end dates of Supplier responsibility.
- 3.3 The apportioned amounts will be reported separately to each relevant Supplier for onward transmission to its agents as appropriate, and to the PES for billing each Supplier with the DUoS charges which ought to have been paid.

## APPENDIX 4

### GUIDELINES FOR RECORDS

(The following tables assume production at quarterly intervals, on a 12-monthly rolling basis.) **Information from the RP Service**

	Report	Purpose
1.	NUMBER OF SUPPLIER'S SUPPLIES (METERING POINTS )	Gives perspective to the number of reports generated.
2.	NUMBER OF REPORTS RECEIVED, CATEGORISED AS PRIORITY LEVEL "A", "B" OR "C"	Gives relevance to all other data supplied, and reveals the proportion of supplies referred for investigation.
3.	NUMBER OF CASES RESOLVED WITHIN TIMESCALES REQUIRED BY THIS CODE, CATEGORISED AS PRIORITY LEVEL "A", "B" OR "C"	Indicator of the success of the call, albeit subject to limitations (see 4).
4.	NUMBER OF CASES RESOLVED OUTSIDE TIMESCALES REQUIRED BY THIS CODE CATEGORISED AS PRIORITY LEVEL "A", "B" OR "C"	Appraisal of performance. "Failures" may not reflect shortcomings, as problems of access may lead to protracted process.
5.	NUMBER OF WARRANTS OF ENTRY ACTIONED	Indicates degree of difficulty in gaining access, qualifying 4 to some extent. "Actioned" means "applying for and visiting to force entry" (whether or not this was the outcome).
6.	CASES OF INTERFERENCE  (a) SUSPECTED BUT NOT CONFIRMED  (b) CONFIRMED  CURRENT OCCUPIER	Indicates level of interference and comments on quality of referrals, related to cases where there is a culpable party for recovery.
7.	CASES OF INTERFERENCE  (a) SUSPECTED BUT NOT CONFIRMED  (b) CONFIRMED  PREVIOUS OCCUPIER	Indicates level of interference and comments on quality of referrals, related to cases where there may not be a culpable party for interference but the case may be treated as a meter fault.
8.	IRREGULARITY FOUND	Problem found but where no interference is suspected. Meter accuracy may or

	<b>Report</b>	<b>Purpose</b>
		may not be affected.
9.	ALL IN ORDER	Nothing found. Indicates bad “quality” of referral.
10.	ABORTIVE CALL	Unable to action due to misleading information. Reflects “quality” of referrals and records.
11.	DE-ENERGISATIONS FOR MORE THAN 24 HOURS	This will depend upon Supplier policy, but an overall figure indicates a work level for the RP Service.
12.	UNRECORDED UNITS ASSESSED/RECOVERED	Indicator of the success of the RP Service in recovering income for the Supplier and the PES (i.e. DUoS).

#### **Information from the Supplier**

	<b>Report</b>	<b>Purpose</b>
1.	NUMBER OF SUPPLIES WITHIN THE PES’S AUTHORISED AREA	Gives perspective to number of cases referred for investigation
2.	NUMBER OF INVESTIGATIONS REFERRED WITHIN THE PES’S AUTHORISED AREA	Indicates level of reports being passed on.
3.	NUMBER OF REPORTS RECEIVED BACK BY RP UNIT	Indicates service level of RP Service - should tie in with 2.
4.	NUMBER OF CASES WHERE INTERFERENCE FOUND OR SUSPECTED	Allows cross checks with each RP Service reports.
5.	NUMBER OF CASES WHERE IRREGULARITY FOUND BUT INTERFERENCE NOT SUSPECTED.	Allows cross checks with each RP Service reports.
6.	NUMBER OF SUPPLIES DE-ENERGISED FOLLOWING INTERFERENCE	Indicates Supplier’s policy (although RP Service may De-energise on own initiative).

## APPENDIX 5

### CONSTITUTION OF THE COMMITTEE

#### 1. **OBJECTS**

- 1.1 The objects of the Committee shall be the following objects, and such further objects as may be attributed to the Committee by this Code from time to time:
- (A) to act as a forum for representing the views of the Parties, and of other persons with a business interest in the operation of this Code regarding such operation;
  - (B) to recommend to the Parties changes to this Code, with the help of expert advisers where appropriate;
  - (C) to establish any ad-hoc sub-groups identified as necessary to implement any recommendations made pursuant to (B);
  - (D) to review reports from the Parties regarding the operation of this Code, where the Committee considers this would assist in the recommendation of changes to this Code;
  - (E) to undertake a review of this Code in the light of the mode of operation of the competitive supply market in the period from April 1998 and to recommend changes to this Code, capable of being implemented by April 2000, to take account of the impact of the cessation at that time of the PES monopoly in the provision of meter operation, data collection and data aggregation services;
  - (F) periodically to review the objects, constitution and cost basis of the Committee; and
  - (G) to act as an advisory body regarding complaints, appeals and disputes between Parties.

#### 2. **MEMBERSHIP**

- 2.1 (A) The Committee shall consist of:
- (i) Voting Members appointed in accordance with sub-paragraph 2.1(B);
  - (ii) Advisory Members appointed in accordance with sub-paragraph 2.1(C);
  - (iii) a representative of the Secretary appointed in accordance with sub-paragraph 6.1
- and each such person shall be referred to as a “**Member**” under this Appendix 5.
- (B) Voting Members shall be:
- (i) two representatives appointed by the holders of Distributor Votes;
  - (ii) two representatives appointed by the holders of PES Supply Votes; and

(iii) four representatives appointed by the holders of Second Tier Votes;

each being referred to in this Appendix 5 as a “**Voting Member**”. Appointments shall be made by written resolution to that effect signed by or on behalf of the holders of 65% or more of the Distributor Votes, Second Tier Votes or PES Supply Votes (as the case may be) and delivered to the Secretary.

(C) Advisory Members shall be two customer representatives appointed by the Director, such members being referred to in this Appendix 5 as the “**Advisory Members**”.

2.2 A Member may at any time resign from the Committee by giving written notice to the other Members. Upon such resignation, the Member shall be replaced in accordance with the part of sub-paragraph 2.1(B) or 2.1(C) (as the case may be) under which he or she was appointed.

2.3 Any person or group of persons entitled to appoint a Member pursuant to this paragraph 2 may at any time remove that Member from office and appoint another person to be a Member in his or her place. A person or group of persons will only have the right to remove from office the Member which that person or group of persons has appointed, and will have no right to remove from office any Member appointed by another person. Whenever any individual Member changes, the person or group of persons entitled to appoint that Member shall notify the Secretary in writing within seven days of the change taking effect.

2.4 If at any time any person or group of persons entitled to appoint a Member or Members shall not have made an appointment, the Chairman shall request the Director to make such appointment and the Director shall have the right, until the relevant person or group of persons has decided upon an appointment and notified the Director accordingly, to appoint a Member or Members on behalf of that person or group of persons, and to remove any person so appointed.

2.5 Subject to paragraph 6 below, no person other than an individual shall be appointed a Member or his alternate.

2.6 The Committee may from time to time invite other persons to attend meetings of the Committee. Such persons shall not, however, constitute Members for the purposes of this Appendix 5.

### 3. **ALTERNATES**

3.1 Each Voting Member shall have the power to appoint any individual to be his alternate and may at his discretion remove an alternate so appointed. Any appointment or removal of an alternate shall be effected by notice in writing executed by the appointor and delivered to the Secretary or tendered at a meeting of the Committee. If his appointor so requests, an alternate shall be entitled to receive notice of all meetings of the Committee or of sub-committees or working groups of which his appointor is a member. He shall also be entitled to attend and vote as a Member at any such meeting at which the Member appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and

duties of his appointor as a Member and for the purpose of the proceedings at the meeting the provisions of this Appendix 5 shall apply as if he were a Member.

- 3.2 Every person acting as an alternate shall have one vote for each Member for whom he acts as alternate, in addition to his own vote if he is also a Member. Execution by an alternate of any resolution in writing of the Committee shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor.
- 3.3 An alternate shall immediately cease to be an alternate if his appointor ceases for any reason to be a Member.
- 3.4 References in this Appendix 5 to a Member shall, unless the context otherwise requires, include his duly appointed alternate.

#### 4. **REPRESENTATION AND VOTING**

- 4.1 Each Member shall be entitled to attend and be heard at every meeting of the Committee.
- 4.2 Each Voting Member appointed pursuant to paragraph 2.1(B) shall be entitled to cast one vote.

#### 5. **THE CHAIRMAN**

- 5.1 The Voting Members shall be entitled to appoint, and at any time to remove from office, a chairman (the “**Chairman**”).
- 5.2 The Chairman shall preside at every meeting of the Committee at which he is present. If the Chairman is unable to be present at a meeting, he may appoint an alternate pursuant to paragraph 3.1 to act as Chairman. If there is no person holding the office of chairman, or if the Chairman or his alternate is not present within thirty minutes after the time appointed for holding the meeting, the Voting Members present may appoint any of the Members present to be chairman of the meeting.
- 5.3 The Chairman (or his alternate), or the person appointed to act as chairman of a meeting in accordance with paragraph 5.2 above, shall not be entitled to vote unless he or she is a Voting Member. For the avoidance of doubt, the Chairman shall in no circumstances be entitled to an extra or casting vote.

#### 6. **THE SECRETARY**

- 6.1 The Voting Members appointed by the holders of Distributor Votes shall have power to appoint, and upon one months’ written notice to dismiss, an individual or a corporate body to fulfil the role of secretary to the Committee (the “**Secretary**”). The Committee, in consultation with the Secretary, shall have power to appoint and dismiss such other staff for the Committee as they may deem necessary.
- 6.2 The Secretary’s duties shall be to attend to the day to day operation of the Committee and, in particular, to:
  - (A) attend to the requisition of meetings and to serve all requisite notices;
  - (B) maintain a register of names and addresses of Members, alternates and invitees as appointed from time to time; and

(C) keep minutes of all meetings.

A Secretary which is a corporate body shall attend meetings by means of a nominated representative.

6.3 The first Secretary shall be Electricity Association Services Limited.

6.4 The Parties agree to reimburse the Secretary in equal shares for any reasonable costs up to a maximum aggregate figure of £5000 per year incurred by him in carrying out his duties under this Appendix 5 where requested by the Secretary to do so. The Secretary may only incur costs above £5000 in any year if he obtains the prior approval of all the Parties, such approval not to be unreasonably withheld.

## **7. MEETINGS**

7.1 The Committee shall hold meetings on the first Working Day in the months of June, September, December and March or at such other regular scheduled times as it may decide. The venue for meetings shall be determined by the Members from time to time.

7.2 The Chairman or any other Member may request the Secretary to requisition further meetings by giving 21 days' notice to the Secretary. The notice shall be in writing and contain a summary of the business which is proposed to be conducted. The Secretary shall proceed to convene a meeting of the Committee within seven days of the date of expiry of such notice in accordance with the provisions of paragraph 8.

## **8. NOTICE OF MEETINGS**

8.1 All meetings shall be convened by the Secretary on at least 14 days' written notice (exclusive of the day on which it is served and of the day for which it is given), or by shorter notice if so agreed in writing by all Members. If at any time a person has not been appointed as Secretary, or the Secretary is for any reason unable to act, the Chairman shall attend to the requisition of meetings.

8.2 The notice of each meeting shall contain the time, date and venue of the meetings, an agenda and a summary of the business to be conducted and shall be given to all Members, alternates and invitees.

8.3 Notice shall be given by sending it by first class post in a prepaid envelope to the address shown for the intended recipient in the register maintained in accordance with paragraph 6.2(B). Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

8.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, a person entitled to receive notice shall not invalidate the proceedings at that meeting.

8.5 By notice to the Secretary, any Member may request additional matters to be considered at a meeting and provided that such notice is given at least 10 days (exclusive of the day on which it is served and of the day for which it is given) before the date of the meeting, those matters will be included in a revised agenda for the

meeting. The Secretary shall circulate the revised agenda to each Member as soon as practicable.

9. **PROCEEDINGS AT MEETINGS**

- 9.1 Subject to paragraphs 7 and 8, the Committee may meet for the transaction of business, and adjourn and otherwise regulate its meetings, as it thinks fit.
- 9.2 Five Voting Members present in person or by their alternates or in accordance with paragraph 10.5 shall constitute a quorum.
- 9.3 If, within thirty minutes from the time appointed for holding any meeting of the Committee, a quorum is not present, the meeting shall be adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.
- 9.4 Only matters identified in the agenda referred to in paragraph 8.2 (or a revised agenda submitted pursuant to paragraph 8.4) shall be resolved upon at a meeting.
- 9.5 All acts done by any meeting of the Committee or of a sub-committee or group shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of a Member, be as valid as if such person had been duly appointed.
- 9.6 A resolution put to the vote of a meeting shall be decided by a show of hands.

10. **RESOLUTIONS**

- 10.1 Save where this Appendix 5 provides otherwise, a resolution of the Committee shall require a simple majority of the Voting Members present at the meeting.
- 10.2 Where a resolution of the Committee concerns the approval of minor changes to the Code, such resolution shall require the unanimous approval of all the Voting Members present at the meeting. If such unanimous approval is not obtained, the Voting Members shall vote as to whether such proposed change to the Code should be referred to all the Parties to the Code in accordance with clause 8.1.3 of the Code. Such proposal shall be referred to the Parties if it receives the support of a majority of at least two more Voting Members voting in favour of the resolution than against.
- 10.3 Where an amendment to the Code other than a minor one is proposed to the Committee such proposal shall be referred to the Parties to the Code for approval in accordance with clause 8.1.3 of the Code if it receives the support of a majority of at least two more Voting Members voting in favour of the resolution than against.
- 10.4 A resolution in writing signed by all Voting Members shall be as valid and effective as if it had been passed at a meeting of the Committee duly convened and held and may consist of several documents in like form each signed by or on behalf of one or more Voting Members.
- 10.5 A meeting of the Committee may consist of a conference between Members who are not all in one place but who are able (directly or by telephonic communication) to speak to each of the others and to be heard by each of the others simultaneously. The word “meeting” shall be construed accordingly.



- 10.6 Where any resolution for referral to the Parties to the Code pursuant to sub-paragraphs 10.2 and 10.3 is not passed in accordance with the provisions of those sub-paragraphs, then any Voting Member, with the written support of at least two other Voting Members, may require referral to the Parties to the Code in any event. In referring such matter to the Parties to the Code under this sub-paragraph, the Voting Member shall indicate that the matter has not been approved in accordance with the terms of this Appendix 5.

11. **MINUTES**

- 11.1 The Secretary shall circulate copies of the minutes of each meeting of the Committee to each Member and alternate as soon as practicable (and in any event within 10 Working Days) after the relevant meeting has been held.
- 11.2 Each such person shall notify the Secretary of his approval or disapproval of the minutes of each meeting within 15 Working Days of receipt of the minutes. Any person who fails to do so will be deemed to have approved the minutes. The approval or disapproval of the minutes aforesaid will not affect the validity of decisions taken by the Committee at the meeting to which the minutes relate.
- 11.3 If the Secretary receives any comments on the minutes, he shall circulate revised minutes as soon as practicable following the expiry of the period referred to in sub-paragraph 11.2 incorporating those comments which are of a typographical nature and indicating, where necessary, that Members or other persons disagree with certain aspects of the minutes. The Secretary shall then incorporate those aspects of the minutes upon which there is disagreement, into the agenda for the next following meeting of the Committee as the first item for resolution.

12. **GUIDANCE FROM THE COMMITTEE**

The Committee may at any time, and from time to time, issue guidance in relation to the Code and its implementation, performance and interpretation, and it may establish sub-committees and groups to carry out such work.

13. **SUB-COMMITTEES AND GROUPS**

- 13.1 The Committee may establish such sub-committees and groups from time to time consisting of such persons as it considers desirable. Each sub-committee and group shall be subject to such written terms of reference and to such procedures as the Committee may determine. The meetings of sub-committees and groups shall so far as possible be arranged so that the minutes of such meetings can be presented to the Members in sufficient time for consideration before the next following meeting of the Committee.
- 13.2 Resolutions of sub-committees and groups shall not have binding effect unless (a) the Committee shall have delegated the relevant decision making powers to the sub-committee or group or (b) approved by resolution of the Committee.

14. **VACATION OF OFFICE**

The office of a Member shall be vacated if:

- (A) he resigns his office by notice delivered to the Secretary; or
- (B) he becomes bankrupt or compounds with his creditors generally; or
- (C) he becomes of unsound mind or a patient for any purpose of any statute relating to mental health; or
- (D) he or his alternate fails to attend more than three consecutive meetings of the Committee without submitting an explanation to the Chairman which is reasonably acceptable to the Chairman.

15. **MEMBERS' RESPONSIBILITIES AND PROTECTIONS**

15.1 In the exercise of its powers and the performance of its duties and responsibilities, the Committee shall have due regard for the need to promote the attainment of the principal objects of the Committee set out in paragraph 1.

15.2 In the exercise of his powers and the performance of his duties and responsibilities as a Member, a Member shall represent the interests of that person or persons by whom he is for the time being appointed pursuant to paragraph 2, provided that such obligations of representation shall at all times be subordinate to the obligations of the Member as a member of the Committee set out in sub-paragraph 15.1.

15.3 Protections:

- (A) The Committee, each Member and the Secretary shall be entitled to rely upon any communication or document reasonably believed by it or him to be genuine and correct and to have been communicated or signed by the person by whom it purports to be communicated or signed.
- (B) The Committee, each Member and the Secretary may in relation to any act, matter or thing contemplated by this Appendix 5 act on the opinion or advice of, or any information from, any chartered engineer, lawyer, or expert in any other field, and shall not be liable for the consequences of so acting.

16. **MEMBERS' ADDRESSES**

Every Member, alternate and invitee shall from time to time communicate to the Secretary his address for the purposes of the register to be maintained by the Secretary in accordance with paragraph 6.2(B).

## DTC Event Log

In the following table:

- (A) “**DTC ref**” means the relevant reference number in the Data Transfer Catalogue;
- (B) “**DTN**” means the Data Transfer Network and “phone” means telephone; and
- (C) the descriptions of the data flows concerned under “Message” are for ease of reference only and shall not affect the obligations of either party under the relevant provisions of this Code.

<i>Clause</i>	<i>From</i>	<i>To</i>	<i>Message</i>	<i>DTN</i>	<i>Fax.</i>	<i>Phone</i>	<i>Post</i>	<i>DTC ref</i>
3.1.1 3.1.2(d) 3.3.2(a) 3.3.2(b) 3.3.2(c) 5.2	Supplier	RPS	Request and information for Revenue Protection Investigation	✓				D0238
3.1.2(a) 3.1.2(b)	MOP PPMIP HHDC NHHDC Distributor	Supplier	Report to Supplier of possible irregularity	✓				D0136
3.1.3 3.1.4 3.3.2(b)	RPS	Supplier	Notification by RPS of possible irregularity	✓				D0237

<i>Clause</i>	<i>From</i>	<i>To</i>	<i>Message</i>	<i>DTN</i>	<i>Fax.</i>	<i>Phone</i>	<i>Post</i>	<i>DTC ref</i>
4.3.2 4.3.3 4.3.4(a) 4.3.4(b) 4.3.5 4.3.6(b) 4.3.6(c)	RPS	Supplier	Revenue Protection report on action taken	✓				D0239
4.3.2 4.3.3 4.3.4(a) 4.3.4(b) 4.3.5 4.3.6(b)	Supplier	NHHDC	Meter reading	✓				D0010
4.3.4(a) 4.3.5 4.3.6(b)	MOP	Supplier	Notification of mapping details	✓				D0149
4.3.4(a) 4.3.5 4.3.6(b)	MOP	Supplier	Meter technical details	✓				D0150
4.3.4(a) 4.3.5 4.3.6(b)	MOP	Supplier	Meter Technical Details - HH (Name of flow to be confirmed)	✓				D0150
3.1.1 3.1.2(d) 3.3.2(a) 3.3.2(b) 3.3.2(c) 5.2	Supplier	RPS	Request and information for Revenue Protection Investigation (Unmetered supplies)		✓			Manual
3.3.1(a)	Supplier	RPS	Advise policy		✓			Manual

<b>Clause</b>	<b>From</b>	<b>To</b>	<b>Message</b>	<b>DTN</b>	<b>Fax.</b>	<b>Phone</b>	<b>Post</b>	<b>DTC ref</b>
3.3.1(b)	RPS	Supplier	Advise policy		✓			Manual
3.1.3 3.1.4	RPS	Supplier	Notification by RPU of possible irregularity (Unmetered supplies)		✓			Manual
4.3.1(d)	RPS	Supplier	Notification of assessment of unrecorded units		✓			Manual
4.3.1(e)	Supplier	DC	Notify unrecorded units/time period to Data Collector (Unmetered supplies)		✓			Manual
4.3.1(e)	Supplier	NHHDC HHDC	Notify unrecorded units/time period to Data Collector		✓			Manual
4.3.2 4.3.3 4.3.4(a) 4.3.4(b) 4.3.5 4.3.6(b) 4.3.6(c)	RPS	Supplier	Revenue Protection report on action taken (Unmetered supplies)		✓			Manual
4.3.4(a) 4.3.4(b) 4.3.5 4.3.6(a)(ii) 4.3.6(b) 5.1	RPS	Supplier	Secondary site visit report		✓			Manual
4.4.3	RPS	Supplier	Action regarding storage of exhibits		✓			Manual
4.4.3	Supplier	RPS	Action regarding storage of exhibits		✓			Manual
5.1	Supplier	RPS	Cancellation of 14 day revisit		✓			Manual

Where there is more than one means of transmission specified in the table above (one of which being via the Data Transfer Network) it is expected, unless otherwise indicated, that the parties shall transmit any notice, request or other communication via the Data Transfer Network.

Note : As a back up and in an emergency, fax or other methods will be accepted where the DTN is the only means of transmission. This must be agreed between the two parties including the duration that this facility will be available.