

SCHEDULE XX – RESOLVING UNREGISTERED CUSTOMERS CODE OF PRACTICE

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1. INTERPRETING THIS DOCUMENT

- 1.1 This Code of Practice is a Schedule to the Distribution Connection and Use of System Agreement (the **DCUSA**) established under the licences of the Distributors.
- 1.2 The Distributors and the Suppliers are obliged (by Clause YY of the DCUSA) to
- (a) comply with the respective obligations of Distributors and Suppliers under this Code of Practice.
 - (b) *[Any further obligations as determined by the working group]*
- 1.3 This document is generally divided into sections headed “**OBLIGATIONS**”, “**BEST PRACTICE**” and “**REFERENCES**”, which are to be interpreted as follows:
- (a) sections marked “**OBLIGATIONS**” detail actions which must be taken by the relevant Party. Failure to take these actions constitutes a breach of this Code of Practice (and therefore of the DCUSA or of the other agreement by which this Code of Practice is given effect);
 - (b) sections marked “**BEST PRACTICE**” set out a suggested course of action for achieving the Obligations. They confer no obligation, and Parties may choose whether they follow the course of action set out or another course of action entirely. They are therefore provided for information only and denote one way in which the Obligations may be achieved; and
 - (c) sections marked “**REFERENCES**” provide additional information on requirements outside of this Code of Practice that are relevant to its subject matter. Failure to adhere to any of the requirements described is not a breach of this Code of Practice itself, but may lead to a Party being in breach of their obligations elsewhere. They are provided for information only. All of the appendices to this Code of Practice are intended as “References”.
- 1.4 Some sections of this Code of Practice are not marked as “Obligations”, “Best Practice” or “References”. These sections do not confer any obligation on the Parties, but are included so as to support and provide context to the Obligations (and the Obligations should be read accordingly).
- 1.5 Any reference to days, months, years throughout this document should be interpreted as calendar days, calendar months and calendar years unless otherwise stated.

2. DEFINITIONS

2.1 In this Code of Practice, and without prejudice to the provisions of paragraph 2.2, the following words or expressions shall have the meanings set out opposite them.

Customer Details

means appropriate details about the customer and the Unregistered Premises to assist with the registration of the premises, including the customer's name, address and contact details together with basic metering details (as appropriate) including the meter serial number, meter reading(s) and the date of such meter reading(s).

De-energise

means:

(a) in respect of Section 2A, 2C or 2D, deliberately to prevent the flow of electricity until Re-energised or Disconnected:

(i) in the case of an Exit Point, from the Distribution System through the relevant Exit Point (or, in the case of an Unmetered Supply, any one or more of the relevant Exit Points) to; and/or (ii) in the case of an Entry Point, via the Distribution System through the relevant Entry Point (or, in the case of an Unmetered Supply, any one or more of the relevant Entry Points) from, a Connected Installation, for any purpose other than a System Outage on the Company's Distribution System (and cognate expressions shall be construed accordingly); and (b) in respect of Section 2B, deliberately to prevent the flow of electricity through a Connection Point for any purpose other than a System Outage on the Company's Distribution System until Re-energised

or Disconnected (and cognate expressions shall be construed accordingly).

Disconnect	means to permanently disconnect a Connection Point, Metering Point or Metering System in accordance with Section 17 of the Act (and cognate expressions shall be construed accordingly).
Distributor	means a holder of a distribution licence under the Electricity Act or its agents (and, in respect of Theft in Conveyance from a Premises, is the owner and/or operator of the Distribution System to which such Premises are connected).
Electricity Act	means the Electricity Act 1989.
Party	means the Distributor or the Supplier.
Premises	includes any land, building or structure.
Supplier	means a holder of a supply licence under the Electricity Act (and, in respect of Theft of Electricity for use at a Premises, is the electricity Supplier Registered for the Metering Point or Metering System relating to the supply of electricity to those Premises).
Theft in Conveyance	means the abstraction of electricity (regardless of where such abstraction takes place) for use otherwise than at a Premises for which there is a Metering Point or Metering System that is Registered by a Supplier.
Theft of Electricity	includes (but is not limited to) Theft in Conveyance,

the circumstances described in paragraph 4 of schedule 6 to the Electricity Act, and the circumstances described in paragraph 11 of schedule 7 to the Electricity Act.

Unregistered Customer means a Customer occupying a Premises which is consuming electricity outside of the normal Supplier registration process (sometimes referred to as “untraded”).

Unregistered Premises means a Premises occupied by a Customer where electricity is being consumed outside of the normal Supplier registration process (sometimes referred to as “untraded”).

Vulnerable Customer means a Customer who is (or who lives at the Premises with another occupant who is) of Pensionable Age (as defined in the Supply Licences) or disabled or chronically sick.

- 2.2 Any other words or expressions used in this Code of Practice (excluding headings or any parts thereof) which bear initial capital letters are to be interpreted in accordance with Clause 1 of the DCUSA.

3. **INTRODUCTION**

Objectives of the Code

- 3.1 This Code of Practice outlines the relationships between Distributors and Suppliers to identify and resolve situation where Unregistered Customers are identified. The Code describes how Parties shall deal with Customers who are identified as being Unregistered Customers in order to ensure consistency of treatment between Parties and their appointed agents.
- 3.2 Where an instance of an Unregistered Customer also involves tampering, Theft of Electricity or Theft in Conveyance, Parties may deem it appropriate to apply the provisions of Schedule 23 Revenue Protection Code of Practice rather than this schedule XX.
- 3.3 Where an instance of an Unregistered Customer also involves a connection that has been improperly modified, for example by an unauthorised contractor or unknown third party, Parties may deem it appropriate to apply the provisions of Schedule 23 Revenue Protection Code of Practice rather than this schedule XX.

High Level Principles

- 3.4 Working within the statutory and regulatory framework, the following principles have been identified:
- (a) **Make safe.** Where any activities are undertaken in accordance with this Code of Practice safety is paramount.
 - (b) **Collect and report trend data.** Trend data and management information relating to Unregistered Customers should be shared between parties in a generally consistent format.
 - (c) **Ensure that Customers are treated in an appropriate manner.** It is recommended that Parties should adopt industry best practice for the management of customer relationships, and in particular the needs of

Vulnerable Customers.

- (d) **Standardisation.** Minimum standards should be established for the identification and resolution of Unregistered Customers and to create a broadly common approach with respect to the management of those Customers.

4. IDENTIFICATION OF UNREGISTERED CUSTOMERS

Obligation

- 4.1 The Distributor shall identify, investigate and seek to resolve Unregistered Customers (to the extent that the Distributor can resolve such Unregistered Customers).
 - (a) The Distributor shall take reasonable steps to identify Unregistered Customers from available industry data;
- 4.2 Suppliers and Distributors shall (and shall ensure that their agents shall) act on reports made to them regarding Unregistered Customers for which they have responsibility in accordance with this Code of Practice, and take the appropriate steps required of them (whether required of them under this Code of Practice, the Relevant Instruments or general laws).

Best Practice

- 4.3 Parties shall take reasonable steps to cooperate with each other to identify Unregistered Customers and coordinate activities to resolve them.

5. COMMUNICATION WITH UNREGISTERED CUSTOMERS

Obligations

- 5.1 The Distributor and the customer's chosen Supplier shall communicate, as appropriate to the circumstances, in order to capture Customer Details.

- (a) In investigating Unregistered Customers the Distributor shall make written contact with the occupier of the Unregistered Premises to inform the occupier to obtain a supply contract and to obtain Customer Details;
 - (b) Where the Distributor obtains Customer Details the Distributor shall retain such details to assist future communications with the customer by Parties; and
 - (c) Where the customer indicates to the Distributor that they are trying to seek a contract with a particular Supplier the Distributor shall share relevant Customer Details with that Supplier.
 - (d) Where necessary to resolve higher volumes of Unregistered Customers the Distributor shall send to Suppliers list(s) of those Unregistered Customers who have indicated they are trying to seek a contract with those particular Suppliers.
- 5.2 Upon receipt of the appropriate notification, the Supplier shall seek to resolve all Unregistered Customers.
- (a) The Supplier shall, upon receipt of contact from an Unregistered Customer obtain and retain appropriate Customer Details and offer contractual terms to the customer, to the extent it is required to do so under the Electricity Act;
 - (b) The Supplier shall, upon receipt of Customer Details from the Distributor shall retain such details and proactively contact the customer and offer contractual terms to the customer, to the extent it is required to do so under the Electricity Act Where a Supplier receives a list of those Unregistered Customers who have indicated they are trying to seek a contract with that particular Supplier the Supplier shall provide no less than monthly updates to the Distributor on the progress being made to register those customers.
 - (c) Where a Supplier believes that an Unregistered Customer is not genuinely seeking a supply contract with that Supplier the Supplier shall provide appropriate details to the Distributor for use in relation to further communication and potential De-energisation.
 - (d) Suppliers shall retain, update and share tracking data with Distributors as appropriate in the pursuit of resolving Unregistered Customers.

Best Practice

- 5.3 The Distributor may consider site visits where written communication proves ineffective;
- 5.4 The Supplier may consider that a site visit is required to obtain meter readings or carry out meter exchanges.
- 5.5 Parties should help Unregistered Customers by using the most appropriate and efficient means to engage in dialogue with Unregistered Customers, including:
 - (a) via mobile phone where the customer has provided a mobile phone number in its Customer Details;
 - (b) Parties should try contacting the customer at different times of day; and
 - (c) Where parties contact Unregistered Customers the Party should provide information about its normal working hours for resolving Unregistered Customers.
- 5.6 Where Parties contact customers in writing they should use the most appropriate and efficient means including by email where the customer has provided an email address in its Customer Details.

References

- 5.7 The Distributor has the right to Disconnect a Premises under Section 17(3) of the Electricity Act and under Regulation 26 of The Electricity Safety, Quality and Continuity Regulations 2002. See Appendix 1 for more information.
- 5.8 See Appendices 2 and 3 to this Code of Practice for further information on the high level process and sample supporting letters.

6. INFORMATION EXCHANGE BETWEEN PARTIES

Obligation

- 6.1 Parties shall have appropriate and coordinated reporting in place to enable the recording of Premises that are Unregistered, including appropriate Customer Details. Where requested by the Distributor, the Parties shall exchange data on Unregistered Customers in accordance with the timescales set out in this Code of Practice.

- 6.2 The template spreadsheet attached at Appendix 4 is designed to assist Parties in meeting their Obligations under clause 6.1, including for higher volumes of unregistered customers.

7. DATA PROTECTION REQUIREMENTS

Obligation

- 7.1 Any information transfer pursuant to this Code Of Practice should be made in compliance with relevant data protection legislation, and the relevant Party's data protection policies and procedures.

8. BEST PRACTICE PROCEDURES FOR INVESTIGATION

Process to be followed

- 8.1 A diagram showing the outline process for resolving Unregistered Customers is provided at Appendix 3.

Site Visits

- 8.2 On receipt of information the Distributor shall assess whether there is a need for a site visit. In the event a site visit is required this visit should be aimed at determining whether or not the premises is occupied and to collect Customer Details and metering information. The Distributor shall allocate appropriate priority to the Unregistered Premises for the purposes of this section.
- 8.3 Where a connection may have been tampered with or improperly modified the Distributor may deem it appropriate to carry out a site visit (from a safety perspective) prior to issuing any new MPANs.

Process Timing

- 8.4 When establishing a process to manage Unregistered Customers, Parties should consider the outline process diagram and the following process steps and timings:
- (a) A report will be produced on a monthly basis to separately identify existing and new Unregistered Customers;
 - (b) Within **W** Working Days of the production of the report a Stage 1 letter may be issued to the newly identified Unregistered Customers to encourage them to contact a Supplier of their choice;
 - (c) In the absence of any reasonable response from the Unregistered Customer within 1 calendar month from the issue of a Stage 1 letter the Distributor may consider issuing a further Stage 1 letter, modified Stage 1 letter or a Stage 2 letter. This letter would explain the actions that the Distributor will take if no reasonable response is received;
 - (d) If the Distributor decides, at their sole discretion, that a site visit is warranted then this will be carried out within **X** Working Days of the issue of a Stage 1 letter;
 - (e) Within **Y** Working Days of the site visit the Stage 2 letter will be issued. This letter will confirm that the supply of electricity to the Premises is to be De-energised or Disconnected;
 - (f) Following 7 Working Days after the issue of the Stage 2 letter the Distributor may arrange for the supply of electricity to the Premises to be De-energised or Disconnected.
- 8.5 It is acknowledged that longer timescales shall have to apply where access to Premises is delayed by circumstances outside of the Distributor's control (including where a warrant is needed to obtain access).

9. VISIT PROCEDURE/GAINING ENTRY

Best Practice

- 9.1 The Distributor should (where required to attend site) ensure that their staff visit the Premises without prior notification, provides appropriate identification for themselves and states the circumstances under which they are calling, and request entry to inspect the Premises.
- 9.2 Care should be taken when recording what is said by the Customer or others present

at the Premises, especially where a Vulnerable Customer has been identified. In particular:

- (a) Care should be taken in the treatment of people who have a visual impairment, hearing impairment, physical or learning disabilities, a mental health condition or are under 18 years of age. Such persons should not be interviewed alone - if necessary an 'appropriate adult' should be present.
- (b) Where, as part of any contact with the Customer, it is identified that the Customer has difficulty (or claims to have difficulty) in understanding English, an interpreter may be required. Parties should establish policy guidance for staff for such situations and ensure that they are aware of this guidance. Where it is identified that the Customer is a user of British Sign Language, Parties should make all reasonable efforts to communicate with the Customer through the use of sign language, or alternatively in writing.

9.3 Where access to the Premises has not been gained after reasonable attempts have been made, the Distributor should seek to obtain a warrant to enter the Premises.

Reference

9.4 Warrants to enter Premises are granted under the Rights of Entry (Gas and Electricity Boards) Act 1954 and pursuant to schedule 6 of the Electricity Act.

10. TREATMENT OF VULNERABLE CUSTOMERS

Obligation

- 10.1 Distributors shall use reasonable endeavours to safeguard the personal welfare of Vulnerable Customers in respect of the activities set out in this Code of Practice.
- 10.2 If a Party identifies that an Unregistered Customer is on the 'Priority Services Register' or otherwise identified as vulnerable this information shall be captured to assist with further interactions with that Customer.
- 10.3 The Distributor shall take reasonable steps to ascertain who in the household might be a Vulnerable Customer, and make a judgement regarding the action that needs to be taken in the light of this information.

Reference

- 10.4 Condition 10 of the Distribution Licences and Condition 26 of the Supply Licences oblige Distributors and Suppliers (respectively) to have regard to the interests of individuals who are blind partially sighted, deaf or hearing impaired, disabled, and chronically sick or of pensionable age. This includes establishing and maintaining a 'Priority Services Register'.

11. INFORMATION TO CUSTOMERS

Obligation

- 11.1 On arrival at the Premises, Distribution staff shall identify themselves to the Unregistered Customer and act in accordance with the Distributors policy on site attendance.
- 11.2 On leaving the Premises, the Distributors staff shall leave the following information for the Customer:
- (a) the contact details for the Distributor;
 - (b) the reason for the visit;
 - (c) what the Unregistered Customer can expect next and what they should do (e.g. contact a Supplier of their choice/confirm to their Distributor that they are taking appropriate action);
 - (d) what the Unregistered Customer should do if they are unhappy with the outcome (e.g. contact the Distributor in the first instance and provide evidence that disputes the Unregistered status);
 - (e) contact details for further independent sources of help and advice (e.g. Consumer Focus; Citizen's Advice Bureau; Social Services); and
 - (f) Customers are informed, following De-energisation or Disconnection of who to contact in order to find out how to get the supply reinstated.
- 11.3 Where a Customer is not present at the Premises, written documentation shall be left at the Premises in a sealed and addressed envelope.
- 11.4 Where it is not possible for a Party or its agent to leave the written information, as
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described above, with the Customer on leaving the Premises, this must be done so as soon as possible thereafter.

APPENDICES – REFERENCE MATERIAL

List of appendices including

- 1. DISCONTINUATION OF SUPPLY**
- 2. PROCESS DIAGRAM FOR UNREGISTERED CUSTOMERS**
- 3. OPTIONAL STANDARD LETTER TEMPLATES FOR COMMUNICATION WITH UNREGISTERED CUSTOMERS-**
- 4.**

These Appendices are intended to enable Parties to gain a broad understanding of matters related to Unregistered Customer, and to identify where statutory rights and obligations are set out. The information set out in these Appendices is intended for guidance only and should not be relied upon. Parties should take their own legal advice where interpretation of statutory and regulatory provisions is needed.

APPENDIX 1 – DISCONTINUATION OF SUPPLY

Introduction

Appendix 1 sets out guidance regarding the statutory powers of Suppliers and Distributors to discontinue the supply of electricity which may arise where a person is an Unregistered Customer and fails to resolve the situation by appointing a Supplier of their choice. For the avoidance of doubt, this Appendix 1 does not seek to grant additional rights to signatories to this Code of Practice and is intended for guidance only.

For the avoidance of doubt, parties may have additional statutory powers to discontinue supply which are not set out below, for example in relation to unpaid charges for the supply of electricity and Distributors may Disconnect under Regulation 26 of The Electricity Safety, Quality and Continuity Regulations 2002.

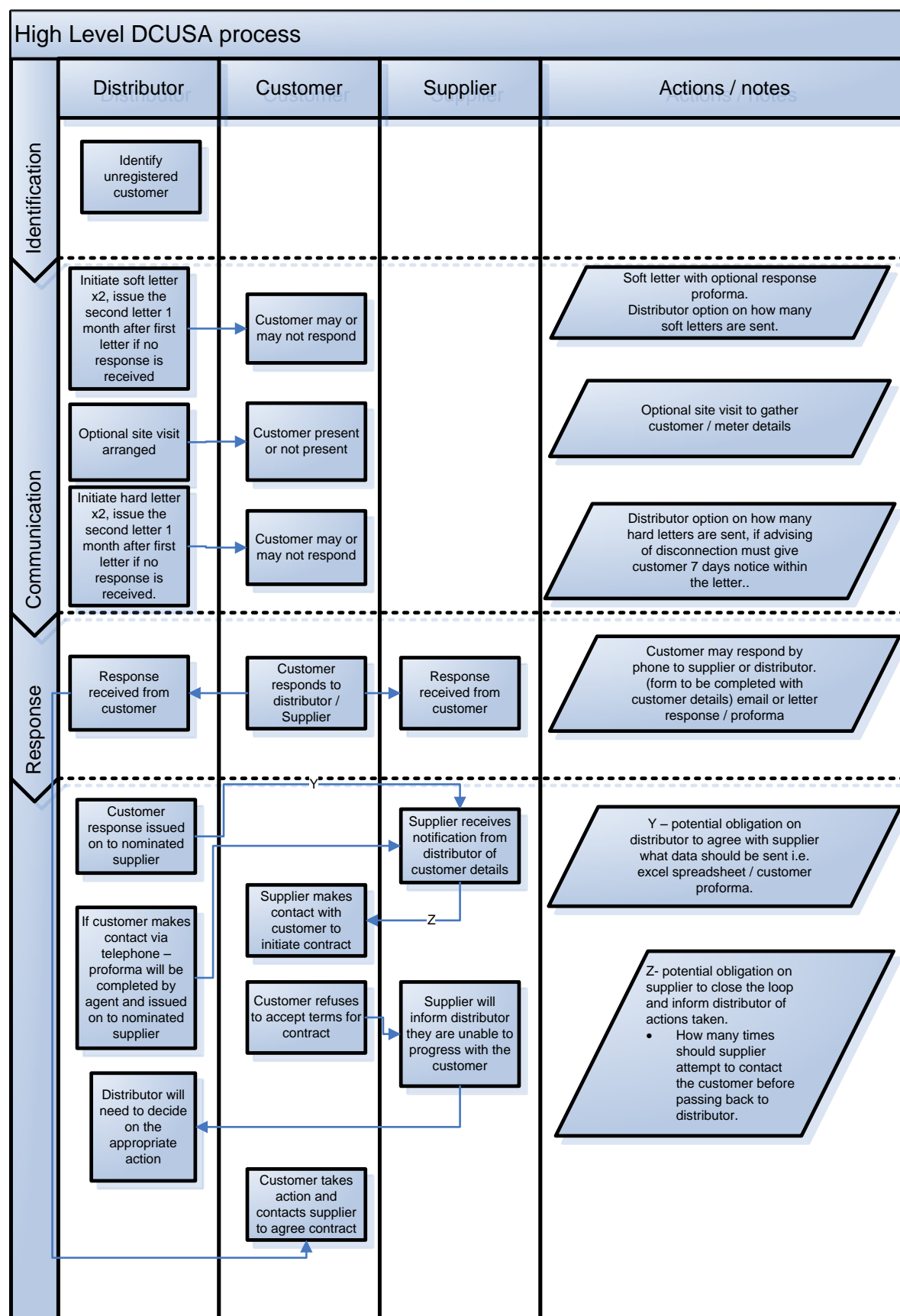
Not reasonable to maintain a connection

The effect of section 17(1)(c) of the Electricity Act 1989 is that an electricity Distributor is not required to maintain a connection if and to the extent that it is not reasonable in all the circumstances for him to be required to do so.

This provision may therefore give rise to a power to discontinue the supply of electricity to a premises (or to another distribution system) where the occurrence of theft (or similar abstraction) means that it is no longer reasonable to require the connection to be maintained. Note, however, that not less than seven working days' notice¹ of the intention to discontinue the premises must be given to the occupier (or, if the premises are unoccupied, the owner).

¹ See section 17(3) of the Electricity Act 1989
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APPENDIX 3 OUTLINE PROCESS DIAGRAM FOR RESOLVING UNREGISTERED CUSTOMERS



**APPENDIX 3 BEST PRACTICE LETTER TEMPLATES FOR COMMUNICATING
WITH UNREGISTERED CUSTOMERS.**

[Letters to be added here following Party consultation]

APPENDIX 4 BEST PRACTICE TEMPLATES FOR SHARING DATA BETWEEN PARTIES.

The spreadsheet attached here at Appendix 4 is a template designed to assist Parties in meeting their Obligations in respect of Unregistered Customers. Parties should find this useful for tracking higher volumes of unregistered customers through to being resolved, for lower volumes of unregistered customers this method of tracking may not be necessary. This is included as reference material and does not form part of DCUSA legal drafting. The purpose of the spreadsheet is so that information about unregistered customers, including customer data and information about the unregistered customers can be shared bilaterally between the Distributor and the customer's supplier. This should improve customer service for those customers genuinely trying to get a supply contract and help identify any customers who appear more reluctant to enter into a contract.