

## SPAA CHANGE PROPOSAL FORM

This form should be used by SPAA Parties who wish raise a draft or a formal Change Proposal.

Originators - Please complete this form and submit to [spaa@electralink.co.uk](mailto:spaa@electralink.co.uk). The CP will be issued in the next available Change Pack or to the relevant group in SPAA.

Document Control	
CP Status:	Draft
For Issue To:	TRAS Working group
CP Number*:	CP 15/292
Title of Change:	Theft Risk Assessment Service Implementation
Version Number:	0.1
Change Pack Ref*:	This CP is being progressed as an urgent CP outside the standard Change Cycle Calendar. It will be issued in the extraordinary pack on 02 March 2015
Attachments:	Attachment 1: TRAS Provider Service Description

*\* Assigned by SPAA Change Control Administrator*

Originator details	
Party Name	British Gas
Party Change Administrator:	Graham Wood
Constituency:	Supplier
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CP Details	
SPAA Parties believed to be impacted:	Domestic Suppliers / I&C Suppliers
Proposal to Change the following aspects of SPAA and/or SPAA Products:	SPAA Main Body Clauses 1.1, 8 and 9.1 Schedule 34 Schedule 6 TRAS Product.
Change Proposal Summary:	This CP has been raised as part of the TRAS implementation project. It sets out the service to be provided by the TRAS Provider and the rights and obligations of SPAA Parties in relation to the

	TRAS.
<p>Impact on User Pays:</p> <p><i>A Rough Order of Magnitude (ROM) can be requested when a CP impact a system and/or process operated by The Large Transporter's Agency.</i></p> <p><i>See the SPAA Change Guideline and Section 4.8 of the SPAA for further information</i></p>	N/A
<p>Related CPs:</p> <p><i>Please indicate if this CP is related to or impacts any other CP already in the SPAA or other industry Change Process</i></p>	A similar Change Proposal is being progressed under the DCUSA (DCP 225 'Theft Risk Assessment Service – Party Obligations'). However, these CPs are mutually exclusive.

## Why change?

*Describe the problem that this CP addresses:*

In January 2013 the Authority directed Gas Suppliers to implement a central Theft Risk Assessment Service (TRAS) to assess the risk of gas theft at consumer premises to help target theft investigations. In July 2014 the Authority extended the TRAS requirements to electricity and placed the same Licence condition on Electricity Suppliers. Both Electricity and Gas Suppliers therefore need to have a TRAS in place by 26 February 2016.

SPAA Change Proposal 12/226 'Provisions for the Theft Risk Assessment Service (TRAS)' was raised in December 2012 which put the governance of the TRAS under the SPAA. The CP introduced new SPAA Schedule 34 'Theft Risk Assessment Service Arrangements'. It was approved to be implemented on 28 June 2013 as a skeleton version to be populated as required during development of the TRAS Arrangements.

CP13/239 'TRAS Arrangements: TRAS Product' was then raised in June 2013. The aim of CP13/239 was to highlight the essential commitments on Suppliers that were documented in the Request For Proposal (RfP) (part of the TRAS Provider tender documentation) to submit Relevant Information as may be required to meet the Licence obligation. This CP was implemented on 8 November 2013.

The RfP has now been issued to potential TRAS Providers and the TRAS procurement plan anticipates that the contract with the appointed TRAS Provider will be signed in May 2015. This CP has therefore been raised to implement changes to the SPAA to allow SPAA Ltd to sign the contract with the chosen TRAS Provider. It also fully defines the rights and obligations on SPAA Parties needed for the implementation of the TRAS; and defines the service to be provided by the TRAS provider. It is proposed that SPAA Schedule 34 and the TRAS Product will include these TRAS requirements.

**Proposed Solution:**

Clause 1.1 'Definitions' already includes definitions for Relevant Information, TRAS, TRAS Product and TRAS Arrangements. It is proposed that further definitions be included for TRAS Provider, Theft Risk Assessment Methodology and TRAS Effective Date (which will be 26 February 2016 at the latest or an alternative date as agreed by the SPAA EC).

The SPAA EC has previously agreed that the costs of TRAS will be shared between all Licensed Suppliers based on market share of Metering Points. Market share on this basis is already used in SPAA, therefore the methodology for determining each Supplier's market share will be based on the method already set out in Clause 8.8 of the SPAA. It is proposed that Clause 8.1 be amended to clarify that SPAA EC is entitled to recover costs associated with the TRAS. It is assumed all Licensed Suppliers will be parties to SPAA prior to the signing of the contract with the TRAS Provider. If this is not the case this CP will need to deal with the arrangements for invoicing non-SPAA parties.

The SPAA EC also agreed that changes to the TRAS Arrangements will need to be approved by the Authority (unless these are correcting typographical errors). It is therefore proposed that Schedule 34 and the TRAS Product be added to the list of items that require Authority consent in Clause 9.1.

This TRAS Implementation CP also needs to contain all the rights and obligations on SPAA Parties needed for the implementation of the TRAS, together with a definition of the service to be provided by the TRAS Provider. It is proposed that these details will be included in the TRAS Product. The TRAS Product currently includes an indicative list of Relevant Information that could be provided by Suppliers to the TRAS Provider. This will need to be amended to reflect the requirements agreed with the TRAS Provider. Additional drafting will also be needed setting out the frequency of data submission. In addition, the TRAS Product will include a list of services to be provided by the TRAS Provider to SPAA Parties. Schedule 6 'SPAA Products' will need to be updated with the revised version number of the TRAS Product.

Schedule 34 will need to be amended to reflect the current situation. For example Clause 1.6 will need to be reworded once the frequency of data submissions has been incorporated in the TRAS Product; Clause 1.5 will need to be removed once the Relevant Information items have been agreed; Clause 1.6 will need to reference the TRAS Effective Date when the requirements start to take effect; and Clause 1.7 may need rewording or removing depending on the agreed solution.

Under the proposed TRAS arrangements SPAA will become Data Controllers Clause 11 will need to be amended to hold SPAA harmless for any breaches in DPA when providing data to the TRAS Provider on behalf of Licensed Suppliers.

## How will the CP better facilitate the SPAA relevant objectives:

*Refer to Standard Condition 30, 30.6 of the Gas Suppliers License.*

Relevant Objective	Explain why the CP meets the objective(s)
a) Development, maintenance and operation of an efficient, coordinated and economical change of supplier process.	

b) Furtherance of effective competition between Gas Suppliers and between relevant agents.	
c) Promotion of efficiency in the implementation and administration of the supply point administration arrangements.	
d) So far as is consistent with sub-paragraphs (a), (b) and (c), the efficient discharge of the licensee's obligations under this licence.	Objective (d) is better facilitated as the CP will ensure compliance of gas Suppliers to the amended Licence Conditions which become effective on 26 February 2016, by providing processes for the TRAS.
e) Establishment, maintenance and operation of the Meter Asset Manager arrangements.	
f) Securing compliance with standard condition 12A of the Gas Suppliers Licence [Matters relating to Theft of Gas].	
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	

## Proposed Implementation Technique:

Phased. It is proposed that this CP should be implemented by 18 May 2015 prior to the signing of the contract with the TRAS Provider. This will give the Suppliers certainty of the Relevant Information that is required so system and process changes can be implemented. The legal drafting for the CP includes the definition of a TRAS Effective Date. This is expected to be 26 February 2016 at the latest, when the Licence Conditions requiring gas Suppliers to have in place a TRAS, take effect. It is anticipated that a phased implementation plan will be agreed with the TRAS Provider which will set out the milestones when data will be required to be submitted and when elements of the service will go live.

## Proposed Implementation Date:

18 May 2015.

## Authority Consent Required:

*Please provide the reason Authority Consent is/is not required. Authority Consent is required when a change is of a material nature. See the SPAA Change Guideline and Section 9 of the SPAA for further information on the Authority Consent Process.*

Authority consent is required for the following:	List all applicable	Material impact? Provide reasons why

<ul style="list-style-type: none"> <li>The CP impacts SPAA Clauses: <ul style="list-style-type: none"> <li>Clause 4.2, Clause 4.4,</li> <li>Clauses 5.1 to 5.5 (inclusive), Clause 5.15,</li> <li>Clauses 6.1 to 6.17 (inclusive), Clause 6.30, Clause 6.37, Clause 6.38, Clause 6.40, Clause 6.43, Clause 6.44, Clause 6.48 to Clause 6.50 (inclusive), Clause 6.52,</li> <li>Clause 7.1 to 7.4 (inclusive), Clause 7.13, Clause 7.22 to Clause 7.26 (inclusive),</li> <li>Clause 8, Clause 9, Clause 10 and Clause 14.</li> </ul> </li> </ul>	Clause 8 and Clause 9.1	This CP requires Authority Consent as it includes a change to the costs in Clause 8 and the list of items that need Authority consent to change in Clause 9.1 of the SPAA main body.
<ul style="list-style-type: none"> <li>The CP impacts any definition in SPAA Clause 1.1 which materially affect the provisions in the Clauses set out in Clause 9.1.1 (see above); or</li> </ul>		
<ul style="list-style-type: none"> <li>The CP impacts any provision of SPAA which requires or permits any matter to be referred to the Authority for approval, consent, direction or decision or confers any rights or benefits upon the Authority.</li> </ul>		
<ul style="list-style-type: none"> <li>The CP makes a Voluntary or Elective Schedule Mandatory; or</li> <li>The CP introduces a new Mandatory Schedule</li> </ul>		
<ul style="list-style-type: none"> <li>The CP has a significant impact on the interests of gas consumers; or</li> <li>The CP has a significant impact on competition in the distribution of gas / the supply of gas; and any commercial activities connected with the distribution or supply of gas; or</li> <li>The CP is discriminate in its effects between one Party (or class of Parties) and another Party (or class of Parties).</li> </ul>		The introduction of a Theft Risk Assessment Service will have a significant impact on the interests of gas consumers; specifically with regards to the submission of relevant data items by Suppliers.
<b>The proposed changes are material (delete as appropriate)</b>		<b>YES</b>
<b>The CP requires Authority consent (delete as appropriate)</b>		<b>YES</b>

## Development Workgroup

*For any change proposal that requires Authority Consent, the change guidelines encourage the proposer to refer the CP directly to a Workgroup for development and consideration of relevant alternatives.*

The CP will be developed by the TRAS Working Group.