

SCHEDULE **XX** – RESOLVING UNREGISTERED CUSTOMERS CODE OF PRACTICE

**Comment [CH1]:** Highlighted to denote that a change is required once the CP is approved and the new Schedule number is determined for implementation.

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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.
- 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);
  - (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.

**Comment [CH2]:** Clause 32A to be drafted to place an obligation on Parties to comply with this new schedule –Style of wording to be copied from Clause 32 and to reference the fulfilment of Standard Licence Condition 49.

32.5 The Company shall comply with the obligations of the ‘Distributor’ set out in the Resolving Unregistered Customers Code of Practice (or procure that another person undertakes such obligations on the Company’s behalf).

32.6 The User (where it is a Supplier Party) shall comply with the obligations of the ‘Supplier’ set out in the Resolving Unregistered Customers Code of (or procure that another person undertakes such obligations on the User’s behalf).

**Comment [CH3]:** Re-word as the best practice template letters and the tracking schedule have been added as supporting documents that sit outside the legal text and the remaining content such as the process diagram is more than reference material.

**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.

<b>Customer Details</b>	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).
<b>Distributor</b>	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).
<b>Occupier</b>	The occupier of a premises prior to identifying the Occupier as an Unregistered Customer.
<b>Party</b>	means the Distributor or the Supplier.
<b>Premises</b>	includes any land, building or structure.
<b>Supplier</b>	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).

**Unregistered Customer** means a Customer occupying Premises at which electricity is being (or has been) consumed outside of the normal Supplier registration process (sometimes referred to as “untraded”).

**Unregistered Premises** means Premises at which electricity is being (or has been) consumed outside of the normal Supplier registration process (sometimes referred to as “untraded”).

- 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 situations where Unregistered Customers are identified. The Code describes how those Parties shall identify Unregistered Customers and deal with Customers who are identified as being Unregistered Customers in order to ensure consistency of treatment between Distributors, Suppliers and their appointed agents.
- 3.2 Where an instance of an Unregistered Customer also involves tampering, Theft of Electricity or Theft in Conveyance, Suppliers or Distributors (as applicable) 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, Distributors or Suppliers 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 industry best practice should be adopted 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 take all reasonable steps to identify Unregistered Customers and shall investigate and seek to resolve such identified cases of Unregistered Customers (to the extent that the Distributor can resolve such Unregistered Customers).
- 4.2 Suppliers and Distributors shall (and shall ensure that their agents shall) act on reports made to them regarding Occupiers and potential 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 Distributors and Suppliers shall take all 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 and:
  - (a) in investigating Unregistered Customers the Distributor shall make written contact with the Occupier of the Unregistered Premises to request details of any supply contract the Occupier/Customer may have with a Supplier and (in

the absence of any such contract) inform the Occupier of the requirement to have a valid supply contract and to obtain Customer Details; and

- (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; and
- (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 contracts with those particular Suppliers.

5.2 The Supplier shall take all reasonable steps to resolve Unregistered Customers(to the extent that the Supplier can resolve such Unregistered Customers) and:

- (a) 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; and
- (b) shall, upon receipt of Customer Details from the Distributor, 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; and
- (c) Where a Supplier agrees to contract with a Customer and where an MPAN is provided but there is no meter installed (or where a non-settlements meter has been installed) the Supplier will arrange a site visit to install a meter; and
- (d) 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 relevant Distributor on the progress being made to register those Customers; and
- (e) 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; and
- (f) shall retain, update and share tracking data with Distributors as appropriate in the activity of resolving Unregistered Customers.

### Best Practice

- 5.3 The Distributor may make site visits where written communication proves ineffective.
- 5.4 The Distributor may make sites visits, especially where the connection has no MPAN, to gain an understanding of the prevailing circumstances, any connection work that has been carried out and the condition of the connection assets.
- 5.5 The Supplier may make site visits to obtain meter readings or carry out meter exchanges.
- 5.6 Distributors and Suppliers 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; and
  - (b) contacting the Customer at different times of day; and
  - (c) providing information about their normal working hours for resolving Unregistered Customers.
- 5.7 Where Distributors or Suppliers 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

- 5.8 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.
- (a) [See Appendices 2 and 3](#) to this Code of Practice for further information on the high level process and [sample](#) supporting [best practice template](#) letters [for guidance only](#).

**Comment [CH4]:** Amend the highlighted appendix references in this document as the best practice template letters and tracking schedule has been removed and act as guidance documents only. The process diagram remains

## 6. INFORMATION EXCHANGE BETWEEN PARTIES



### **Obligation**

- 6.1 Distributors and Suppliers shall have appropriate and co-ordinated 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 shall 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 23**.

### **Site Visits**

- 8.2 On receipt of information indicating a potential Unregistered Premises, 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 the Distributor reasonably believes that 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) Distributors shall investigate and manage all potential instances of Unregistered Premises; and
  - (b) on identification of an Unregistered Premises, the Distributor shall take reasonable steps to identify the Customer and contact the Customer via letter or otherwise to encourage them to contact a Supplier of their choice to register the supply (and, where the Distributor has not identified the Unregistered Customer, shall arrange for delivery of a letter to the Unregistered Premises, addressed to the Occupier); and
  - (c) in the absence of any reasonable response from the Unregistered Customer within 1 calendar month of initial contact, the Distributor shall issue a further letter. This letter would explain the actions that the Distributor may take, including De-energisation and/or Disconnection and the timescales associated with these actions, if no reasonable response is received;
  - (d) 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 apply where access to Unregistered Premises is delayed by circumstances outside of the Distributor's control (including where a warrant is needed to obtain access).
- 8.6 Nothing in Clause 8.4 shall prevent a Distributor from communicating with Occupiers or Unregistered Customers in a manner or frequency of its choosing, provided that the intent is to obtain Customer Details or otherwise contribute to resolving Unregistered Customers.

## 9. VISIT PROCEDURE/GAINING ENTRY

### Best Practice

- 9.1 Where a Distributor carries out a visit to identify the Occupier of ~~an~~-unregistered premises the Distributor- shall ensure that if its staff (or agents) visit the Premises without prior notification, provide appropriate identification for themselves and state 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 may consider seeking 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, the Distributor's staff (or agents) shall identify themselves to the Unregistered Customer and act in accordance with the Distributor's policy on site attendance.
- 11.2 On leaving the Premises, the Distributor's staff (or agents) 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 the 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 Premises status);
  - (e) contact details for further independent sources of help and advice (e.g.; Citizen's Advice and Citizens Advice Scotland; social services); and
  - (f) who to contact, following De-energisation or Disconnection, 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 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**

**These Appendices are intended to enable Parties to gain a broad understanding of matters related to Unregistered Customers, 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 premise (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' notice<sup>1</sup> of the intention to discontinue the premises must be given to the occupier (or, if the premises are unoccupied, the owner).

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<sup>1</sup> See section 17(3) of the Electricity Act 1989

## APPENDIX 2 -OUTLINE PROCESS DIAGRAM FOR RESOLVING UNREGISTERED CUSTOMERS

**Comment [CH5]:** Secretariat to check the software available to maintain this diagram in order to future proof the DCP 209 content for the DCUSA change process.





