

BILLING DISPUTE BY [REDACTED]

UNDER ARTICLE 24B OF THE GAS (NORTHERN IRELAND) ORDER 1996

FINAL DETERMINATION

9th May 2025

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1. **SECTION ONE – INTRODUCTION**

- 1.1 On 30 September 2024, the Northern Ireland Authority for Utility Regulation (the **Authority** – and hereafter referred to as the **Utility Regulator**) received an application (the **Application: (B4)**) from an individual gas consumer, [REDACTED] (the **Complainant**), requesting the Utility Regulator to determine a billing dispute (the **Dispute**) he has with his gas supplier SSE Airtricity Gas Supply (NI) Limited (**SSE**): together the **Parties**.
- 1.2 The Dispute is brought under Article 24B of the Gas (Northern Ireland) Order 1996 (the **Gas Order: A1**) and relates to gas supply charges levied by SSE for the period between 5 February 2024 to 3 April 2024 (**B4**) (the **Relevant Period**).
- 1.3 Following an initial review of the Application, the Utility Regulator acknowledged the Application and informed the Parties (by letter dated 30 October 2024) that it has jurisdiction to consider and determine the issues in dispute under Article 24B of the Gas Order (**B21**).
- 1.4 The Utility Regulator has appointed me, Barbara Cantley (Director of Consumer Protection and Enforcement), to determine the Dispute on its behalf (the **Decision-Maker**).
- 1.5 The Utility Regulator is considering this dispute in accordance with its *Policy on the Resolution of Complaints, Disputes and Appeals and Guide for Applicants (August 2018)* (the **Dispute Policy: (A2)**).
- 1.6 This document is my final determination in respect of the Dispute.
- 1.7 In reaching this determination, I have reviewed and considered the following materials and documents –
- (a) A Statement of Case (the **SOC**) prepared for me by the case management team – the SOC sets out an overview of the background to the Dispute, the applicable statutory and regulatory framework, the views of the Parties in respect of the Dispute, and the issues that fall to be determined.
 - (b) The documents set out in Appendix 1 to the SOC (and also copied to the Parties), which included all of the submissions of the Parties.
- 1.8 The Parties were also afforded the opportunity to comment on –
- (a) a draft of the SOC, and
 - (b) a draft determination, dated 4 April 2025 (the **Draft Determination**).

- 1.9 The comments received from the Parties to the draft SOC were taken into account by the case management team in preparing the SOC (as also reflected within the relevant sections of this determination).
- 1.10 In arriving at my final determination, I have taken into account the submissions received from the Parties on the Draft Determination.
- 1.11 My determination is structured as follows –
- (a) The Parties to the Dispute (at Section 2),
 - (b) The applicable legal and regulatory framework (at Section 3),
 - (c) The factual background to the Dispute (at Section 4),
 - (d) The views of the Complainant (at Section 5),
 - (e) The views of SSE (at Section 6),
 - (f) The issues to be determined (at Section 7),
 - (g) My determination in relation to those issues (at Section 8),
 - (h) My analysis of the costs position in this Dispute (at Section 9), and
 - (i) My Order (at Section 10).
- 1.12 This determination references a number of documents (including correspondence provided by the Parties). An index to these documents is attached at Appendix 1 and any document which was not included in the Bundle provided to the Parties with the SOC or Draft Determination is enclosed within this determination.

2. **SECTION TWO – THE PARTIES**

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- 2.1 ██████████ (or the **Complainant**) resides at ██████████ (the **Property**) and is the person responsible for paying for the supply of gas to the Property and thereby the charges for the gas supplied to and consumed at the premises.

SSE Airtricity Gas Supply (NI) Limited

- 2.2 SSE Airtricity Gas Supply (NI) Limited (**SSE**) is a licensed gas supplier (company number NI032810). Its trading name is 'SSE Airtricity', and it is a member of the SSE Group. SSE's registered office address is Millennium House, 25 Great Victoria Street, Belfast, Northern Ireland, BT2 7AQ.
- 2.3 SSE's gas supply is regulated under licence by the Utility Regulator in exercise of the powers conferred by Article 8(1)(c) of the Order.
- 2.4 Under this licence, SSE supplies natural gas to home and business customers in the Greater Belfast Area, 'Ten Towns' area and the 'Gas to the West' area. It is the supplier of gas to the Property.
- 2.5 The gas distribution network in the Greater Belfast, Larne and East Down licensed area is owned and operated by Phoenix Natural Gas Limited (branded as 'Phoenix Energy' (**PE**)). Accordingly, the gas distribution network which delivers the gas to the Property is owned and operated by PE.

3. **SECTION THREE – APPLICABLE LEGAL AND REGULATORY FRAMEWORK**

3.1 The legal and regulatory framework applicable in determining the Dispute is summarised below.

The Gas Order (A1)

3.2 Article 24B of the Gas Order provides –

(1) A billing dispute—

(a) may be referred by the customer who is party to the dispute to the Authority for determination in accordance with this Article; and

(b) on such a reference, shall be determined by order made by the Authority or, if the Authority thinks fit, an arbitrator appointed by the Authority.

(2) In this Article “billing dispute” means a dispute between the gas supplier and a customer concerning the amount of the charge which the supplier is entitled to recover from a customer in connection with the provision of gas supply services.

(3) The practice and procedure to be followed in connection with the determination of billing disputes shall be such as the Authority thinks appropriate and shall be published by the Authority.

(4) Except with the consent of the Authority, no billing dispute may be referred for determination under this Article—

(a) unless the matter in dispute has first been referred to the General Consumer Council pursuant to Article 22 of the Energy (Northern Ireland) Order 2003 and the matter has not been resolved to the satisfaction of the customer within 3 months of the matter being referred to the General Consumer Council; and

(b) after the end of the period of 12 months after the end of the period in respect of which the charge which is the subject of the dispute applies.

(5) Where a billing dispute is referred to the Authority, an order under this Article shall be made and notified to the parties to the dispute within the requisite period or such longer periods as the Authority may agree with the person referring the dispute—

(6) For the purposes of paragraph (5), the requisite period in any case means—

(a) the period of 2 months from the date when the dispute was referred to the Authority; or

(b) where the information given to the Authority in relation to the dispute was in its opinion insufficient to enable a determination to be made, the period of 4 months from the date the dispute was referred to the Authority.

(7) A person making an order under this Article shall include in the order his reasons for reaching the decision with respect to the dispute.

(8) An order under this Article—

(a) may include provision requiring either party to the dispute to pay a sum in respect of the costs and expenses of the person making the order; and

(b) shall be final and enforceable as if it were a judgment of the county court.

(9) In including in an order under this Article any such provision as to costs or expenses as is mentioned in paragraph (8)(a), the person making the order shall have regard to the conduct and means of the parties and any other relevant circumstances.

(10) The Authority or the arbitrator appointed by him shall not determine any billing dispute which is the subject of proceedings before, or with respect to which judgment has been given by, any court.

(11) Neither party to any billing dispute which has been referred to the Authority for determination in accordance with this Article shall commence proceedings before any court in respect of that dispute pending the determination of the dispute in accordance with this Article.

...

4. SECTION FOUR – FACTUAL BACKGROUND

- 4.1 The following summary of the factual background is derived mainly from the relevant section of the SOC and I note that it is not in contention between the Parties. I take the following summary to be accurate and adopt it for the purposes of this determination.
- 4.2 On 3 April 2024, the Complainant reported a gas leak to SSE.
- 4.3 As reflected at Section Two above, while SSE is the supplier of gas to the Property, the gas distribution network which delivers the gas to the Property is owned and operated by PE. In addition, PE is also responsible, by virtue of the industry regulatory arrangements, for the installation and maintenance of gas meters, including any safety and servicing checks, at properties connected to its gas distribution network.
- 4.4 Accordingly, in its capacity as being responsible for the safety and maintenance of the gas meter at the Property, a PE engineer attended the premises on 3 April 2024 to investigate the report. The engineer identified that there had been a leak at the gas meter and replaced the gas meter as a result. The final reading on the gas meter which was replaced was taken as being 18,940m³ (the **April Reading**).¹
- 4.5 On 13 April 2024, the Complainant received a gas bill from SSE indicating that [REDACTED] was payable for the Relevant Period (i.e. 5 February 2024 to 3 April 2024 (the latter being the date of the meter replacement) (the **Bill**).²
- 4.6 The Complainant contacted SSE to dispute the Bill.³
- 4.7 On 2 May 2024, SSE contacted PE by email, explaining that the Complainant's meter had been exchanged on 3 April 2024 following a gas leak at the Property. SSE further explained that the Complainant is "*adamant*" that the gas leak affected the Bill, and asked PE to confirm whether this is the case.⁴
- 4.8 PE responded to SSE on the same date,⁵ acknowledging that the gas leak was at the 'test nipple'. In respect of this, PE stated that –
- (a) A leak at the test nipple has "*a really minimal impact on usage*", and
 - (b) Such an impact would be around £15 for a leakage for a full year.
- 4.9 SSE queried whether it would be possible to pinpoint when a fault like that could have started.⁶

¹ The Application, Document 5 (**B4**), page 11.

² The Application, Document 5 (**B4**), pp. 10-11.

³ The Application (**B4**), page 2.

⁴ Emails between SSE and PE, 2 May 2024 (**B3**).

⁵ Emails between SSE and PE, 2 May 2024 (**B3**).

⁶ Emails between SSE and PE, 2 May 2024 (**B3**).

- 4.10 PE noted that the Complainant had reported that they had smelt gas for about a week prior to the report of the gas leak on 3 April 2024, so it was "*likely the leak was for this week only*".⁷ It also stated that its last visit to the Property before the reported gas leak was 10 June 2022 to replace the 'meter regulator', and no gas leak had been reported on this date.
- 4.11 On 23 May 2024, the Complainant contacted PE by email directly. The Complainant sought a response from PE in respect of the following⁸ –
- (a) Whether the engineer was incorrect in advising that there was a gas leak from a pipe joint on the outlet pipe from the meter.
 - (b) Whether the engineer was incorrect in advising that the black coating on the pipe work adjacent to the pipe joint was caused by a gas leak.
 - (c) What the black coating on the pipe work was caused by, if not caused by a gas leak. The Complainant noted that the copper pipe work within the meter cupboard away from the suspect pipe joint had not been affected.
 - (d) Whether the black coating was formed over a period of days, weeks, months or longer.
 - (e) The dates that PE carried out its annual maintenance of the equipment since it was installed in 2012.
 - (f) The dates of any maintenance letters that were sent to the Complainant over this 12-year period advising that PE required access to the Property.
- 4.12 PE responded by email on 11 June 2024,⁹ stating that –
- (a) It had completed its investigation regarding the complaint received on 23 May 2024.
 - (b) It had interviewed the PE engineer who attended the Property to investigate the reported smell of gas from the gas meter box.
 - (c) The engineer had stated that he did not make any comments on a gas leak being present on the pipework at the meter outlet and that he had at no stage scraped the pipework identifying where the leak had been.
 - (d) The engineer replaced the gas meter due to a small leak on the meter test nipple.
 - (e) No other leaks were located by the engineer on the outlet pipework above the meter.

⁷ Emails between SSE and PE, 2 May 2024 (**B3**).

⁸ Email from the Complainant to PE, 23 May 2024 (**B5**)

⁹ Emails between the Complainant and PE, 11 June 2024 (**B6**).

- (f) The leak was very small. It would not have registered on the meter dial and therefore would not have any bearing on the recent gas consumption.
 - (g) The blackness around the downstream pipework and fittings was most likely caused by overheating of the fittings during installation.
- 4.13 On the same day, the Complainant challenged PE's response and again requested the dates of any maintenance undertaken annually on the meter since its installation in 2012.¹⁰
- 4.14 The Complainant emailed PE again on 25 June 2024, having not received a response to their email dated 11 June 2024.¹¹ The Complainant referred to their correspondence dated 23 May 2024 and 11 June 2024 and again requested information regarding the maintenance dates of the equipment since it was installed in 2012.
- 4.15 On 25 June 2024,¹² PE stated that –
- (a) An official complaint had been raised following the Complainant's email on 23 May 2024. The reference number for this complaint was CC007273.
 - (b) Clarification had already been provided, by PE's senior engineer, on points 1-4 of the Complainant's queries, and points 5 and 6 had been referred to PE's asset team.
 - (c) Asset maintenance is carried out on a yearly basis, but this applies only to specific meters within its licensed area.
 - (d) The frequency of maintenance depends on the type of equipment and the duration of its installation. Not all meters require PE's attention every year.
 - (e) PE visited the Property in June 2022 to replace a 'meter regulator' and had sent two letters (one on 27 April 2022, and one on 23 May 2022) to notify the Complainant of this requirement.
 - (f) PE's records indicate that the engineer attended on 10 June 2022 at approximately 09:27am and completed the work successfully.
- 4.16 PE further explained that it cannot take this matter any further as both its energy services team and asset team had provided clarification on the Complainant's queries.

¹⁰ Emails between the Complainant and PE, 11 June 2024 (B6).

¹¹ Emails between the Complainant and PE, 25 June 2024 (B7).

¹² Emails between the Complainant and PE, 25 June 2024 (B7).

- 4.17 The Complainant responded on 27 June 2024.¹³ This is addressed in more detail at Section Five below. The Complainant noted that they would consider what other avenues are available to pursue this matter.
- 4.18 On 1 July 2024, the Complainant contacted the Consumer Council for Northern Ireland (**CCNI**) explaining the issue with the leak, the Bill and their correspondence to date with SSE and PE.¹⁴ The Complainant requested that CCNI help resolve the issue. The Complainant also noted that he had paid a portion of the Bill to SSE, leaving a balance of [REDACTED] to still be paid.
- 4.19 CCNI requested further information, and the Complainant provided a breakdown of his gas usage between 6 December 2022 and 5 February 2024 on 2 July 2024.¹⁵ This is outlined in more detail at Section Five below.
- 4.20 On 3 July 2024, CCNI formally contacted PE on behalf of the Complainant.¹⁶
- 4.21 CCNI emailed the Complainant on 19 July 2024 to inform them of PE's response.¹⁷ In respect of this, CCNI stated the following –
- (a) It asked PE to confirm where the leak originated from on the old meter. PE stated that *"the leak originated from the meter test nipple; therefore, the engineer had to replace the gas meter. The engineer did not locate any other leaks on the outlet pipework"*.
 - (b) It then asked PE to confirm how much gas passed through the meter due to this leak and how long it had gone on for, to which PE stated that –
 - (i) Leaking test nipples are "*minor*" leaks that don't usually register as consumption as they are below the meter's minimum flow.
 - (ii) It cannot pinpoint when the leak started to occur, but it believes it was a short-lived incident as the smell was noticed and reported.
 - (iii) The incident was not a result of its own work, with the last visit being in June 2022.
 - (iv) From its experience, most split test points are caused by installers during routine annual appliance maintenance, particularly boiler servicing, which necessitates a gas rate reading taken from the gas meter test nipple.

¹³ Email from the Complainant to PE, 27 June 2024 (**B8**).

¹⁴ Email from the Complainant to CCNI, 1 July 2024 (**B9**).

¹⁵ Email from the Complainant to CCNI, 2 July 2024 (**B10**).

¹⁶ Formal ack from [REDACTED] from CCNI, 3 July 2024 (**B11**).

¹⁷ Email from CCNI to the Complainant, 19 July 2024 (**B12**).

- (c) PE explained the timescales and work that was completed when the engineer attended the Property.
 - (d) PE confirmed the reading that was given to SSE after the meter removal was 18,940m³.
 - (e) The Complainant had provided photos of the pipework at the meter and had questioned whether the rusting could have been caused by the leak. In respect of these photos, PE advised that *"from the photographs provided, the copper pipe has oxidized from heat and flux residue via the soldering process of the 90o bend on the outlet..."*.
 - (f) SSE will only bill the Complainant based on information provided by PE. If PE believes that the leak was not significant and would not have caused high consumption, SSE cannot assume otherwise.
 - (g) PE is not a gas supplier and does not issue bills. Therefore, CCNI believes that PE has *"no reason to diminish the leak if it was more significant"*.
 - (h) It appreciates that the engineer at the time gave different information which caused conflict but, without evidence to state otherwise, CCNI does not believe SSE will amend the Bill.
- 4.22 CCNI clarified that its investigation was still open and therefore any feedback provided by the Complainant would be raised with PE.
- 4.23 The Complainant responded by email on 21 July 2024, further explaining the usage figures he had provided on 2 July 2024 to CCNI and requesting CCNI to ask PE to confirm that it is genuinely convinced that during the 58 days prior to the report of the gas leak the Complainant changed their lifestyle *"significantly"* and used an average of 6.86 m³ of gas per day.¹⁸
- 4.24 CCNI acknowledged Complainant's email on 22 July 2024, stating that it is *"extremely unusual"* that the Complainant has *"made no physical changes"* to their usage and the daily usage has increased during this period. It indicated that it would go back to PE, but that *"as they do not bill, they may not be in a position to comment on the increase in [the Complainant's] consumption"*.¹⁹
- 4.25 Following further correspondence with PE, CCNI emailed the Complainant on 25 July 2024, indicating that PE had stated the following²⁰ –

¹⁸ Email from the Complainant to CCNI, 21 July 2024 (**B13**)

¹⁹ Email from CCNI to the Complainant, 22 July 2024 (**B14**)

²⁰ Email from PE to CCNI, 22 July 2024 (**B15**); email from CCNI to the Complainant (**B16**).

- (a) Numerous variables can influence a customer's gas bill and that "*no two energy bills are the same*". It is determined by a "*complex interplay*" of factors such as consumption, size of the house, outside temperature, seasonal variations and energy efficiency.
 - (b) The Complainant may wish to check his yearly gas consumption going back 3-4 years to establish whether there has been a dramatic increase or decrease.
 - (c) Some bills may have been based on estimated reads, affecting subsequent bills.
 - (d) Upon being advised of the gas leak, PE attended within the set service standards and resolved the issue by exchanging the meter.
 - (e) PE cannot comment on the Complainant's apparent increased usage.
- 4.26 The Complainant accepted that he would need to pursue other avenues to resolve the issue.²¹ CCNI closed their case with the Complainant.²²
- 4.27 The Complainant contacted SSE by email on 29 July 2024, referring to an email from SSE dated 25 July 2024 in which it pointed out that the Complainant's outstanding account balance is [REDACTED].²³ The Complainant summarised the background to the Dispute and further reinforced the following –
- (a) The Bill showed that they had used an average of 6.86m³ of gas per day in the 58 days prior to the leak.
 - (b) PE had advised SSE that the leak was from a test nipple on the meter and the effect on the meter reading was "*minimal*" (the Complainant disputed this conclusion on the basis that he does not have a lifestyle that equates to using that much gas).
 - (c) When the Complainant contacted PE, PE denied everything that its engineer had told the Complainant on 3 April 2024 and again stated that the leak had been minimal and insignificant.
- 4.28 Further to their summary of the position to date, the Complainant set out their gas usage over a period of approximately 2 years. This is outlined in more detail at Section Five below.
- 4.29 SSE responded to the Complainant on 8 August 2024.²⁴ SSE explained the following –
- (a) When a gas meter exchange occurs, the meter is replaced by PE.

²¹ Email from the Complainant to CCNI, 25 July 2024 (B17).

²² Email from CCNI to the Complainant, 25 July 2024 (B18).

²³ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

²⁴ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

- (b) Once replaced, the gas meter is taken back to PE's warehouse for testing.
 - (c) When the testing is complete, SSE receives a report.
 - (d) The report received by SSE contains a final meter read (if obtainable) and outlines any faults with the gas meter at the property.
 - (e) The report SSE received from PE following the Complainant's gas meter exchange included the April Reading and did not identify any faults with the gas meter.
 - (f) Accordingly, the April Reading was used to produce the Bill, reflecting that a total of 398m³ had been consumed over 58 days.
- 4.30 SSE undertook a comparative analysis of the reported usage as against a "*similar period last year*" to determine the likelihood of its accuracy. This is outlined in more detail at Section Six below.
- 4.31 In the same email, SSE stated that this is its final response on the Dispute and indicated that the Complainant could contact CCNI if still unhappy.
- 4.32 On 13 August 2024, the Complainant emailed the Utility Regulator with a view to referring the Dispute beyond SSE and CCNI.²⁵ The Complainant contacted SSE on 18 August 2024 to confirm the same.²⁶
- 4.33 The Utility Regulator advised that the Complainant escalates the complaint to CCNI in the first instance. The Complainant clarified that they had already raised the complaint with CCNI.
- 4.34 On 4 September 2024, CCNI confirmed to the Utility Regulator that the Complainant's case has been investigated by CCNI and that the case was closed on 25 July 2024.
- 4.35 Following this clarification, the Complainant formally submitted the Application to the Utility Regulator on 30 September 2024.²⁷
- 4.36 On 30 October 2024, the Utility Regulator notified SSE that a dispute had been lodged.
- 4.37 Following an initial review of the Application, the Utility Regulator acknowledged the Application and informed the Parties (by letter dated 30 October 2024) that it has jurisdiction to consider and determine the issues in dispute under Article 24B of the Gas Order and requested further information from each of the Parties.²⁸

²⁵ Email from the Complainant to the Utility Regulator, 13 July 2024 (**B20**).

²⁶ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**).

²⁷ The Application, 30 September 2024 (**B4**).

²⁸ Letter to parties confirming jurisdiction, 30 October 2024 (**B21**).

- 4.38 The Parties were requested to provide copies of any correspondence with PE (the **First Information Request**). The Complainant provided this on 2 November 2024 and SSE provided this on 13 November 2024. Neither party made any further representations beyond the provision of information pursuant to the First Information Request.²⁹
- 4.39 The Utility Regulator provided the draft SOC to the Parties on 9 January 2025. In accordance with the applicable timetable, the Parties were invited to provide any comments on the draft SOC by 23 January 2025.
- 4.40 Neither Party had any substantive comments or corrections to make on the draft SOC. SSE expressed that "*is an accurate representation of SSE Airtricity's interactions with the parties in relation to this case*"³⁰.
- 4.41 However, on my initial assessment of the relevant documentation and submissions of the Parties, I considered that I needed further information from SSE and PE in order to consider the matter further and determine the Dispute.
- 4.42 Accordingly, on 7 February 2025³¹, SSE was requested to provide (by 17 February 2025) the date of its last inspection of the gas meter that was removed from the Complainant's Property on 3 April 2024 and the findings of that inspection. Separately, PE was asked to provide information as to the tests that were undertaken on the gas meter following its removal from the Complainant's Property which determined that, as stated by SSE (in communication to the Complainant on 8 August 2024), the meter was not faulty³² (the **Second Information Request**).
- 4.43 Upon the Complainant's further request, PE was also asked to provide a copy of the engineer's report following the engineer's attendance at the Property on 3 April 2024³³.
- 4.44 PE responded to the Second Information Request on 12 February 2025³⁴, stating as follows –
- (a) The meter was not tested by PE following its removal from the Property.
 - (b) Following a call on 3 April 2024 reporting a smell of gas, the attending engineer had identified a leak originating from the meter test nipple and replaced the gas meter.

²⁹ Complainant response to jurisdiction letter, 2 November 2024 (**B22**) and SSE correspondence with PE, 13 November 2024 (**B23**).

³⁰ Email from SSE to the Utility Regulator dated 20 January 2025 (**B24**).

³¹ Email from the Utility Regulator to the Parties dated 7 February 2025 (**B25**).

³² Email from the Utility Regulator to Phoenix Energy dated 7 February 2025 (**B26**).

³³ Email from the Utility Regulator to Phoenix Energy dated 10 February 2025 (**B27**).

³⁴ Email from PE to the Utility Regulator (**B28**).

- (c) The meter test nipple cannot be repaired in isolation, PE's standard practice is to replace the meter.
 - (d) These are minor leaks which do not usually register as consumption. They hold a distinct smell which serves as a safety feature and enables the identification of the smallest of leaks.
 - (e) Following the removal of the meter from the Property, the final meter reading was passed to SSE for billing purposes.
- 4.45 PE also provided a copy of the engineer's report as requested.
- 4.46 On 14 February 2025³⁵, SSE responded to the Second Information Request, confirming that it had undertaken meter inspections of the meter prior to its removal on 27 February 2023, 2 May 2023, 2 August 2023, 2 November 2023 and 5 February 2024.
- 4.47 SSE further confirmed that the inspections undertaken had "*resulted in a successful read of the meter and no evidence of any damage to, interference with or tampering of the meter or of the associated installation*".
- 4.48 The Draft Determination was sent to the Parties on 4 April 2025. The Complainant provided representations to the Draft Determination in two emails dated 9 April 2025 (the **Complainant's DD Response**)³⁶. SSE provided its representations to the Draft Determination on 18 April 2025 (the **SSE DD Response**)³⁷.

³⁵ Email from SSE to the Utility Regulator (**B29**).

³⁶ The Complainant's DD Response (**B30** and **B31**).

³⁷ The SSE DD Response (**B32**).

5. SECTION FIVE – VIEWS OF THE COMPLAINANT

5.1 The Complainant's views are set out in –

- (a) the Application (**B4**),
- (b) correspondence with PE (**B5 – B8**),
- (c) correspondence with CCNI (**B9 - B18**),
- (d) correspondence with SSE (**B19**), and
- (e) the Complainant's DD Response (**30 – 31**).

5.2 I have read the above documents in full and have had full regard to all of these submissions. In doing so, I have borne in mind that my role is to determine the issues set out in Section Seven of this document.

5.3 The summary below is derived mainly from the relevant section of the SOC. I adopt it as accurate for the purposes of this determination.

The Application

5.4 In the Application,³⁸ the Complainant states the following –

- (a) That on visiting the Property to investigate the reported gas leak on 3 April 2024, the PE engineer told the Complainant that there had been a "*significant*" leak and that "*this had caused a black coating to form on the adjacent copper pipe work*".
- (b) The PE engineer had also commented that the Complainant would "*get compensated for the loss of gas*".
- (c) The Complainant "*can only assume that he made this comment in his belief that the leak was significant*".
- (d) The Bill received from SSE showed that "*in the days before the meter was replaced [the Complainant] was using gas at the rate of 6.86m³ per day*" and this does "*not equate with [their] lifestyle and historical gas use*".

5.5 The Complainant further states that³⁹ –

- (a) They are a "*live alone pensioner with an active lifestyle*". They spend "*little time sitting at home and as a result do not have excessive heating requirements*".

³⁸ The Application, 30 September 2024 (**B4**), p. 2.

³⁹ The Application, 30 September 2024 (**B4**), pp. 4-5.

- (b) Their average usage over the two-year period of 22 February 2022 to 16 May 2024 (excluding the disputed period) was 2.63m³ per day, as set out in their correspondence with CCNI and SSE (addressed further below).
- (c) In the "*similar period*" 22 February 2022 to 13 June 2022, the average usage was 3.56m³.
- (d) In the "*similar period*" 27 February 2023 to 2 May 2023, the average usage was 3.75m³.
- (e) After the new meter was installed the average usage suddenly dropped to an average of 1.61m³.
- (f) For these reasons, the Complainant "*cannot accept that in the period prior to reporting the leak that [their] average usage rocketed to 6.86m³ and that the gas leak from the meter was of no consequence*".

Correspondence with PE

- 5.6 The Complainant first contacted PE on 23 May 2024 to dispute the gas usage and ask a series of questions.⁴⁰ The details of this correspondence, and PE's response, are set out at Section Four above.
- 5.7 In its email dated 11 June 2024, the Complainant additionally stated that they believed that the leak was "*more significant and for a longer period than has been claimed by [PE]*".⁴¹
- 5.8 Following PE's response on 25 June 2024, the Complainant further asserted that⁴² –
 - (a) They "*can clearly state*" that they did not receive the letters that PE claims were sent on 27 April 2022 and 23 May 2022.
 - (b) "*No engineer has ever entered [the Property] to check appliances*".
 - (c) The proposed events in 2022 took place at a time when his wife had just passed away and so he has a very clear recollection of events over that period.
 - (d) He also has a very clear recollection of 3 April 2024 when the PE engineer visited.
 - (e) The PE engineer had told him there had been a "*significant leak*" and that "*this leak had caused a blackening of the adjacent pipe work*". This is now denied by PE.

⁴⁰ Email from the Complainant to PE, 23 May 2024 (B5). See also emails between the Complainant and PE, 11 June 2024 (B6) and emails between the Complainant and PE, 25 June 2024 (B7).

⁴¹ Emails between the Complainant and PE, 11 June 2024 (B6).

⁴² Email from the Complainant to PE, 27 June 2024 (B8).

- (f) To demonstrate the black deposit on the pipe work, the PE engineer had scraped the pipe work above the meter with a knife. This is now denied by PE. The Complainant acknowledges that the scraping at that location was misinterpreted by the Complainant as being the location of the leak.
- (g) The PE engineer had commented that they would be "*compensated for the loss of gas*".
- (h) It appears to the Complainant that "*the young engineer, in his naivety and honesty, disclosed information to [the Complainant] that [PE] regard as not in [PE's] best interests and [PE] are now simply denying everything*".

Correspondence with CCNI

5.9 On 1 July 2024, the Complainant contacted CCNI stating that⁴³ –

- (a) On 3 April 2024, they reported a suspected gas leak to SSE.
- (b) The suspected leak was in the vicinity of the meter box which is fixed to the side of his garage, on a path which is "*rarely accessed*".
- (c) The leak was reported to the Complainant by a neighbour when he was fixing a light to a wall adjacent to the meter box.
- (d) An engineer from PE had attended a suspected gas leak on 3 April 2024 and "*reported that there had been a significant gas leak but...did not disclose the source*".
- (e) They received a bill for the last reading of the "*old meter*" which they considered to be "*in excess of what [they] would expect having regard to [their] lifestyle of living alone*" and believed "*this excess was due to the gas leak*".
- (f) SSE had been advised by PE that the leak was "*minor*", the loss of gas was "*negligible*" and would have "*little impact*" on the meter reading.
- (g) They have since reached an "*impasse*" with PE because PE denies the comments of the PE engineer in relation to the significance of the leak and the relevance of the black coating and deny that its engineer had scraped the pipework to demonstrate the black coating.

⁴³ Emails between the Complainant and CCNI, 1 July 2024 to 2 July 2024 (**B9** and **B10**).

- (h) The PE engineer had also commented that they would be "*compensated for the loss of gas*". They believe that this comment was "*based on what [the engineer] believed to have been a significant leak*".
- (i) It appears that the PE engineer, "*perhaps in his naivety and honesty*", made comments that were not considered to be in the best interests of PE.
- (j) They made a without prejudice part payment of the Bill (which the Complainant believes to be "*excessive*") but SSE are now pursuing them for the balance "*based on the [PE] version of events*".
- 5.10 The Complainant requested that CCNI helps resolve the issue, questioning specifically whether "*the leak was minor or significant*".
- 5.11 On 2 July 2024, in a further email to CCNI,⁴⁴ the Complainant further sought to put matters in context. He noted that he lives alone and, during the winter months between September and April, he is involved in leisure activities five nights per week which significantly reduces the need for a lot of evening heating.
- 5.12 The Complainant then proceeded to outline their understanding of gas usage over a two-year period starting on 22 February 2022.⁴⁵
- 5.13 The Complainant began by taking the usage of the period for the Bill (5 February 2024 to 3 April 2024) which suggested that 398m³ of gas was used in 58 days, averaging 6.86m³ per day. The Complainant compared this to the period following the installation of the new meter (3 April 2024 to 16 May 2024) which showed that 74m³ of gas was used over 46 days, presenting an average of 1.60m³ per day.
- 5.14 The Complainant then provided the tabular breakdown below, noting that the usage for the bill periods 6 December 2022 to 27 February 2023 and 2 November 2023 to 5 December 2024 are "*distorted*" as the Complainant was in Australia some of the time and, in order to avoid frost damage to the pipework and flooding, the Complainant had set the thermostat at 12 degrees, providing heating above normal.

	<i>M3</i>	<i>Days</i>
<i>22/2/22-13/6/22.</i>	<i>396.</i>	<i>111</i>
<i>13/6/22-5/9/22.</i>	<i>25.</i>	<i>84.</i>
<i>5/9/22-6/12/22.</i>	<i>141.</i>	<i>92</i>
<i>6/12/22-27/2/23</i>	<i>536.</i>	<i>83</i>

⁴⁴ Email from the Complainant to CCNI, 2 July 2024 (B10).

⁴⁵ Email from the Complainant to CCNI, 2 July 2024 (B10).

27/2/23-2/5/23.	240.	64
2/5/23-2/8/23.	35.	92
2/8/23-2/11/23.	82.	92
2/11/23-5/2/24.	467.	95
Totals.	1992.	713

Overall average = 2.69m³ per day

- 5.15 The Complainant uses this data to suggest that the “*billed usage of 6.86m³ of gas per day was as a result of a significant leak as stated by the Phoenix engineer.*”

Correspondence with SSE

- 5.16 On 29 July 2024, the Complainant contacted SSE, summarising the background to the Dispute. This is outlined in more detail at Section Four above. The Complainant further stated that CCNI had “*simply acted as a postman*” and presented to SSE a similar tabular breakdown of gas usage over two years that he had provided to CCNI (with a further column detailing the ‘average’ usage, and an additional insertion for 3 April 2024 to 16 May 2024)⁴⁶ –

	M3	Days	Average
22/2/22-13/6/22.	396.	111.	3.56
13/6/22-5/9/22.	25.	84.	.30
5/9/22-6/12/22.	141.	92.	1.53
6/12/22-27/2/23	536.	83.	6.45
27/2/23-2/5/23.	240.	64.	3.75
2/5/23-2/8/23.	35.	92.	.38
2/8/23-2/11/23.	82.	92.	.89
2/11/23-5/2/24.	467.	95.	4.91
3/4/24-16/5/24.	74.	46.	1.61
Totals.	1996.	759.	

Overall average = 2.63m³ per day

- 5.17 The Complainant additionally noted that –

⁴⁶ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

- (a) If the two distorted periods are excluded from the calculations it shows that their normal usage over the remaining 581 days averaged 1.73m³ per day.
 - (b) The calculations make it clear that they "*do not have a lifestyle that equates to using 6.86m³ per day*".
 - (c) It is "*fanciful and unrealistic to believe that after the new meter was installed [the Complainant's] lifestyle suddenly and significantly changed to only using an average of 1.61m³ per day*".
 - (d) Only one conclusion can be drawn and that is "*the excessive gas usage was due to a significant leak as stated initially by the [PE] gas engineer*".
- 5.18 With regard to their gas usage during the periods 22 February 2022 to 13 June 2022 and 27 February 2023 to 2 May 2023, and their overall gas usage over a two year period, the Complainant considers that the 'without prejudice' payment of █████ paid to SSE on 12 June 2024 against the Bill of █████ reflects a fair payment for the gas that the Complainant actually used, particularly as it is possible previous bills have also been impacted by this gas leak.
- 5.19 On 8 August 2024, SSE set out a comparative analysis of the Complainant's reported gas usage as against a "*similar period*" in an attempt to confirm the accuracy of the April Reading.⁴⁷ This is set out in more detail at Section Six below.
- 5.20 The Complainant responded on 18 August 2024,⁴⁸ stating that –
- (a) The "*calculation of 4.18m³ per day is irrelevant as it is based on the disputed high reading of 6.86m³ per day*".
 - (b) SSE makes reference to the period of 27 February 2023 to 2 May 2023 which had an average usage of 3.75m³ per day. This is the level of usage that they would regard as the norm for that period of the year, not 6.86m³ per day.
 - (c) SSE "*conveniently ignored*" their calculations showing an average usage over a two-year period of 2.63m³ per day, which "*clearly demonstrates that [the Complainant's] lifestyle does not equate to using 6.86m³ per day*".
- 5.21 Accordingly, the Complainant submits that SSE's conclusion that the April Reading is "*in line with previous usage*" at the Property is "*totally illogical*".⁴⁹

⁴⁷ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

⁴⁸ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

⁴⁹ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (B19).

The Complainant's DD Response

- 5.22 In responding to the Draft Determination, the Complainant submits that the average daily consumption at the Property during the period 1 January 2023 to 27 February 2023, used for calculating the average daily consumption for the period 5 February 2024 to 27 February 2024, is distorted and not reflective of the 'normal' consumption at the Property.⁵⁰
- 5.23 The Complainant states that the distortion is because they were in Australia for the period 22 November 2022 to 24 January 2023 and that during that period their heating was set to come on at regular intervals to prevent frost damage to the pipework. In support of their submission, the Complainant submits a screenshot of flight details⁵¹.
- 5.24 The Complainant submits that the average daily consumption for the period 5 February 2024 to 27 February 2024 should also be calculated as being 50.06kWh per day (i.e. the same per day figure used to calculate the average daily consumption for the period 27 February 2024 to 31 March 2024 period).⁵².

⁵⁰ The Complainant's DD Response (**B30**).

⁵¹ The Complainant's DD Response (**B31**).

⁵² The Complainant's DD Response (**B30**).

6. **SECTION SIX – VIEWS OF SSE**

6.1 The views of SSE are set out in –

- (a) correspondence with PE (**B3**),
- (b) correspondence with the Complainant (**B19**), and
- (c) the SSE DD Response (**B32**).

6.2 I have read the above documents in full and have had full regard to all of these submissions.

6.3 The summary below is derived mainly from the relevant section of the SOC. I adopt it as accurate for the purposes of this determination.

Correspondence with PE

6.4 On 2 May 2024, SSE contacted PE to investigate the extent of the leak.⁵³ In essence, PE stated that a leak at the test nipple has "*minimal impact on usage*" and it "*would be around £15 if it was leaking from here for a whole year*". PE's response is outlined in more detail at Section Four above.

Correspondence with the Complainant

6.5 On 29 July 2024, the Complainant emailed SSE presenting the tabular breakdown of gas usage over two years, as outlined in Section Five above.⁵⁴

6.6 In its response on 8 August, SSE stated the following –

- (a) They would not issue a revised bill and the outstanding balance of [REDACTED] is payable.
- (b) The report received from PE following the meter replacement had a final gas meter reading of 18,940m³ and no faults had been found.
- (c) PE confirmed that the gas leak was at the test nipple and would not have effected gas measuring correctly on the meter.

6.7 SSE also compared the gas consumed in the disputed period against a "*similar period last year*" –

⁵³ Emails between SSE and PE, 2 May 2024 (**B3**).

⁵⁴ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**).

- (a) Between 5 February 2024 and 3 April 2024 (a period of 58 days), a total of 398m³ of gas was consumed by the Complainant.
- (b) Between 5 February 2024 and 17 May 2024 (a period of 102 days), a total of 472m³ of gas (398m³ from the removed gas meter and 74m³ from the newly installed gas meter) was consumed by the Complainant. This gives a daily average of 4.18m³.
- (c) Between 27 February 2023 and 2 May 2023 (a period of 64 days), a total of 240m³ of gas was consumed by the Complainant. This gives a daily average of 3.75m³.

6.8 Based on this analysis, SSE does not consider the final meter reading provided by PE to be *"out of line with previous usage at the property"* and therefore *"would not issue a revised bill"*.⁵⁵

6.9 This served as its final response on the issue to the Complainant.

The SSE DD Response

6.10 The SSE DD Response contains SSE's representations in response to the Draft Determination.

6.11 In the SSE DD Response, SSE rejects the Draft Determination. It states that its key concerns are that the Utility Regulator has⁵⁶ –

- (a) not based its determination on any fact or objective evidence to support its position in relation to consumption in the Relevant Period,
- (b) undermined the requirement for SSE to utilise meter reads by replacing them with a *"wholly arbitrary"* consumption figure which is not evidence based,
- (c) does not take into account PE's statements that the leak was *"minimal"* and could not have accounted for any more than £15 of gas in a year,
- (d) not factored in that SSE had taken steps to investigate whether the Property did have a material leak that would have led to a significantly higher bill, and
- (e) appeared to place its concerns in relation to PE's meter testing as a liability (and *"extraordinary level of cost"*) on SSE who *"has no control over whether a DNO does or does not test a meter for faults"*, noting that it has queried this with PE *"on several occasions"*.

6.12 SSE considers that it has taken reasonable steps within the structure of the gas retail market. It has *"made efforts to request details on the extent of any potential leak and whether the*

⁵⁵ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**).

⁵⁶ The SSE DD Response (**B32**), p. 1.

meter was faulty". Given that PE has not evidenced a faulty meter to SSE, SSE states that it has billed as it is "*required to do so under [its] licence requirements*"⁵⁷.

6.13 In relation to the Utility Regulator's balance of probability assessment, SSE states as follows⁵⁸

–

- (a) The Draft Determination on the balance of probability that the disputed bill was not reflective of the probable consumption at the Property (based on a comparison of consumption between years) undermines "*the integrity and indeed requirement on supplier to utilise actual meter reads for billing purposes*".
- (b) SSE has a licence obligation which includes a requirement in relation to "*reading the meter*". This obligation has been discharged by SSE. The Utility Regulator has undermined this responsibility by replacing the fact driven reading with an "*arbitrary and subjective determination*".
- (c) The Utility Regulator's approach undermines Measure 3 of the November 2024 Decision Paper on 'Energy Supplier Customer Service Level'⁵⁹, which seeks to ensure that Direct Debits "*actually [sic] reflect the customer's actual energy usage*". It is "*wholly inappropriate*" that the Utility Regulator specifies that Direct Debits reflect actual energy usage but on the other hand expects that when actual usage is determined ("*with no objective evidence to the contrary other than a balance of probabilities*") that such usage is disregarded for billing purposes.
- (d) The meters are owned by the DNO (i.e. PE) and SSE is required to utilise data from the DNO when a meter exchange occurs.
- (e) As SSE has no control or insight on what was or was not said by the DNO, it can only base its billing (and follow up on behalf of the customer) on the factual data that the DNO provides, including any statements on whether there is a leak or not.

6.14 In relation to the roles of the DNO and supplier, SSE states as follows⁶⁰ –

- (a) It has serious concerns that the Utility Regulator asserts that SSE did not fully engage with the complaint.
- (b) SSE has no control over whether or not the meter is "*fully and properly tested following its removal from the Property*". It is therefore "*wholly perverse*" that the

⁵⁷ The SSE DD Response (**B32**), p. 1.

⁵⁸ The SSE DD Response (**B32**), p. 2.

⁵⁹ ['Energy Supplier Customer Service Levels'](#) (The Utility Regulator, November 2024).

⁶⁰ The SSE DD Response (**B32**), pp. 3-5.

Utility Regulator's perceived failure of the DNO is being channelled through SSE as a means to provide restitution.

- (c) It received a meter movement report from the DNO on 5 April 2025 showing that the credit meter was removed, exchanged and a final meter read provided. No indication was given as to whether the meter was faulty.
- (d) If a faulty meter was suspected, it would expect to receive a Meter Fault pro forma from the DNO. No such document was provided. As the DNO did not test the meter, this "*strongly suggests the meter was not a concern from the DNO's perspective, as the technical experts on the matter*".
- (e) On 28 April 2024, once it had been made aware of the Complainant's concerns, SSE "*queried the potential leak...with [PE]*". It subsequently responded to PE's response to see if there was "*any way to pinpoint when the leak could have started*". SSE submits that this demonstrates engagement with the complaint.
- (f) On the basis of PE's response, PE "*fully confirmed there is no impact to the usage*" therefore, as supplier, SSE "*billed on the reads provided*".
- (g) SSE states that the DNO has not provided any further evidence to demonstrate that the meter read measurement has been impacted by a leak, despite SSE's checks.
- (h) It advised the Complainant to contact PE directly if it wished to dispute the leak further.
- (i) It has followed process, relied on meter reads and has "*twice*" followed up with PE on behalf of the Complainant.
- (j) There was no smell of gas at the Property when SSE's meter readers attended during its cyclical read process in May 2023, August 2023, November 2023 and February 2024. The part of the meter which was reported as leaking would not have been available on a visual check.
- (k) The case with CCNI was never opened with SSE, but was solely with PE. This raises the question as to why SSE is being held responsible for the perceived failures of PE to ascertain whether the meter was leaking.

6.15 Given that, in SSE's view, it has fully followed process, followed up with the DNO, billed based on evidence before it and engaged with the complaint, it finds it "*wholly inequitable*" that apparent failings of PE are being placed on SSE⁶¹.

⁶¹ The SSE DD Response (**B32**), p. 5.

- 6.16 SSE is firmly of the view that it has billed the customer in line with licence requirements, made efforts to request the DNO to validate whether the meter was faulty and has not been provided with evidence that it has not taken reasonable steps in this matter. It further notes that the matters relating to billing do not give it reason to believe it has erred, but "*rather that the DNO may have done so due to poor communication and lack of meter testing*"⁶².
- 6.17 SSE states that "*the failings in this matter are driven primarily by dissatisfaction with the DNO and actions it has (or has not) taken*". It does not agree that the cost of the Dispute should fall to SSE to bear⁶³.
- 6.18 SSE believes that the Utility Regulator should be engaging with the DNO on improvements rather than SSE, as it has discharged its obligations on billing based on meter reads⁶⁴.

⁶² The SSE DD Response (**B32**), pp. 5-6.

⁶³ The SSE DD Response (**B32**), p. 6.

⁶⁴ The SSE DD Response (**B32**), p. 6.

7. SECTION SEVEN – THE ISSUES TO BE DETERMINED

- 7.1 The SOC set out the issues for determination. I agree with the issues as set out in the SOC.
- 7.2 The issues for determination in this Dispute are –
- (a) Whether SSE is entitled to recover from the Complainant the amount of the gas supply charges, as stated in the Bill, for the Relevant Period.
 - (b) If SSE is not so entitled, how the amount of the gas supply charges that SSE is entitled to recover from the Complainant for the Relevant Period is to be calculated.
- 7.3 Depending on my determination of this issue, I must also consider whether to make an order requiring either party to pay some or all of the costs and expenses of the Utility Regulator in determining the Dispute.

8. SECTION EIGHT –DETERMINATION

8.1 The Parties have made a number of points in their submissions. I have not sought to address every point made in my discussion below. Where I do not mention a particular point, this does not mean that I either agree or disagree with it. I did not find it necessary to come to a clear finding on every point made in order to come to my decision on the issue for determination. Instead, I refer only to what I consider to be most relevant to my decision. I have, however, carefully considered all points made by the Parties.

Balance of probabilities

8.2 SSE submits that my consideration and determination of the Dispute should not be based on 'the balance of probabilities' standard of proof but rather should be based solely and only on the basis that there was an April Reading because, it submits, this is an actual reading taken by/from the removed meter⁶⁵.

8.3 While the April Reading may be a reading taken by/from the removed meter, given that the meter was faulty, it cannot (in circumstances where the meter was not properly and fully tested to determine the type and consequences of the fault) be considered as being determinative evidence of the amount of gas consumed at the Property during the Relevant Period.

8.4 Accordingly, the standard of proof which I must apply in determining the Dispute is the 'balance of probabilities' standard, taking account of all the evidence that is before me. That is, I must consider whether it is more likely than not that SSE is entitled to recover the full amount demanded by way of the Bill.

Issue 1

8.5 As confirmed in Section Seven above, the first issue for determination by me is whether SSE is entitled to recover from the Complainant the amount of the gas supply charges, as stated in the Bill, for the Relevant Period.

8.6 In light of the evidence before me, it is my determination, based on the balance of probabilities standard and for the reasons given below, that SSE is not entitled to the amount shown on the Bill.

Faulty Gas Meter

8.7 It is evident from the information available that the gas meter in place at the Property was faulty and that fault caused a gas leak. The April Reading was therefore given by/taken from a faulty meter.

⁶⁵ The SSE DD Response (**B32**), p. 2.

- 8.8 SSE has confirmed that it completed a meter inspection on 5 February 2024 which inspection did not identify any fault or damage on the meter nor any gas leak and which also resulted in a successful read of the meter⁶⁶. This is evidence that, up to 5 February 2024, the gas meter was working correctly.
- 8.9 It is also clear (as is accepted by both Parties) that the meter was faulty on 3 April 2024 – hence the meter being replaced.
- 8.10 It can be deduced from the above that the fault on the meter – which caused gas to leak - occurred at some point within the period 5 February 2024 and 3 April 2024. It is not possible to ascertain the exact date, within this period, that the fault on the meter first occurred.
- 8.11 PE has stated that the leak was at the 'test nipple' of the meter, but it has been unable to pinpoint when or why the leak started to occur⁶⁷. In any event, PE has confirmed that no formal investigation or testing was undertaken into or of the meter following its replacement on 3 April 2024⁶⁸.
- 8.12 Therefore the evidence before me is that –
- (a) on 3 April 2024 the gas meter was found to be faulty;
 - (b) the fault on the gas meter caused gas to leak; and
 - (c) the gas meter was not faulty on 5 February 2024.
- 8.13 The Bill received by the Complainant was for the period 5 February 2024 to 3 April 2024. The evidence before me confirms that the fault on the meter occurred at some point between these dates. It is not possible to ascertain the precise date (within this period) that the fault occurred but it is accepted by the Parties that the fault caused a gas leak.
- 8.14 I note that in response to the Draft Determination, SSE submits that it had taken steps to investigate whether the gas meter had a material leak that would have led to a significantly higher bill and had made efforts to request details on the extent of any potential leak and whether the meter was faulty⁶⁹.
- 8.15 SSE also submits that it should not be held responsible for perceived failures of PE (as the DNO) and that SSE has not erred in any way but rather that the "*DNO may have done so due to poor communications and lack of meter testing*"⁷⁰.

⁶⁶ Email from SSE to the Utility Regulator (**B29**).

⁶⁷ Email from CCNI to the Complainant, 19 July 2024 (**B12**).

⁶⁸ Email from PE to the Utility Regulator (**B28**).

⁶⁹ The SSE DD Response (**B32**), pp. 3-5.

⁷⁰ The SSE DD Response (**B32**), pp. 5-6.

- 8.16 In this regard, my role as Decision Maker is only to determine whether, based on the evidence before me and applying the balance of probabilities standard, SSE is entitled to recover the amount demanded on the Bill.
- 8.17 SSE is entitled only to charge a customer for gas supplied to and consumed at a premises. It is right to say that in most cases the entitlement can be determined by way of an actual meter reading. However, where there is evidence of the meter being faulty, SSE's entitlement cannot be determined from the meter reading taken from/given by the meter.
- 8.18 In circumstances where (i) there is clear evidence that the meter was faulty, (ii) the customer is disputing the meter reading taken from/given by the meter, and (iii) the meter has not been fully and properly tested to identify the extent and consequences of the fault, it was (or at least should have been) apparent to SSE that the April Reading cannot be taken as being determinative of the amount of gas supplied to and consumed at the Property in the Relevant Period.
- 8.19 Accordingly, in these circumstances, where the April Reading could not be determinative of SSE's entitlement to recover the amount demanded by the Bill, SSE should (following receipt of the complaint made to it by the Complainant) have considered other available evidence for determining the amount it was entitled to recover.
- 8.20 The other evidence available to SSE to determine its entitlement is the gas consumption for comparable periods.

Gas Consumption for Comparable Periods

- 8.21 The Complainant has provided, as evidence to support his position that the gas leak must have been significant, information as to his consumption data for comparable periods in previous years.
- 8.22 It is accepted and acknowledged that the comparable periods do not relate to the same time periods for each year. Indeed it is highly unlikely that comparisons could be given for the same time periods for each year given that meter readings are not taken on the same date(s) each year.
- 8.23 However, the consumption data for comparable periods is supporting evidence as to the general pattern of consumption for similar periods in terms of both length (i.e. number of days during which the consumption occurred) and time of year.
- 8.24 The Complainant's evidence shows that for the period –

- (a) 5 February 2024 to 3 April 2024 (the period during which the fault on the meter occurred) the average daily consumption at the Property (based on 58 days consumption) was 6.86m³.⁷¹
 - (b) 27 February 2023 to 2 May 2023, the average daily consumption at the Property (based on 64 days consumption) was 3.75m³,
 - (c) 22 February 2022 to 13 June 2022, the average daily consumption at the Property (based on 111 days consumption) was 3.56m³,
- 8.25 These figures show the average daily gas consumption at the Property for the Relevant Period (the period of the Bill which is in dispute) to be almost double the average daily gas consumption at the Property for comparable periods in 2022 and 2023.
- 8.26 SSE's position is that –
- (a) it does not consider the average daily consumption at the Property for the Relevant Period to be out of line with previous usage; and
 - (b) based on the information it received from PE, the fault on the meter was not of the type that could lead to the meter reading being wrong to such an extent.
- 8.27 With regard to the consumption data for comparable periods, SSE considered –
- (a) the average daily consumption for the period 27 February 2023 to 2 May 2023 – which it agreed, with the Complainant, as being 3.75m³; and
 - (b) the average daily consumption for the period 5 February 2024 to 17 May 2024 – which it states is 4.18m³.⁷²
- 8.28 It is notable however that the period for which the average daily consumption is calculated by SSE as equating to 4.18m³ (i.e. 5 February 2024 to 17 May 2024) is distorted because it includes within it the period of the (disputed) Bill during which the gas meter was faulty for at least part (if not all) of the period, i.e. the Relevant Period.
- 8.29 The information provided by SSE is that for the period 4 April 2024 to 17 May 2024 (i.e. the period, following the replacement of the faulty meter, included in its calculations) the average daily consumption at the Property is 1.68m³.

⁷¹ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**) and Email from the Complainant to CCNI, 2 July 2024 (**B10**).

⁷² Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**).

- 8.30 Including this (low) average daily consumption in its calculation of coming to an average daily consumption for the period 5 February 2024 to 17 May 2024 therefore distorts the calculation for that period.
- 8.31 SSE's calculations are evidence that there is a marked difference between the average daily consumption for the Relevant Period and the average daily consumption for the period immediately following the replacement of the faulty meter.
- 8.32 For completeness, I considered whether there was an extreme weather event during the Relevant Period which could or may have potentially led to the average daily consumption at the Property during that period to be significantly higher than normal. The publicly available weather data for the Relevant Period for the vicinity of the Property does not show that there was any such extreme weather event.
- 8.33 I do not agree with SSE that the data shows the average daily gas consumption at the Property for the Relevant Period to be in line with previous consumption for comparable periods.
- 8.34 SSE informed the Complainant that when a gas meter is removed by PE it is (ordinarily) taken back to PE's warehouse for testing and a report issued to the relevant supplier. SSE states that the report it received from PE in respect of the meter removed from the Property showed that no faults had been found.⁷³
- 8.35 It is not immediately apparent to me that the report SSE received from PE⁷⁴ shows that the meter had been tested and no faults had been found.
- 8.36 In responding to the Draft Determination, SSE states that had a faulty meter been suspected it should have received a Meter Fault pro forma from PE⁷⁵. However, the meter was certainly faulty in some way. SSE had been informed (prior to the Complainant referring the Dispute to the Utility Regulator for determination) by PE that there was a fault (a leak) on/at that part of the meter which is known as the 'meter test nipple'. Accordingly, I cannot take the absence of Meter Fault pro forma form as evidence of the meter not being faulty.
- 8.37 I acknowledge that PE informed SSE that the fault at or on the meter test nipple would have a minimal impact on the amount of gas flowing through the meter (and accordingly consumption at the Property), such that if gas was leaking for an entire year due to this fault the leak would only account for about £15 of the gas consumption being recorded by the meter.⁷⁶ However, given that the meter was not fully and properly tested following its removal

⁷³ Emails between the Complainant and SSE, 29 July 2024 to 18 August 2024 (**B19**).

⁷⁴ PEL Form (**B1**).

⁷⁵ The SSE DD Response (**B32**), p. 3.

⁷⁶ Emails between SSE and PE, 2 May 2024 (**B3**).

from the Property, there is no evidence which gives support to PE's statement as to the type of fault and the possible consequences of that fault.

8.38 Accordingly, the evidence before me is that the meter removed from the Property on 3 April 2024 –

- (a) was not faulty on or before 5 February 2024;
- (b) was in some way faulty, the fault being on or with the meter test nipple, on at least 3 April 2024 but also most likely at least some time before 3 April but after 5 February 2024; and
- (c) was not fully and properly tested following its removal from the Property.⁷⁷

8.39 The evidence before me indicates that either the gas leakage at the meter test nipple was more significant than PE would usually expect to see (which would, notably, accord with the statements the Complainant claims were made by the PE engineer that visited the premises on 3 April 2024⁷⁸), or there was an underlying fault with the meter (which was not subsequently tested) which led to an inaccurate reading.

Determination of Issue 1

8.40 Having considered all of the evidence before me and for the reasons given above, my conclusion is that, on the balance of probabilities, the fault on the gas meter which led to the gas leakage meant that the meter reading taken on 3 April 2024 was more likely than not to be inaccurate in respect of the amount of gas supplied to and consumed at the Property during the Relevant Period.

8.41 Accordingly, my final determination on Issue 1 is that SSE is not entitled to recover from the Complainant the amount of gas supply charges which are stated in the Bill, namely [REDACTED], for the Relevant Period.

Issue 2

8.42 In accordance with Section Seven, upon my determination that SSE is not entitled to recover the amount stated in the Bill from the Complainant, the second issue for me to determine is how the amount that SSE is entitled to recover is to be calculated.

Determination of Issue 2

⁷⁷ Email from PE to the Utility Regulator (B28).

⁷⁸ Email from the Complainant to PE, 27 June 2024 (B8) and Emails between the Complainant and CCNI, 1 July 2024 to 2 July 2024 (B9 and B10)

- 8.43 My final determination on Issue 2 is that the amount of the gas supply charges that SSE is entitled to recover from the Complainant for the Relevant Period shall be calculated on the basis that the average daily consumption for that period is 56.5865 kWh.
- 8.44 In making this final determination on Issue 2, the average daily consumption has been calculated as 56.5865 kWh for the Relevant Period on the basis that it represents usage in line with similar periods in 2023 as follows -
- (a) The total usage between 27 February 2023 and 31 March 2023 amounted to 1652 kWh. I have therefore applied this figure for the same date range in the Relevant Period. So for the period 27 February 2024 to 31 March 2024 the total consumption is considered to be 1652 kWh.
 - (b) The remaining days in the Relevant Period are 5 February 2024 to 27 February 2024 and 1 April 2024 to 3 April 2024.
 - (c) In calculating the consumption for the period 5 February 2024 and 27 February 2024, I have taken the total usage between 1 January 2023 and 27 February 2023, which amounted to 3930 kWh, and divided it by the number of days in that period, i.e. 57 days. This results in an average daily consumption of 68.9474 kWh for the period 1 January 2023 and 27 February 2023. I then multiplied 68.9474 kWh by 22 days to provide the estimated total usage for the period between 5 February 2024 and 27 February 2024. This gives a figure of 1516.84 kWh.
 - (d) I have considered the Complainant's DD Response with regard to their usage for the period 1 January 2023 to 27 February 2023 being distorted for the reason stated, namely that they were away from the Property during that period, i.e. until 24 January 2023⁷⁹. However, the Complainant was not away for the entirety of the period between 1 January 2023 and 27 February 2023 and it remains the closest comparator (to the period between 5 February 2024 and 27 February 2024). The methodology in paragraph (c) above is therefore appropriate for calculating the average daily consumption for the period stated.
 - (e) I then added the two figures above, i.e. estimated usage of 1516.84 kWh for the period between 5 February 2024 and 27 February 2024 and estimated usage of 1652 kWh for the period between 27 February 2024 and 31 March 2024, which gives an estimated usage for these periods of 3168.84 kWh.

⁷⁹ The Complainant's DD Response (B30).

- (f) I do not have comparable information from 2023 for the dates 1 April to 3 April and given that this a short period have not calculated an estimated total consumption for this period.
- (g) I have therefore divided the total estimated usage for the period 5 February 2024 to 31 March, i.e. 3168.84 kWh by 56 days to obtain an average daily usage of 56.5865 kWh.

9. **SECTION NINE – COSTS**

- 9.1 Article 24B(8) of the Gas Order provides that an order made in determination of a referred billing dispute (like this one) may include provision requiring either party to pay a sum in respect of the costs and expenses incurred by the Utility Regulator in determining the dispute. Such an order shall be final and enforceable as if it were a judgment of the county court.
- 9.2 The Utility Regulator has previously drawn the Parties' attention to the facility to make a costs order.
- 9.3 The Utility Regulator wrote to the Complainant on 30 October 2024 referencing (i) Section D of the Dispute Policy in respect of a potential costs award (in particular, paragraphs 9 and 24) and (ii) our Information Note on Cost Recovery for Dispute Settlement Role (the **Information Note**) which further addresses our policy on costs.⁸⁰
- 9.4 Among other things, the Information Note confirms that, other than in exceptional cases, whenever the Utility Regulator determines a dispute in respect of which it has the power to recover its costs, it will also make an order which requires one or both of the parties to the dispute to pay an amount equal to the specified costs incurred. It also states that the Utility Regulator will take into account all the circumstances of the case in determining which party (or parties) is required to pay its costs.
- 9.5 Having regard to the above, I have given consideration to whether it would be appropriate for the Utility Regulator to make a costs order. I have concluded that it would be appropriate to make a costs order making provision for all the external costs incurred by the Utility Regulator in making the determination.
- 9.6 I have concluded that it is not an exceptional case such that no costs order should be made. I identify no exceptional features in the Dispute (having had full regard to the nature and complexity of the Dispute).
- 9.7 In terms of which party (or parties) will be responsible for paying some or all of the external costs of the Utility Regulator, an important consideration is that the Complainant has succeeded in the Dispute.
- 9.8 As such, the starting point must be that SSE is responsible for payment of the Utility Regulator's costs specified in the cost order.
- 9.9 I have considered whether there are any reasons, in the circumstances of the case, to move away from the starting point and to split the costs between the parties (or indeed to reduce

⁸⁰ Letter to parties confirming jurisdiction, 30 October 2024 (**B21**), the Dispute Policy (**A2**), pp. 9 and 11, and the Information Note (**A3**), p. 1.

the amount that I provisionally determined SSE would be ordered to pay) but have considered that there are none.

- 9.10 The Complainant sought to resolve this matter with SSE directly in the first instance. While I acknowledge that SSE undertook some cursory investigations, I remain of the view that SSE did not fully engage with the complaint in that it did not seek to obtain all relevant information and/or documentary evidence before reaching its conclusion. For example, it did not ask PE whether it had tested the meter for any faults. It instead appeared to make an assumption that the absence of the Meter Fault pro forma amounted to evidence that no faults had been found – which assumption was in direct contradiction to PE having informed it that there was a fault on or at the nipple of the meter (and therefore on the meter).
- 9.11 Furthermore, it did not consider fully and properly the Complainant's information as to consumption in comparable periods for previous years. SSE also distorted its own calculations of average daily consumption for the period 5 February 2024 to 17 May 2024 and did not revisit them when the Complainant highlighted its error in doing so.
- 9.12 I acknowledge that SSE has, on request, fully cooperated with the Utility Regulator's dispute process in providing documentation and clarifications within the timescales imposed in order to enable the Utility Regulator to thoroughly assess and fairly determine the Dispute.
- 9.13 Nevertheless, I am of the view that had SSE fully and properly considered the Complainant's position and the information provided to it and/or which it could and should have properly requested from PE, it may have been possible for the Parties to resolve the matter without it being referred as a dispute for the Utility Regulator's determination.
- 9.14 SSE has not provided me with any further comments or evidence which lead me to change my previous conclusions on costs. I have also not seen any information which suggests that SSE would not have the means to discharge the costs order that I conclude should be made (detailed at Section 10 below).

10. SECTION TEN – ORDER

10.1 The Order in determination of the Dispute is as follows:

- (a) SSE is entitled only to recover gas supply charges for the Relevant Period which equal the amount derived from the average daily consumption for that period being 56.5865 kWh.
- (b) SSE shall prepare and submit a revised bill to send to the Complainant for the Relevant Period setting out the amount of the gas supply charges for the Relevant Period as calculated in accordance with paragraph (a) above.
- (c) The revised bill shall deduct, from the amount calculated as payable for the Relevant Period, the amount already paid by the Complainant in respect of the Bill such that the Complainant is required to pay only the difference (if any) between the amount calculated and the amount already paid.
- (d) To the extent that the amount paid by the Complainant in respect of the Bill is more than the amount calculated in accordance with paragraph (a) above, SSE shall agree with the Complainant as to the method of reimbursement of the overpaid amount.
- (e) SSE shall, by no later than 28 days from the date of this final determination, pay to the Utility Regulator the amount of £17,009.00 (excluding VAT⁸¹), being 100% of the final amount of the external costs incurred by the Utility Regulator in determining the Dispute.

⁸¹ VAT is not part of the costs to be recovered in any costs order.

Appendix 1 – Bundle of documents

Doc ref	Document title
A1	Gas (Northern Ireland) Order 1996 – https://www.legislation.gov.uk/nisi/1996/275/contents
A2	Complaints Disputes and Appeals Policy and Guide – https://www.uregni.gov.uk/publications/resolution-complaints-disputes-and-appeals-policy-and-guide-applicants
A3	Information Note - Cost Recovery for Dispute Settlement Role – https://www.uregni.gov.uk/publications/information-note-cost-recovery-dispute-settlement-role

Doc ref	Date	From	To	Document title
B1	03/04/2024	PE	SSE	PEL Form
B2	02/07/2024	Complainant	UR	Email from ████████ with images of Bills
B3	02/05/2024	SSE	PE	SSE correspondence with PE
B4	30/09/2024	Complainant	UR	██████████ Dispute application
B5	23/05/2024	Complainant	PE	Complainant correspondence with PE
B6	11/06/2024	PE	Complainant	PE to complainant
B7	25/06/2024	PE	Complainant	PE to complainant
B8	27/06/2024	Complainant	PE	Complainant to PE
B9	01/07/2024	Complainant	CCNI	Initial contact from ████████ to CCNI
B10	02/07/2024	Complainant	CCNI	Email from ████████ to CCNI
B11	03/07/2024	CCNI	Complainant	Formal ack from ████████ from CCNI
B12	21/07/2024	CCNI	Complainant	CCNI share Phoenix Response to ████████
B13	21/07/2024	Complainant	CCNI	Feedback from ████████ to Phoenix Response
B14	22/07/2024	CCNI	Complainant	Ack email to ████████
B15	22/07/2024	PE	CCNI	2 nd response from Phoenix Energy
B16	25/07/2024	CCNI	Complainant	CCNI follow up to ████████ on Phoenix info
B17	25/07/2024	Complainant	CCNI	Further Feedback from ████████
B18	25/07/2024	CCNI	Complainant	Closure to ████████ from CCNI
B19	29/07/2024	Complainant	SSE	Evidence of dispute emails to SSE
B20	13/07/2024	Complainant	UR	Initial submission email
B21	30/10/2024	UR	All Parties	Letter to parties confirming jurisdiction
B22	02/11/2024	Complainant	UR	Complainant response to jurisdiction letter

B23	13/11/2024	SSE	UR	SSE correspondence with PE
B24	20/01/2025	SSE	UR	SSE response to Statement of Case
B25	07/02/2025	UR	All Parties	UR request to parties for further information
B26	07/02/2025	UR	PE	UR request to PE for further information
B27	10/02/2025	UR	PE	UR request to PE for further information (additional)
B28	12/02/2025	PE	UR	PE response to both UR requests for further information
B29	14/02/2025	SSE	UR	SSE response to UR request for further information
B30	09/04/2025	Complainant	UR	Complainant response to Draft Determination
B31	09/04/2025	Complainant	UR	Complainant response to Draft Determination (additional)
B32	18/04/2025	SSE	UR	SSE response fo Draft Determination