



## Budget Energy Ltd response to the

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Consultation on proposed transactional charges associated with electricity  
metering activities

**3<sup>rd</sup> July 2015**

**Robert Thompson**

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Dear Deirdre/Jody,

Thank you for giving Budget Energy Ltd the opportunity to comment on the consultation on proposed transactional charges associated with electricity metering activities.

Below is our response to the questions raised in the consultation paper and we hope that you find our comments helpful. If you need any further clarity on the points raised in this response, please do not hesitate to contact me at [Robert.Thompson@Budgetenergy.co.uk](mailto:Robert.Thompson@Budgetenergy.co.uk)

Yours sincerely,

Robert Thompson  
**Legal Assistant, Budget Energy Ltd**

Question 2: Respondents are asked for their views on which party should be liable for such a transactional charge and in which circumstances, with supporting reasons provided

We believe that the costs of RPU-related activities should be borne within the existing level of DUoS charges levied on suppliers by NIE and that levying an additional transactional charge for RPU-related activities to be inappropriate. Among the reasons we would cite in support of our view are:

- i. There is a “fit for purpose” argument to be made in relation to the meters provided by NIE in that the meters should be more resilient against the use of magnetic interference devices for example and that this shouldn't be an additional cost to be borne by suppliers
- ii. If, for example, a particular supplier was more vigilant in addressing RPU-type activity, it could end up being penalised with additional costs relative to its peers even though the industry as a whole benefits from this increased vigilance

We believe that transactional charges should only apply in relation to proven cases of meter interference and that these should be levied directly on the offending party / parties. This will help to act as a deterrent to further mis-use of electricity and hopefully help to assist a change in consumer attitude towards this increasing problem.

Question 3: Respondents are requested for feedback as to whether transactional charges should only be levied on meter tampering being proven and that no such charges are levied unless conclusive proof is obtained.

We support this proposition.

Question 4: Respondents are asked for their views on what types of charges should and / or could be recovered via transactional charges and the rationale. We would be grateful if respondents could include a breakdown of elements within such charges and appropriate monetary levels for unit costs.

Where transaction charges are deemed to apply, the type of charge to be included will depend on circumstances but should principally cover associated labour and material costs and capital costs if wilful destruction of meters can be proven. Some suggested elements are shown in the table below. The determination of appropriate monetary levels for unit costs would have to be tendered to ensure transparency & competitiveness accompanied with set standard times for various routine.

Cost Element						Total Cost
<b>Labour :</b>	<b>Normal Hours</b>	<b>Outside Normal Hours</b>	<b>Total Hours</b>	<b>Rate</b>	<b>Labour Cost</b>	
- Inspect Meter						
o On-site						
o Off-Site						
- Remove Meter						
- Install Meter						
- Re-calibrate meter						
Site Revisit						
<b>Sub-Total Labour</b>					XXXX	XXXX
<b>Material:</b>						
- Meter Cost						
- Other Materials						
<b>Sub-Total Material Cost</b>					XXXX	XXXX
<b>Other Costs</b>						XXXX
<b>Total Costs</b>						XXXX

Question 5: We welcome views from respondents as to what measures should be taken to protect vulnerable customers in the context of meter tampering and transactional charges

We feel that it is difficult to be prescriptive in this area as the measures taken will depend very much on the individual circumstances of the vulnerable customer and the particulars of specific situation.

Question 6: Respondents are asked for comments on how a transactional charge should be treated and / or recovered should a customer be in the process of switching / having switched supplier.

One option to consider is to invoke the debt flag (DCN) process. In cases where a customer proven of meter tampering has switched, we refer to our response to question 2 that such additional transaction charges should be levied directly on the customer.