**Schedule 12**

Procedure for Resolution

of Erroneous Transfers

in the Northern Ireland

Gas Market

Date: 22 September 2016

**Contents**

1. Introduction 3

1.1 Purpose 3

1.2 Scope & Objectives 3

1.3 Aim of Process 3

1.4 Erroneous Transfer Categories 3

1.5 Definitions 4

**2. Procedure....................................................................................................................5**

2.1 Conditions precedent 5

2.2 Overall procedure 5

2.3 Phase One – Determine Requirement and Initiate Erroneous Transfer Procedure 6

2.4 Phase Two – Response from Registered User to agree course of action 7

2.5 Phase Three – Proposed course of action accepted by Previous Supplier or Proposing User and Registered User 7

2.6 Phase Four – Supplier rejects Erroneous Transfer Communication Flow 8

2.7 Billing Arrangements 8

3 Annex 1 – Recommended Phase Timings 9

4 Annex 2 – Recorded Reasons for Erroneous Transfers 10

5 Annex 3 – Sample Erroneous Transfer Notification Form 12

# 1. Introduction

## Purpose

This procedure describes the actions Suppliers are required to undertake to resolve an Erroneous Transfer. An Erroneous Transfer occurs where a customer has been transferred to a Supplier without a valid contract being in place.

## Scope & Objectives

The scope of the procedure is limited to erroneous transfers as defined in section 1.5 occurring in the Northern Ireland gas market.

## Aim of Process

1. If a customer believes that they have been erroneously transferred they can contact either their Previous Supplier, the Proposing User or the Registered User. They may also contact the Network Operator. The Previous Supplier or, Proposing User and Registered User will co-operate and liaise with each other in order to resolve the matter.
2. Regardless as to who identifies the (suspected) erroneous transfer, the Registered User will be responsible for communication with the customer or nominated contact. An appropriately trained representative of the Registered User should explain to the customer:
* What action will be taken.
* When they can reasonably expect to be transferred back to their original supplier, if an Erroneous Transfer has occurred.
* That they will only pay once for the natural gas they have consumed and, where possible, how their billing arrangements will be managed.
* How they will be kept informed of progress towards resolution.
1. The Registered User will send written confirmation to the customer of the above details within 10 working days of the Registered User becoming aware of a potential Erroneous Transfer. If it is possible at this stage, the Registered User will include an explanation of why the Erroneous Transfer took place.
2. The Registered User will provide the customer with the results of the outcome of the investigation within 20 working days of the Registered User becoming aware of the potential Erroneous Transfer. Where an Erroneous Transfer has occurred these details will include confirmation that the customer will be returned to their Previous Supplier, or if applicable, it will confirm that their SMP Confirmation has been cancelled and no switch took place. If the investigation concludes an Erroneous Transfer has not occurred the customer will be provided with an explanation as to why it has been concluded that an Erroneous Transfer has not occurred.

## Erroneous Transfer Categories

The following categories should be used for monitoring Erroneous Transfers in the Northern Ireland gas market.

* Forgery – Proven
* Misleading information / Suspected Fraudulent Market practice and / or Training Issues
* Incorrect SMP Selected
* Cancelled contract not actioned
* Customer Service Returners
* Other

See Annex 2 of this document for further information on these categories and some typical business scenarios for each.

## Definitions

The following table defines the terms used in this document.

“Erroneous Transfer” occurs where a customer has been transferred to a Supplier without a valid contract being in place and the SMP Confirmation has been processed.

“Previous Supplier” means the Supplier registered as supplying the relevant Supply Meter Point immediately prior to the current Registered User.

“Supplier” means a supplier of natural gas who is a User.

All other terms shall have the meaning ascribed to them in the appropriate Network Operators Distribution Code. **2. Procedure**

## Conditions precedent

The Registered User will determine if an Erroneous Transfer has occurred and the reason why the transfer has taken place. In reaching their assessment the Registered User will take into account all relevant information from their own records, the Network Operator, Proposing User or the Previous Supplier.

For the avoidance of doubt the customer can contact, either, their Previous Supplier, the Registered Supplier, the Proposing User or the Network Operator to act on their behalf if they believe they have been erroneously transferred. However, if the customer’s initial contact is with the Previous Supplier, Proposing User or the Network Operator, then the customer should be encouraged to contact the Registered User as they are in a better situation to resolve the issue. The customer should also be advised that they will be contacted directly by the Registered User in relation to the issue.

Where an Erroneous Transfer is identified prior to the expiry of the Objection Deadline then either:

1. the Proposing User shall request the Registered User to raise a Supply Meter Point Objection;

or,

1. if applicable, the Registered User shall raise an Objection on behalf of the customer.

Where an Erroneous Transfer is identified after the Objection Deadline has passed but no later than the 4th business day prior to the SMP Registration date then:

1. the Proposing User shall request the cancellation of the SMP Confirmation by the Operator through the Supply Meter Point Confirmation System. An erroneous transfer notification form must be completed by the party notified of the potential erroneous transfer and accepted by the relevant supplier prior to requesting the cancelation of the SMP Confirmation.

The procedure described in this document is for use where the Objection Deadline has passed.

This procedure may also be used where the Registered User agrees to return a customer to their Previous Supplier if the customer is adamant that they are not under contract.

## Overall procedure

The procedure is considered being made up of four phases:

Phase One – Determine Requirement and Initiate Erroneous Transfer Procedure

Phase Two – Response from Registered User to agree course of action for Erroneous Transfer resolution

Phase Three – Proposed course of action acceptable to the Previous Supplier and Registered User

Phase Four – Supplier rejects Erroneous Transfer communication flow

A High Level process diagram is provided in Annex 1 with the individual phases being described below.

## Phase One – Determine Requirement and Initiate Erroneous Transfer Procedure

Where the customer believes that they have been erroneously transferred they may contact the Registered User, their Previous Supplier, the Proposing User or the Network Operator. The party contacted will inform the customer of the Erroneous Transfer process between Suppliers and that they will receive a response within 15 working days. The party contacted will, after discussion with the customer, and if they believe it to be an Erroneous Transfer, initiate the Erroneous Transfer Procedure on the customer’s behalf.

The Registered User, the Previous Supplier, the Proposing User or the Network Operator may also initiate the Erroneous Transfer Procedure on their own behalf where they believe that an Erroneous Transfer has occurred.

The party initiating the Erroneous Transfer Procedure should send the Erroneous Transfer Notification Form to the Registered User, the Previous Supplier or, the Proposing User and the Network Operator by e-mail within 5 Working Days of becoming aware of a potential Erroneous Transfer.

The party initiating the Erroneous Transfer Procedure will complete an Erroneous Transfer Notification Form with the Form Type field populated as ‘Initial Request’. The Erroneous Transfer Notification Form shall include those Supply Meter Points believed to have been Erroneously Transferred and provide a reason why they believe each of them to be an Erroneous Transfer. The identity of the Registered User may be determined from information provided by the Customer.

In circumstances where the identity of, either, the Previous Supplier, the Proposing User or the Registered User cannot be determined from information held by the Supplier or from information provided by the Customer, a Previous Supplier, Proposing User or Registered User may request the Network Operator to:

1. In the case of a Previous Supplier making the request to the Network Operator, the Network Operator will request the Registered User to contact the Previous Supplier with a view to resolving an Erroneous Transfer;
2. In the case of a Registered User making the request to the Network Operator, the Network Operator will request the Previous Supplier to contact the Registered User with a view to resolving an Erroneous Transfer.

In the above circumstances the Network Operator will provide the Previous Supplier, Proposing User or Registered User with the relevant Supply Meter Point Reference Number and address.

The Registered User shall provide the customer, within 10 working days of the Registered User becoming aware of a potential Erroneous Transfer, a letter containing the following details:

* What action will be taken.
* When they can reasonably expect to be transferred back to their original supplier, if an Erroneous Transfer has occurred.
* That they will only pay once for the natural gas they have consumed and, where possible, how their billing arrangements will be managed.
* How they will be kept informed of progress towards resolution.
* If it is possible at this stage, the Registered User will include an explanation of why the Erroneous Transfer took place.

## Phase Two – Response from Registered User to agree course of action

The Registered User shall use all reasonable endeavours to respond to the Erroneous Transfer Notification Form within 10 Working Days of receipt of the Erroneous Transfer Notification Form.

For each potential Erroneous Transfer record where no response is received from the Registered User to the Erroneous Transfer Notification Form, the Previous Supplier or Proposing User may send a subsequent Erroneous Transfer Notification Form via e-mail within 5 Working Days after the response is due**.** This subsequent email shall be clearly identified as ‘Follow Up’ in the Form Type field of the Erroneous Transfer Notification Form and the submission date of the Initial Erroneous Transfer Notification Form may be entered in additional information.

Once the Erroneous Transfer Notification Form has been submitted one of the following options shall be taken:

1. Both the Previous Supplier and the Registered User agree that the Customer is to be returned to the Previous Supplier (go to Phase 3 of this procedure). Alternatively, timescales permitting, the Proposing User and Registered User agree that the SMP Confirmation is to be cancelled.
2. The Registered User believes that they have been contacted in error, because they were not involved in the CoS event on the specified SMP Registration Date (go to Phase 4 of this procedure).
3. After appropriate investigation (eg checking a valid contract is in place), the Registered User concludes that an Erroneous Transfer has not occurred (go to Phase 4 of this procedure).

## Phase Three – Proposed course of action accepted by Previous Supplier or Proposing User and Registered User

Where the Previous Supplier and Registered User both agree that the Customer is to be returned to the Previous Supplier as per Phase 2 then:

* 1. The Registered User shall return the Erroneous Transfer Notification Form to the Previous Supplier with field ‘Status of Erroneous Transfer’ marked ‘Accepted by Registered User’.
	2. The Previous Supplier shall, within 5 Working Days of the Erroneous Transfer Notification Form having been returned to the Previous Supplier marked ‘Accepted by Registered User’, submit a Supply Meter Point Confirmation to the Network Operator to transfer the customer.
	3. The Previous Supplier shall, where the Supply Meter Point Confirmation is invalid, use reasonable endeavours to resubmit a valid Supply Meter Point Confirmation as soon as possible thereafter.

Where the Proposing User and Registered User both agree that the SMP Confirmation is to be cancelled as per phase 2 then:

1. The Proposing User shall request the cancellation of the SMP Confirmation by the Network Operator through the Supply Meter Point Confirmation System prior to 4 business days before the SMP Registration Date. The reason for cancellation should be stated as ‘erroneous transfer’.
2. If the SMP Confirmation is not cancelled within the agreed timeframe then the erroneous transfer shall be dealt with in accordance with these procedures once the SMP Conformation has become effective.

Where the Registered User concludes that an Erroneous Transfer has taken place, the Registered User shall not object to the relevant Supply Meter Point Confirmation.

If, within 10 Working Days of the Previous Supplier and Registered User having agreed that an Erroneous Transfer has occurred, the Registered User has not yet received notification from the Network Operator that the Previous Supplier has submitted a Supply Meter Point Confirmation, then the Registered User should initiate escalation by making contact with the Previous Supplier to ensure that a Supply Meter Point Confirmation is submitted to transfer the customer to the Previous Supplier.

The Registered User shall, within 20 Working Days of the Registered User becoming aware of a potential Erroneous Transfer, provide the Customer with confirmation that they will be returned to their Previous Supplier via the Erroneous Transfer Procedure.

Where an erroneous transfer has occurred and the customer is transferring back to their Previous Supplier the Registered User agrees to provide the Previous Supplier with meter readings and any other relevant data to enable the Previous Supplier to resume the administration of the customer’s account.

## Phase Four – Supplier rejects Erroneous Transfer Communication Flow

1. Where a Supplierbelieves that they have been contacted in error because they did not submit a Supply Meter Point Confirmation on the SMP Registration Date specified, they shall, within 2 working days of receipt of the Erroneous Transfer Notification Form, return the Form to the party initiating the Erroneous Transfer Notification Form populating the Additional Information field with ‘Not Registered User’, and with the field ‘Status of Erroneous Transfer’ populated with either ‘*Rejected by Supplier’.*

The party initiating the Erroneous Transfer Notification Form shall then establish the identity of the correct supplier and re-send the Erroneous Transfer Notification Form accordingly. This may involve contacting the Network Operator.

1. Where the Registered User disagrees with the Previous Supplier, Proposing User or Network Operator that an erroneous transfer has taken place they shall, within 5 working days of receipt of the Erroneous Transfer Notification form return the form to the Previous Supplier or Network Operator with the field ‘Status of Erroneous Transfer’ marked ‘Rejected by Registered User’. The Registered User will enter the reason why they believe it is not an erroneous transfer in the Additional Information field. The Registered User will also write to the customer explaining why their investigation has concluded that an erroneous transfer has not occurred.

## Billing Arrangements

This section refers to the circumstance where the Previous Supplier and the Registered User agree that the customer has been Erroneously Transferred.

The billing of the customer should be treated as an Erroneous Transfer and the Previous Supplier will accept responsibility for billing the customer during the Erroneous Transfer period. The Registered User should close the customer’s account without generating a final bill and ensure that the direct debit, where applicable, is cancelled and any monies extracted from the customer’s account returned to the customer. If the customer has made any payments/deposits to the Registered User, then the Registered User must refund the full amount to the customer.

# 3 Annex 1 – Recommended Phase Timings

|  |  |  |
| --- | --- | --- |
| **Action** | **Phase** | **Timing\*\*** |
| The Previous Supplier, Proposing User or Network Operator completes Erroneous Transfer Notification Form | Phase 1 | Within 5 Working Days of initial customer contact or discovering suspected erroneous transfer |
| Registered User notifies Previous Supplier or Proposing User of suspected Erroneous Transfer | Phase 1 | Within 5 Working Days of initial customer contact or discovering suspected erroneous transfer |
| The Registered User writes to the customer | Phase 1 | Within 10 Working Days of Registered User becoming aware of possible Erroneous Transfer |
| Registered User responds to Erroneous Transfer Notification Form | Phase 2 | Registered User to respond within 10 Working Days of receipt of Erroneous Transfer Notification Form |
| Does Previous Supplier need to respond to anything if Registered User notifies them of a suspected erroneous transfer | Phase 2 | Respond within 10 Working Days of notification of suspected erroneous transfer  |
| Registered User concludes that no Erroneous transfer has occurred | Phase 3 | Registered User writes to customer within 20 Working Days of receipt of Erroneous Transfer Notification Form.  |
| Previous Supplier raises Supply Meter Point Confirmation | Phase 3 | Within 5Working Days of Previous Supplier receiving Erroneous Transfer Notification Form marked ‘Accepted by Registered User’ |
| Proposing User requests that the Network Operator cancels the SMP Confirmation | Phase 3 | Prior to 4 business days before the effective date |
| Supplier rejects Erroneous Transfer Notification Form if they are not the Registered User | Phase 4 | Within 2 Working Days of receipt of Erroneous Transfer Notification Form  |

\*\* NB The timings in the table are the maximum recommended values

# Annex 2 – Recorded Reasons for Erroneous Transfers

The following table sets out six reasons for an Erroneous Transfer, together with a definition and example business scenario for each.

|  |  |  |
| --- | --- | --- |
| **Recorded Reason for ET** | **Definition** | **Example Business Scenarios** |
| Forgery – PROVEN | Where an Erroneous Transfer is proven to be a result of the fraudulent marketing practices, by the Registered User or its salesmen / agents | * Forgery of contract
* Customer deceased prior to signing
 |
| Incorrect Supply Meter Point Selected | Where an Erroneous Transfer is recorded in circumstances where the customer being transferred has been incorrectly identified | * A house is split into a number of flats where the Supply Meter Point for the wrong flat is selected.
* Customer provided incorrect data
* Wrong number keyed in
* New estates where plots are converted to postal addresses
 |
| Cancelled contract not actioned | Where an Erroneous Transfer is recorded because the gaining supplier failed to act upon the cancellation of the contract by the customer | * Clerical Error
* If internal systems prove that the customer had previously contacted the supplier
 |
| Misleading Information / Suspected Fraudulent Marketing Practice and / or Training Issues | Where an Erroneous Transfer is recorded due the provision of misleading information by the gaining supplier or its salesmen/agents | * Customer's daughter phones up to say that her father is old and senile and did not know what he was doing in signing a contract
* Customer says that the agent was very aggressive and the customer feared that not signing the contract could have repercussions
* Customer has found out that savings quoted by the rep were not accurate and they do not want to proceed
* Customer says that the rep said the contract was for more information.
* Came to read meter and asked to sign contract
 |
| Other | Where the Erroneous Transfer process is used by Suppliers to correct a technical problem whilst at the same time enhancing customer service. | * The customer has an unsupported meter
* Related Supply Meter Point
 |
| Customer Service Returners | Where the Erroneous Transfer process is used on a goodwill basis at the discretion of the relevant Suppliers. | * Customer said not signed but we have bank details on screen
* Customer has changed mind and is adamant that they will not contact a supplier of their choice because it is too inconvenient
* Customer has changed mind after they spoke to a rude customer service agent and want to complain to Consumer Council
* Customer deceased after signing contract
* Customer states they phoned up (or wrote or returned a form) to cancel before but there is no note on the system, the account is at a stage of registration where it cannot be stopped
* Customer cancels one day after registration has commenced and insists that the supply letter was not received until yesterday
* Customer says that the rep said the contract was for more information only after investigation it is found that we have the customers DOB and bank details
 |

# Annex 3 – Sample Erroneous Transfer Notification Form

