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Your Reference 0124

Re: Modification Proposal 0124: 'Amendment to the window for acceptance of Meter Reads by the Transporter'

Dear Julian,

Thank you for your invitation seeking representations with respect to the above Modification Proposal.

National Grid (Distribution) ('UKD') supports the implementation of this proposal. We believe that maximising the opportunity for Users to provide timely meter readings to the Transporters can only facilitate the effective operation of the settlement processes operated by Transporters, specifically timely reconciliation of Larger Supply Points and increasing the accuracy of Annual Quantities.

Whilst we are not able to accurately estimate the proportion of additional reads likely to be accepted in the event of implementation, UKD is aware that Users have been asked to provide such information to the Authority (if necessary on a confidential basis) during this consultation.

National Grid (Distribution) has the following comments to make in respect of specific sections of the Draft Modification Report which is the subject of this consultation:

- 2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives**
We agree with the proposer that making more readings acceptable will facilitate the effective competition between relevant shippers.
- 5. The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal**
Where a User is able to supply further meter readings in line with its cyclic meter reading obligations this reduces the likelihood of the Transporter being required to procure a 'must read' pursuant to TPD Section M3.6.
- 10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal**
Advantages
We would point out that the level of benefit will depend entirely on the quantity of additional readings that are provided by Users as a consequence of implementation.

Disadvantages

We continue to have concerns regarding the potential for the daily peak volumes of readings submitted to exceed 400,000, the current limit as prescribed within the UK Link Manual. Extending the allowable time lapse between the point at which the meter reading is procured and the point at which it is issued to the transporters increases the volume of readings that could be 'held' before being submitted to the transporter

on a single day. It is worthy of note that if the 400,000 daily limit is exceeded causing a UK Link Failure (TPD Section U7.6.1(a)) then the Transporters are not liable to pay amounts detailed in TPD U7.6 where the failure is attributable to the behaviour of a User. Failure to comply with the limits set out in the UK Link Manual would be categorized as an “*Inappropriate User Action*” (U7.6.1(g)) and as such would be taken into consideration when determining the performance of UK Link.

14. Programme for works required as a consequence of implementing the Modification Proposal

Changes would be required to the systems validation of meter reading origin dates relative to submission dates. No formal assessment of the systems change has been made as yet.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

Determination of a proposed implementation timescale will require consideration of any lead time for xoserve systems development and the formal change release schedule defined in TPD section U8.

16. Implications of implementing this Modification Proposal upon existing Code Standards of Service

Where the maximum peak volumes of readings exceeds 400,000 and such breach results in a UK Link failure, there is a risk that any Code Standard of Service that relies on the UK Link system for its delivery will not be met.

We trust these comments will be useful for compilation of the Final Modification Report.

Please contact Chris Warner on 01926 653541 (chris.warner@uk.ngrid.com) should you require any further information with respect to the above.

Yours sincerely

Phil Lawton
Distribution Regulation Manager