



St Lawrence House
Station Approach
Horley
Surrey
RH6 9HJ

Modification Panel Secretary
Joint Office of Gas Transporters
First Floor South
31 Homer Road
Solihull
West Midlands
B91 3LT

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Dear John

Modification Proposal: 0242 Changes to the window for the submission of Valid Meter Readings.

Thank you for providing SGN with the opportunity to comment on the above Modification Proposal. SGN supports implementation of this Modification Proposal.

SGN are supportive of the principals set out in this proposal. We believe the proposed changes to UNC Section M 3.3.4(b); extending the current parameters enabling 100% validated Meter Reads to be submitted by the 25th Business Day; should increase the potential for valid and accurate meter readings to be used in the allocation of energy and transportation charges between Users. This should improve cost reflectivity and ultimately better facilitate competition. The proposal should also help reduce the number of Must Reads that need to be undertaken by Transporters; as such we believe this should help improve the efficiency of the current processes. We understand no changes are required to UNC Section M3.3.4 (a); this will remain at 50% of reads to be submitted by the 10th Business Day after the Meter Read date,

Although it is believed that implementation of this Modification Proposal would have minimal impact upon systems and processes; further work needs to be undertaken by xoserve to clarify impact, potential cost and implementation timescales.

SGN would like to provide further comments with regards to certain sections of the Draft Modification Report:

2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives: Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs(a) to (c) the securing of effective competition:

SGN agree with the proposer that increasing the number of Valid Meter Readings to be accepted would improve the accuracy of the allocation of energy through the reconciliation process, thus would permit improved targeting of energy balancing charges and increase the cost reflectivity of Transportation Charges. Therefore, it would help 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

SGN believe implementation of this proposal would reduce the likelihood of the Transporter being required to procure a 'must read' pursuant to UNC Section M3.6.

7. Implications of implementing the Modification Proposal for Users.

We agree with the proposer that implementation of this proposal would result in a decrease in the manual processing of Meter Readings as part of the AQ Review process.

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

Although it is anticipated that system changes will be minimal, some changes to UK Link system may be required, consideration of any lead time and implementation timescales would be driven by xoserve's requirements for systems changes and the formal change release schedule defined in UNC section U8 UK Link Modifications.

We hope you find these comments helpful.

Yours sincerely

Bali Dohel
Commercial Assistant
Scotia Gas Networks

Direct Tel: 01689 886780
Mobile: 0787 9434 113
Email: Bali.Dohel@scotiagasnetworks.co.uk