

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0460
"Definition of Metering Charges and Meter Reading Charges Statement"
Version 2.0

Date: 11/04/2001

Proposed Implementation Date:

Urgency: Non-Urgent

Justification

Metering charges were disaggregated from transportation charges for "domestic" Supply Points from 1 October 2000 and for "industrial and commercial" Supply Points from 1 April 2001. On 31 January 2001 Ofgem issued a number of changes to Transco's PGT Licence in connection with the separation of the price control and the implementation of new metering and meter reading charges. This Modification Proposal is required to reflect consequential changes within the Network Code.

Nature of Proposal

Modification of the Network Code is required to ensure that it correctly reflects changes made to Transco's PGT Licence in connection with the separation of the price control and introduction of disaggregated metering and meter reading charges.

Purpose of Proposal

As a result of implementation of modified PGT Licence conditions published by Ofgem on 31 January 2001, in particular the introduction of Special Condition 23, Transco proposes that the following consequential changes be made to the Network Code (see attached legal text):

Wherever "Transportation Statement" is referred to, the terms "Metering Charges Statement" and/or "Meter Reading Charges Statement", be added or substituted as appropriate.

The paragraph setting out the minimum notice period for changes to charges be supplemented such that it refers to Special Condition 23 in addition to Standard Condition 3.

The sub-paragraph referring to Users' liability to pay customer charges that include a component in respect of metering services be deleted.

Transco believes that this Modification Proposal clarifies the metering/meter reading charging regime within the Network Code and therefore ensures full transparency. This is consistent with its PGT Licence 'relevant objective' of securing effective competition.

Consequence of not making this change

The Network Code will not reflect the new metering/meter reading charging regime as established within Transco's PGT Licence.

Area of Network Code Concerned

Principal Document Sections B, M, S and W

Proposer's Representative

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Proposer

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