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Dear Tim

## **Response to UNC Modification Proposal 0345 Removal of Daily Metered Voluntary Regime**

E.ON UK contributed to the development of Modification Proposal 0224 "Facilitating the use of AMR in the Daily Metered Elective Regime" and was supportive of its implementation including sharing development costs. However we did not submit anticipated numbers for take up as we did not envisage participating at the initial stage rather to do so in line with our general programme of IS change thus controlling overall costs to the benefit of our customers.

We understand that since implementation on 21 November 2010 there has been very little take up in spite of the drive for change from some shippers. This concerns us as we believe that it is essential that the new regime should be tried and tested and its efficacy demonstrated to all parties before it is judged to be fit for purpose. This is particularly important given that this represents a major industry change and may adversely affect other non-daily metered market sectors including the domestic sector.

Following a period of significant take up of each phase of the DME service a thorough review and appraisal should take place, led by the transporters. Only then and subject to a positive outcome should the transition period suggested in Proposal 0345 begin.

We suggest that a take up of at least 50% of those supply points qualifying at each phase should be required before the phase review could take place.



Until such time as the industry can be assured that the DME regime is operating effectively the regulated service should continue to be provided as a service of 'last resort.' Without the necessary assurances customers choosing to be DM may be forced to retreat to the NDM market which must be seen as a retrograde step.

Therefore we cannot lend our support to the proposal in its present form.

E.ON UK does not support Modification Proposal 0345.

Yours sincerely

Brian Durber (by email)  
Retail Regulation