

MODIFICATION PROPOSAL

SHORT TITLE: Charge for the Provision of Estimates for Domestic Opening Meter Reads

DATE: 23 January 1998 **PROPOSED IMPLEMENTATION DATE:** 4 March 1998

URGENCY: Urgent

JUSTIFICATION:

Modification 0171 'DCIII Tranche 1 - The Interim Solution', later amended by Modification 0185 'Interim Solution - Performance Standards for Opening Reads', established that Transco may charge for the provision of an estimate when shippers failed to meet their opening read obligations for supply points transferring in tranche 1 of the domestic market.

It is proposed to extend this principle throughout the domestic market. The Modification Proposal is requested for Urgent Procedures to apply due to there being insufficient time for the non-urgent route to be applied.

Transco issued a pricing consultation report (ref PC21) on 23 January 1998 which presented the proposals for the new charge to be levied for providing system based estimates of opening reads in respect of domestic (<73,200 kWh) customer transfers.

CONSEQUENCE OF NOT MAKING THIS CHANGE:

It will not be possible to implement the charging provisions identified in Transco's Pricing Consultation paper PC21.

AREA OF NETWORK CODE CONCERNED:

Principal Document, Section M Paragraph 3.8.5

NATURE OF PROPOSAL:

If an opening meter read is not provided to Transco within seven days of a supply point transfer date, it is proposed that the confirming shipper will pay to Transco a charge, as set out in the Transportation Statement. Transco will provide an estimated meter reading to the proposing and withdrawing shipper. The charge will only be applied where Transco provide an estimated read.

It is proposed that the above charge should only be applied to the extent that those actual opening reads received by Transco by the end of D+7 fall below a target performance level of 90%. This will be measured on a monthly basis, or part thereof, in respect of confirmations with an effective

date from and including 18 February 1998.

The criterion for judging whether the 90% target has been achieved will be the existence of an actual meter read on the Sites and Meters database and not dispatch of a read by a shipper (the target will relate to validated reads). However, Transco will not charge for providing an estimate when a shipper fails to deliver an opening meter read if this failure is due to a Transco system failure.

Prepayment meters are excluded from the performance measure and the charge.

PURPOSE OF PROPOSAL:

The Modification is required to enable the charging provisions contained within Transco's Pricing Consultation paper PC21 to be implemented.

IDENTITY OF PROPOSER'S REPRESENTATIVE: Sharon McLaughlin

PROPOSER: John Lockett

SIGNATURE:

POSITION: Commercial Manager - Network Code

COMPANY: Transco

MODIFICATION PANEL SECRETARY'S USE ONLY

Reference Number: 0213

Date Received: 28th January 1998