

28/09/07/01



## Modification Proposal

### Consultation

#### Liabilities for Failure to Allow Aggregation of Meter Points

**4 September 1998**

##### Present Position

An aggregation is the amalgamation of two or more meter points into a single supply point. An aggregation is normally possible when the meter points are within the same premises and are used for the same purpose, by the same customer. Customers and shippers often prefer to aggregate domestic meter points with industrial and commercial meter points, to reduce transportation charges, and to allow customers to benefit from cheaper gas prices.

Transco's UK Link system previously supported an automated process to facilitate the aggregation of domestic meter points with industrial and commercial meter points. To support the introduction of domestic competition, Transco made changes to its IT systems and could no longer recognise shippers' proposed aggregation of these meter points. Shippers were forced to aggregate these meter points using an agreed manual process until Transco implemented a systems solution in May 1998. Transco later explained that it would not have completed this work by May and aimed to complete it by July 1998. This work is still not complete.

##### Proposal

The above modification has been submitted to introduce liabilities on Transco everytime a shipper is forced to use the manual aggregation process. Shippers' use of the manual process exposes shippers to extra costs that they would not incur if Transco provided an automated process. This modification proposes that every time a shipper uses the manual aggregation process, Transco will be required to pay a £10 liability. This liability will continue to be effective until Transco re-introduces an alternative automated process.

##### Possible Impact on Customers

The introduction of a liability on Transco may prompt it to develop an automated process, that facilitates aggregation of meter points, therefore allowing shippers to provide a better service to customers. For customers who wish to aggregate meter points, this modification should make it easier and cheaper for their shippers to do so.

##### Further Information

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