

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0377
Title "Relaxation of Constraints on Unbundled Cyclic Meter Read Submissions "
Version 1.0

Date: 14/01/2000

Proposed Implementation Date:

Urgency: Non-Urgent

Area of Network Code Concerned

Proposed Text

Principal Document Section M3.5.3.

Amend to:

Each User shall secure that the number of Annual Read Meters for which the Meter Read Date occurs in any calendar month does not exceed the greater of 5000 or 1/3rd of the

Nature of Proposal

Modification of the Network Code is required such that the 1/6th portfolio monthly constraint for obtaining cyclic annual meter readings referred to within Principal Document Section M3.5.3 is relaxed to 1/3rd of a users relevant annual meters.

Justification

Network Code Review Group 0229 'Removal of Competitive Advantages from Transco (MR)' questioned the continued relevance of Principal Document Section M 3.5.3. which states 'Each User shall secure that the number of Relevant Annual Read Meters for which the Meter Read Date occurs in any calendar month does not exceed the greater of 5,000 or 1/6th of the number of Relevant Annual Read Meters on the 1st Day of that month'. The group identified that while the figures were established to protect against large swings in reconciliation in the industrial and commercial market, with the advent of Reconciliation by Difference in the domestic market it was no longer necessary to apply such rigid constraints. The group also identified that larger shippers and Transco (MR) potentially derived a competitive advantage. This was on the basis that having larger portfolios enabled such organisations to operate their meter reading activities more effectively than would be the case for a smaller unbundled shipper, for which the 1/6th constraint may compromise the efficient planning of its meter reading activity.

The recommendations of Review Group 0229 were discussed at the September and November 1999 meetings of the SPA/Metering Workstream. Shippers were invited to suggest their preferences from options developed by the Review Group. Transco has raised this Modification Proposal based on the three responses received, each of which broadly recommended implementation of the same solution.

Consequence of not making this change

Unbundled shippers may continue to be unnecessarily constrained with respect to their ability to collect annual read data in an efficient manner. A specific recommendation of Network Code Review Group 0229 will not be met.

Purpose of Proposal

A relaxation of the portfolio monthly constraint with respect to obtaining annual cyclic meter readings from 1/6th to 1/3rd should enable unbundled shippers to more economically and efficiently manage their individual meter reading portfolios.

Proposer's Representative

Christopher J Warner (Transco)

Proposer

Tim M Davis (Transco)

Signature