TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0427

"Technical Amendments Required By Introduction Of Disaggregated Metering Charges"
Version 1.0

Date: 13/09/2000

Proposed Implementation Date: 01/10/2000

Urgency: Urgent

Justification

This modification proposal is necessary to make a number of technical amendments to the Network Code, to accommodate disaggregated metering and meter reading charges. It has been proposed that these charges be introduced on 1 October 2000 and 1 April 2001, and in view of this limited timescale urgent procedures are appropriate.

Nature of Proposal

Consistent with the proposed introduction of metering and daily meter reading charges, as set out in the Transportation Statement, it is proposed that the Network Code be modified to facilitate the new charges.

Purpose of Proposal

To modify the Network Code such that all Transportation Charges (including metering and daily meter reading charges) may be applied in accordance with the Transportation Statement.

The separate metering and daily meter reading charges proposed to be introduced from 1 October 2000 and 1 April 2001 are not separately referenced in the Network Code. However, the Network Code recognises that Transco may, in accordance with Section B 1.7.8, apply various Transportation Charges not listed in Section B 1.7. The new charges are not Customer Charges, but are another category of Transportation Charges, detailed in the Transportation Statement.

To facilitate the introduction of specific annual and one-off metering charges, it is necessary to amend paragraph M 2.2.2 (a) to remove the words “at its [Transco’s] cost”, to avoid any implication that charges should not be payable by shippers. In addition, it is proposed that an additional category of Meter Installation Works should be recognised within the Network Code, that of exchange, as distinct from replacement. This would allow Transco to levy the new customer-requested exchange charges (and, later, the age-related exchange charges) under the terms of B 1.7.8. The addition of the word “exchange” in paragraphs M 1.2.4 and M 2.2.2 (a) would achieve this.

It is proposed that separate metering charges apply to Supply Points consuming less than 73,200 kWh from 1 October 2000, and from this date the Customer Charge for this latter category of Supply Points will be reduced. Separate metering charges will not apply to meters at Supply Points consuming 73,200 kWh and above until 1 April 2001. Until this date metering costs for these supply points will be reflected in the Customer Charge. Paragraph M 2.2.2 (b) requires minor amendment to recognise this distinction.

It is proposed that disaggregated datalogger charges apply from 1 October 2000 in respect of Daily Metered meter points, and minor changes to section M4 are necessary to facilitate this. In view of the fact that charges for the provision, installation and maintenance of the Daily Read Equipment will no longer be defined as Customer Charges, paragraph M 4.1.6 requires amending to delete reference to “the appropriate component of the Customer Charge”.

In respect of the specific reading charge in respect of Daily Meter Readings, it is proposed that this should be accommodated by means of a new subparagraph inserted in M 4.2.3 and a revision to Annex 1 of Section S.

The proposed new metering and daily meter reading charges would be invoiced by means of regular scheduled invoices, using the IX process. For the purposes of section S of the Network Code, Transco proposes that they should be considered as ad hoc invoices, and therefore it is not necessary to make any changes to Section S to accommodate the new invoices.

Consequence of not making this change

Network Code drafting would be inconsistent with the introduction of metering and meter reading charges, set out in Transco's Transportation Statement.

Area of Network Code Concerned

SECTION M

Paragraph 1.2.4

Amend paragraph 1.2.4 to read "1.2.4 For the purposes .....repair, exchange or replacement.."

Paragraph 2.2

Delete paragraph 2.2.2 (a) and substitute:

"(a) subject to paragraphs (d) and (e) and to paragraphs 2.2.4 and 2.5.1, Transco will be responsible for securing (on behalf of the Registered User) the installation (in accordance with paragraph 2.1.2), maintenance, repair, exchange and replacement of the Supply Meter Installation or relevant part of it provided by Transco within a reasonable time after a request to do so and subject to payment of appropriate charges in accordance with the Transportation Statement;"

Paragraph 2.2.2b

Amend paragraph 2.2.2(b) to read;

"(b) Customer Charge where payable...."

Paragraph 4.1.6

Delete "component of the Customer Charge" and replace with "charges".

Paragraph 4.2

Add new subparagraph 4.2.3(iv) to read:

"(iv) The User will pay appropriate charges in accordance with the Transportation Statement in respect of such Daily Meter Readings obtained by Transco."

SECTION S

ANNEX S-1 : INVOICE TYPES AND INVOICE ITEMS

3. LDZ Capacity Invoice

Delete and replace with:

"An LDZ Capacity Invoice" is an Invoice Document in respect of the following Invoice Items:

(a) LDZ Capacity Charges;

(b) Customer Charges - Capacity Variable Component; and

(c) Customer Charges - Fixed Component."

Proposer's Representative

Simon K Richardson (Transco)

Proposer

Tim M Davis (Transco)

Signature

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