Appendix 1A

The graph (appendix 1B) illustrates the indicative consequences of the implementation of Version 3 of the Network Code Validation Rules, compared to those which have been utilised since the start of Network Code (Version 2).

DM Read Rejection Performance Ranges

DM READ REJECTION PERFORMANCE (August 99 – July 00)

MONTHLY

	Best Performance	Worst Performance
PROPOSED TWO TIER RANGE (VERSION 3) (indicative) **	2.8%	4.4%
CURRENT OPERATIONAL RANGE (VERSION 2) (actual)	1%	1.8%
PUBLISHED RULES, not applied (VERSION 1) (indicative) **	Potential ranges indicative 50%	

** Indicative percentages based on sample populations.

The proposed usage of version 3 to replace the currently used version 2, is estimated to marginally increase the percentage of corrected reads which fail the Network Code Validation criteria. This marginal increase reflects the requirement to validate ‘low consumption’ daily reads against the existing (0.5 to 1.3) range, which act in addition to the newly proposed second tier (0.85 to 1.12) range.

The Network Code Validation Rules sub committee, having assessed the factors behind this two-tier approach, recommend the implementation of Version 3 of the Network Code Validation Rules.