

**TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0471**  
"Changes to provisions relating to obtaining Meter Readings in respect of Annual  
Read Supply Meters installed at Smaller Supply Meter Points"  
Version 1.0

**Date:** 13/06/2001

**Proposed Implementation Date:** 01/08/2001

**Urgency:** Non Urgent

**Justification**

The current provisions within the Network Code (Section M3.5) require Transco to use 'reasonable endeavours' to procure Meter Readings where a User fails to meet its obligations to obtain a Valid Meter Reading for 100% of its Relevant Annual Read Meters every twenty-four months. Where in these circumstances Transco obtains a meter reading, the User will be charged. This requirement is commonly termed a 'must read' and was originally incorporated within the Network Code to ensure maintenance of the integrity of data supporting the Non- Daily Meter (NDM) reconciliation processes and Annual Quantity (AQ) derivation. With the introduction of Reconciliation by Difference (RbD), Smaller Supply Meter Points are not individually reconciled and readings are used by Transco only for AQ derivation.

Network Code (Section M3.5.1) establishes that each User shall secure a Valid Meter Read for 100% of relevant Annual Read Meters not less frequently than once every twenty-four months. Transco believes that this requirement is unduly stringent and is of the opinion that a revised value of [95%] would be sufficient to meet its requirements. Transco, therefore, considers the existing 'must read' requirements for Smaller Supply Meter Points to be redundant.

**Nature of Proposal**

Modification of the Network Code is required to remove the current Network Code obligation for Transco to procure Meter Readings for Annual Read Meters <73,200kWh and reduce the existing requirement for a User to read 100% of relevant Annual Read Meters within its portfolio every twenty-four months to [95%].

Transco and User's existing Meter Reading obligations with respect to larger Annually Read Supply Meters installed at Larger Supply Meter Points would be unaffected by this Modification Proposal.

**Purpose of Proposal**

The purpose of this Modification Proposal is to remove an unnecessary obligation on Transco to procure Meter Readings for Annually Read Meters at Smaller Supply Meter Points where a User has failed in the timely provision of such readings. Transco's view is that there is a high industry cost associated with this activity, which, since the introduction of RbD is redundant. Transco considers that retention of the

‘must read’ activity would be inconsistent with its ‘relevant objective’ of facilitating the efficient and economic operation of its transportation system.

A further purpose of this Modification Proposal is to reduce the 100% requirement for Users to read Annual Read Meters at Smaller Supply Meter Points every twenty-four months. Transco considers that the current requirement is unnecessarily stringent and should be reduced to [95%] which would reduce industry costs associated with the procurement of meter readings without adversely affecting AQs.

**Consequence of not making this change**

The industry will continue to bear significant costs associated with maintaining the ‘must read’ activity with respect to Annual Read Meters installed at Smaller Supply Meter Points.

**Area of Network Code Concerned**

Principal Document Section M3.6

**Proposer’s Representative**

Richard J Gray

**Proposer**

Tim M Davis (Transco)