

Draft Modification Report
Daily Meter Reading - Impacts of the Review of Gas Metering Arrangements (RGMA)
Modification Reference Number 0674

Version 1.0

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

1. The Modification Proposal

Modification of the Network Code is required to incorporate changes required to facilitate maintenance of the current Daily Read Metering regime within the competitive metering market and as reflected by the proposed Review of Gas Metering Arrangements ('RGMA') regime.

The following are the principal requirements identified by the Daily Meter Reading (DM) sub-group of the Supply Point & Billing Workstream:

- Measures to ensure that a Supply Meter Installation is suitable for Daily Read Equipment to be connected to it.
- Measures to ensure that Transco is able to install and make operational Daily Read Equipment.
- Measures to ensure that Transco is able to inspect and maintain such equipment.
- Measures required in the event of works being carried out on the Supply Meter Installation.
- Measures to be taken by Transco where Daily Read Equipment is unavailable at a New Supply Meter Point.
- Removal of redundant provisions relating to access to Transco's Daily Read Equipment.
- Amendments to the provisions governing the supply of Daily Meter Readings to Users including:
 - Definition of a Performance Relevant Supply Meter.
 - Measures required in the event of failure of the Supply Meter Installation.
- Miscellaneous enhancements to the 'Daily Read Error' provisions.
- Miscellaneous minor amendments in the following area:
 - Partial Interruption.

2. Transco's Opinion

This Modification Proposal is one of a suite of, and is complimentary to, seven relating to the Review of Gas Metering Arrangements (RGMA) programme and numbered 0672 - 0678.

It is Transco's opinion that this Modification Proposal should be implemented.

Transco's Network Code currently requires that it provides Users with Meter Readings in respect of Daily Metered (DM) Supply Meter Points on a daily basis (after the day). Ofgem has previously expressed a view that the Network Code might be modified to allow Users to choose alternative DM meter reading service providers.

As part of a programme to facilitate competition in gas metering and meter reading services, a sub-group of the Supply Point & Billing Workstream was established in December 2000 to determine the future structure

of the Network Code Daily Read regime and identify any Network Code modifications that may be required to facilitate its development.

Extensive research has been undertaken by the sub-group which enabled the nature and underlying complexity of the existing Network Code Daily Read regime to be identified.

The sub-group established its view that:

- The data collected by dataloggers attached to Daily Read meters is primarily used for gas transportation purposes. It is therefore logical that the Gas Transporter should be responsible for procurement of this data.
- The net benefits from fully unbundling Daily Meter Reading (i.e. transferring responsibility for read procurement from Transco to Users) are doubtful given the size and structure of the market and the likely investment required to introduce and sustain such a regime.
- In consideration of the above, priority should be placed on the key metering competition deliverables, for example meter asset and ownership unbundling.

Given the above considerations, the sub-group concluded that it was appropriate that the current DM regime be sustained. This would, however, require modification of the Network Code to reflect third party ownership of meters and ensure Transco continues to be able to procure Daily Meter Readings.

A recommendation of the DM unbundling sub-group was that the existing DM pricing structure and price controls should be modified to reflect that data procured as part of the Daily Read Requirement is used primarily for transportation purposes. This regime would feature:

- All relevant costs being recovered via transportation charges as opposed to the existing Metering and Meter Reading forms of control.
- DM shippers should only directly bear costs associated with Transco making meter reads available to them.

Ofgem has subsequently advised Transco that it is not minded to reassign DM meter reading related revenue from the relevant price controls to the LDZ form of control. No changes to the existing DM pricing arrangements within the Network Code are therefore proposed.

The implications of Ofgem's communication to Transco were discussed with Users at two Network Code/RGMA Drafting Review meetings held on 14th and 20th January 2004. This culminated in a number of minor revisions to the relevant business rules to reflect the retention of the existing DM pricing regime. All business rules are attached.

If this Modification Proposal is not implemented, Transco's ability to obtain Daily Meter Readings as a pre-requisite for meeting its Network Code obligations may be compromised by an inability for it to attach and maintain Daily Read Equipment.

3. Extent to which the proposed modification would better facilitate the relevant objectives

The purpose of this Modification Proposal is to ensure that the Network Code Daily Metering regime reflects the liberalised supply metering market and is consistent with the requirements of the RGMA programme. Of specific importance is the implementation of contractual measures to safeguard Transco's Network Code obligations with respect to procuring Daily Read data and provision of Daily Reads to Users. The measures identified within this Modification Proposal are consistent with Transco's GT Licence Relevant Objective of facilitating the efficient and economic operation by the licensee of its pipe-line system.

4. The implications for Transco of implementing the Modification Proposal , including

a) implications for the operation of the System:

No implications for the operation of the system have been identified.

b) development and capital cost and operating cost implications:

Transco would incur costs in amending its UK-Link system. Minor administrative costs would also be incurred as a consequence of implementing this Modification Proposal.

c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:

Transco does not propose any additional cost recovery.

d) analysis of the consequences (if any) this proposal would have on price regulation:

As described above, a recommendation of the DM unbundling sub-group was that the existing DM pricing structure and price controls should be modified to reflect that data procured as part of the Daily Read Requirement is used primarily for transportation purposes. Given Ofgem's advice to Transco that it is not minded to reassign DM meter reading related revenue from the relevant price controls to the LDZ form of control, no changes to the existing DM pricing arrangements within the Network Code are proposed.

5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal

Implementation of this Modification Proposal would not increase the level of Transco's contractual risk.

6. The development implications and other implications for computer systems of Transco and related computer systems of Users

Transco would be required to make changes to its UK-Link system. Transco believes that it is unlikely that changes to Users' systems would be required.

7. The implications of implementing the Modification Proposal for Users

Implementation of this Modification Proposal may require changes to Users' administrative processes and procedures.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal

No such consequences have been identified.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages:

- Clarifies the contractual obligations of Users and Transco with respect to the procurement of daily read data by Transco.
- Ensures that Transco is able to continue to procure daily read data with respect to Daily Read Supply Meters.

Disadvantages:

- No disadvantages have been identified.

11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations are now sought.

12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation

Implementation is not required to facilitate such compliance.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence

This Modification Proposal is not required to facilitate any such change.

14. Programme of works required as a consequence of implementing the Modification Proposal

Transco would be required to make changes to its UK-Link system to facilitate implementation of this Modification Proposal.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

This Modification Proposal should be implemented effective from 12 July 2004, this being the RGMA 'cutover' date.

16. Recommendation concerning the implementation of the Modification Proposal

Transco recommends that this Modification Proposal be implemented.

17. Text

Section G - SUPPLY POINTS

1.5 Daily Read Metering

1.5.1 Subject to paragraphs 1.5.5, 1.5.6(c) and 1.5.12(c) a Supply Meter Point shall be classified as a DM Supply Meter Point where:

(a) the Supply Meter Point is Daily Read in accordance with M1.3.1, or paragraph 1.5.13 applies, and

(b) either

(i) the Daily Read Requirement applies; or

(ii) an election pursuant to paragraph 1.5.6(c) is in force in relation to such Supply Meter Point

1.5.2 Subject to paragraph 1.5.4, the Daily Read Requirement shall apply in respect of:

~~(a)(i)~~ each relevant Supply Meter Point comprised in any Supply Point whose Annual Quantity is greater than 58,600,000 kWh (2,000,000 therms);

~~(b)(ii)~~ each relevant Supply Meter Point comprised in an Interruptible Supply Point; and

~~(c)(iii)~~ each Supply Meter Point which is an NTS Supply Point.

1.5.3 For the purposes of paragraph 1.5.2:

~~(a)(i)~~ the "**Daily Read Requirement**" is the requirement that the Supply Meter at a Supply Meter Point shall be Daily Read;

~~(b)(ii)~~ a relevant Supply Meter Point is a Supply Meter Point in respect of which the Annual Quantity is greater than 2,196,000 kWh (75,000 therms).

1.5.4 If Transco determines and notifies the Registered User that it would not be practicable or economic for Supply Meters at a particular Supply Point to be Daily Read, unless upon application (made within 10 Business Days after such notification by the User) the Director shall give Condition 7(4) Disapproval to Transco not installing Daily Read Equipment, the Daily Read Requirement pursuant to paragraph 1.5.3(i) shall not apply, and the Registered User may not make a request under paragraph 1.5.9, in respect of that Supply Point (and for the avoidance of doubt the relevant Supply Meter Points shall be NDM Supply Meter Points).

1.5.5 Where:

(a)(i) a Supply Meter Point is a DM Supply Meter Point, and

(b)(ii) upon a change in the Annual Quantity of the Supply Meter Point or the Supply Point in which it is comprised, or the Supply Point's ceasing to be an Interruptible Supply Point, the Daily Read Requirement ceases to apply,

the Supply Meter Point shall not be required to be classified as a NDM Supply Meter Point, and in the absence of any Supply Point Confirmation or Reconfirmation, the Supply Meter Point shall continue to be a DM Supply Meter Point, but without prejudice to the entitlement of the Registered User to make a Supply Point Reconfirmation as an NDM Supply Point (to which paragraph 1.5.6 shall apply).

1.5.6 Where a User is, or following a Supply Point Confirmation (including a Reconfirmation) a User becomes, the Registered User of a Supply Meter Point in relation to which the Supply Meter is Daily Read (including pursuant to a request under paragraph 1.5.9), but the Daily Read Requirement does not apply:

(a) subject to paragraph (c), the Supply Meter Point shall be classified as an NDM Supply Meter Point;

(b) except where Daily Read Equipment was installed pursuant to a request under paragraph 1.5.9, Transco may at any time (unless at such time the User has made an election under paragraph (c)) inform the User that it wishes to remove the Daily Read Equipment and having given the User reasonable notice, thereof, remove the Daily Read Equipment at its own expense;

(c) where the Annual Quantity exceeds 73,200 kWh (2,500 therms) the User may elect in accordance with paragraph 1.5.7 that the Supply Meter Point shall be classified as a DM Supply Meter Point.

1.5.7 An election for the purposes of paragraph 1.5.6(c):

(a) shall be made by Nominating the Supply Meter Point as a DM Supply Meter Point:

(i) at the time of the Supply Point Confirmation or Reconfirmation referred to in paragraph 1.5.6; or

(ii) in the case in paragraph 1.5.6(c) only, at any time thereafter, by way of Supply Point Reconfirmation;

(b) shall lapse with effect from the Supply Point Registration Date, where the Registered User or any other User submits a Supply Point Confirmation (including a Reconfirmation) which becomes effective in respect of a Supply Point including the relevant Supply Meter Point (and may be revoked accordingly).

1.5.8 Upon a change in the Annual Quantity of the Supply Meter Point such that the Annual Quantity becomes less than 73,200 kWh (2,500 therms) the Registered User shall be required to reclassify the Supply Meter Point as a NDM Supply Meter Point within 2 months of the change in Annual Quantity.

1.5.9 The Registered User may at any time request (subject to and pursuant to Siteworks Terms and Procedures as described in paragraph 7) that Daily Read Equipment be installed at any Supply Meter Point (other than one whose Annual Quantity does not exceed 73,200 kWh (2,500 therms)).

1.5.10 Where a User submits a Supply Point Nomination in respect of a Proposed Supply Point, with a Supply Meter Point, in relation to which the Supply Meter is not Daily Read, as a DM Supply Meter Point, Transco shall reject such Supply Point Nomination, unless the User has submitted such Supply Point Nomination in accordance with paragraph 7.3.5 and the New Supply Meter Point has been classified as a DM Supply Meter Point in accordance with paragraph 1.5.13.

1.5.11 Subject to paragraph 1.5.4, where (by reason of an increase in the Annual Quantity of a Supply Point or a Supply Meter Point at the start of the Gas Year, or upon a Supply Point being designated as Interruptible) the Daily Read Requirement applies in respect of a Supply Meter Point pursuant to paragraph 1.5.2(i) or 1.5.2(ii), but is not satisfied:

(a) Transco will arrange for the satisfaction of such requirement (by installation of Daily Read Equipment at the relevant Supply Meter), ~~subject to and in accordance with Section M2;~~ as soon as reasonably practicable, and will inform the Registered User when the Daily Read Requirement is satisfied; and the installation for the purposes of this paragraph 1.5.9 of Daily Read Equipment will not be Siteworks;

(b) the relevant date for the purposes of paragraph 1.11.2 shall be the date on which the Supply Meter becomes Daily Read and the period referred to in that paragraph shall be 2 and not 3 months.

1.5.12 Where a User submits (pursuant to the provisions of this paragraph 1.5) a Supply Point Nomination (including a Renomination) pursuant to which an NDM Supply Meter Point is to become a DM Supply Meter Point:

(a) where in relation to any Supply Meter Point to be comprised in the DM Supply Point Component:

(i) the Supply Meter was Daily Read during the period of 12 months preceding the date of submission of the Supply Point Nomination, and

(ii) Transco and the User have not agreed that insufficient Valid Meter Readings (in accordance with Section M4) were obtained in the months of October to May in such period of 12 months,

the Nominated Supply Point Capacity shall be not less than the Preceding Year Maximum Quantity in accordance with paragraphs 5.2.3 and 5.2.4, but paragraph 5.2.3(b) shall be read as though references to a Supply Meter Point being DM were to the relevant Supply Meter being Daily Read;

(b) where paragraph (i) does not apply, the Nominated Supply Point Capacity shall not be less than the User's estimate (made in good faith and after all appropriate enquiries of the consumer and on the basis of reasonable skill and care) of the maximum quantity of gas to be offtaken from the System at the DM Supply Point Component on any Day in the next 12 months, on the basis of reasonable assumptions as to weather conditions; and

(c) the Supply Meter Point will become a DM Supply Point with effect from the Supply Point Registration Date.

1.5.13 Without prejudice to the other provisions of paragraph 1.5, a New Supply Meter Point which (pursuant to paragraph 7.3.5) is included in a Supply Point shall be classified as a DM Supply Meter Point, even though the Supply Meter is not Daily Read, where there is a Daily Read Requirement in accordance with paragraph 1.5.2 in respect of the Supply Meter at the Supply Meter Point but for any reason (other than due to an act or omission of the Registered User) Daily Read Equipment is not installed at the Supply Meter, or if installed is not operational in accordance with Section M4.1.7.

6.10 PARTIAL INTERRUPTION

6.10.2 Transco may allow Partial Interruption at an Interruptible Supply Point provided that the following rules are satisfied:-

- (a) the User (or Sharing Registered Users) shall specify the number of Tranches which it requires at the Supply Point, such number shall not exceed 9;
- (b) each Tranche Annual Quantity shall not be less than 5,860,000kWh (200,000 therms);
- (c) an application may be made by the User (or Sharing Registered Users) to Transco for a Partial Interruption status at a Supply Point at any time, for a period not exceeding 12 months, commencing on or after the operational date requested by the User (or Sharing Registered Users) and ending on the next 30th September;
- (d) Transco shall accept or reject all applications for Partial Interruption within 10 Business Days of their receipt by Transco from a Registered User or the Sharing Registered Users Agent as appropriate; and

~~(e) Daily Read Equipment has been installed by Transco at the Supply Point prior to the commencement of Partial Interruption status. Where requested by Transco, Daily Read Equipment shall be installed by the Registered User (or in the case of a Shared Supply Meter Point by the Sharing Registered User, the identity of which has been notified to Transco by the Sharing Registered Users Agent) at the Supply Point prior to the commencement of Partial Interruption status~~

7 NEW SUPPLY METER POINTS AND OTHER SITEWORKS

7.1 General

7.1.1 For the purposes of the Code:

- (a) a "**New Supply Meter Point**" is a new Supply Meter Point;
- (b) "**Siteworks**" means works undertaken by Transco at the request of a User or other person in connection with the System for the purposes of:
 - (i) the establishment of a New Supply Meter Point; ...
 - (v) furnishing, installing, removing, making operational and/or maintaining Daily Read Equipment;

Section M - SUPPLY POINT METERING

4 DAILY READ SUPPLY METERS

4.1 Daily Read Equipment

4.1.1 Subject to paragraph 4.9, for the purposes of the Code "**Daily Read Equipment**" is equipment, of a design and standard of manufacture specified (consistently with any Legal Requirement) by Transco for the purposes of this Section, which enables Meter Readings to be obtained by Transco remotely at set intervals.

4.1.2 Daily Read Equipment comprises:

- (~~a~~i) a device for capturing from the Supply Meter, and/or (where installed) a convertor, data which constitutes or permits the derivation of a Meter Reading; and
- (~~ii~~b) a telephone line or radio transmitter and/or such other equipment as shall be required for transmitting such data to Transco in accordance with the relevant requirements of the UK Link Manual.

~~4.1.3 Daily Read Equipment is required to be designed to be capable of enabling Meter Readings to be obtained at intervals of 6 minutes (and greater intervals) and of having the intervals at which Meter Readings are obtained set remotely (by means of the equipment referred to in paragraph 4.1.2(ii)). Not Used~~

4.1.4 Daily Read Equipment may (where designed to be capable of such installation) be installed in connection with more than one Supply Meter at a single Supply Point Premises.

~~4.1.5 Where installation of Daily Read Equipment is required pursuant to Section G 1.5 or 6.10.2(e) Unless otherwise agreed between Transco and a User, Transco will have the sole entitlement and (in accordance with paragraph 2.2) be responsible for (a)(i) furnishing, installing, removing, making operational and maintaining Daily Read Equipment (including its connection or reconnection to the Supply Meter Installation) (b)(ii) repairing or replacing the Daily Read Equipment where such repair or replacement is necessary as a result of the failure (including by reason of damage, normal wear or tear or defective design or manufacture) thereof.~~

4.1.6 Where Transco furnishes or has furnished Daily Read Equipment, with effect from the date upon which the relevant Supply Meter Point becomes a DM Supply Meter Point, the Registered User shall (unless the cost thereof has been paid pursuant to a Siteworks Contract) pay the appropriate charges in accordance with the Metering Charges Statement.

4.1.7 Daily Read Equipment installed at a Supply Meter Point will be treated as being operational (for the purposes of paragraph 1.3.1) with effect from the later of:

(~~a~~) the Day on which Transco notifies the Registered User that the equipment is operational, and

(~~ii~~) the first Day on which Transco provides to the User a Valid Meter Reading obtained by means of such equipment.

4.1.8 Subject to Section G 1.5.4, where a New Supply Point has been classified in accordance with Section G1.5.13, Transco will, as soon as reasonably practicable, furnish, install, make operational and maintain Daily Read Equipment at the relevant Supply Meter, ~~subject to and in accordance with Section M2,~~ and will inform the Registered User when Daily Read Equipment has been installed and made operational in accordance with paragraph 4.1.7. In the event of undue delay being experienced, Transco will:

(a) promptly notify the Registered User of the nature of the delay and of an expected timescale for resolution;

(b) ensure that the Registered User is regularly advised of progress and promptly notified when the Daily Read Equipment has been installed and made operational.

4.1.9 Where Transco is unable to obtain or install the telephone line or experiences undue delay in obtaining or installing it and this is not due to the act or omission of any other person then where practicable Transco will install a radio transmitter provided there is a suitable site at the Supply Point Premises for such purposes and security as may be required.

4.1.10 Where requested by Transco, the Registered User will:

(a) procure permission and access for Transco to:

(i) install and make operational the Daily Read Equipment;

(ii) attach the Daily Read Equipment to the Supply Meter Installation;

(b) facilitate inspection and maintenance and any activity referred to in paragraph 4.1.5 by Transco as required for the purposes of keeping such equipment operational (including any requirement for resynchronisation and/or adjustment);

(c) procure that a suitable site including support, protection and security for the Daily Read Equipment is available at the Supply Point Premises.

4.1.11 Where the Registered User intends, or becomes aware that the consumer or any other person intends, to undertake works on the Supply Meter Installation (or any part of it) which will or is likely to impact on the ability of Transco to obtain accurate and timely Valid Daily Meter Readings then:

(a) the Registered User will use reasonable endeavours, to notify Transco at least two Business Days prior to the commencement of such works :

(i) of the date when disconnection of Daily Read Equipment from such Supply Meter Installation will occur and subject to (ii) such date will be the date when reconnection of Daily Read Equipment to the Supply Meter Installation is required ;

(ii) of the date when reconnection of Daily Read Equipment to the Supply Meter Installation is required if different from (i),

(b) Transco will within two Business Days of the reconnection date stated in (ii) use reasonable endeavours to reconnect and resynchronise its Daily Read Equipment with the Supply Meter Installation.

4.1.12 The Registered User shall take all reasonable steps to secure that the Daily Read Equipment is not damaged or otherwise mistreated.

4.1.13 Ownership of the Daily Read Equipment shall remain with Transco (or any person to whom Transco may transfer ownership).

4.2 Daily Meter Readings

4.2.1 Where a Supply Meter is Daily Read:

(a) Transco will obtain (and the User authorises Transco to obtain) by means of the Daily Read Equipment (where it is operational) a Meter Reading for the start and for the end of each Day;

(b) Transco may so obtain Meter Readings at other times within the Day.

4.2.2 Transco is responsible for validation of the Meter Readings in accordance with paragraph 1.5.

4.2.3 In respect of a Daily Read Supply Meter:

(i) "**Daily Meter Readings**" for a Day are Meter Readings obtained by Transco in accordance with paragraph 4.2.1(a) for the start and the end of the Day;

(ii) subject to paragraphs (c) and 4.8 "**Valid Meter Readings**" for a Day are Daily Meter Readings which have been subject to and not rejected by validation in accordance with paragraph 1.5, and are provided to the relevant User in the format and by the means specified in the UK Link Manual;

(iii) the Daily Meter Reading for the start of a Day will not be a Valid Meter Reading if it differs from the Valid Meter Reading for the end of the preceding Day.

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

4.2.4 In relation to a DM Supply Meter Point so classified in accordance with Section G1.5.13, Transco shall use all reasonable endeavours to obtain Meter Readings by procuring On-Site Meter Reads, for each Day commencing with the Supply Point Registration Date; and the Registered User shall cooperate with Transco in relation thereto.

4.2.5 When the Supply Meter at the DM Supply Meter Point classified in accordance with Section G1.5.13 becomes a Daily Read Supply Meter Transco will obtain Meter Readings in accordance with paragraph 4.2.1.

4.2.6 When Transco cannot obtain Meter Readings under paragraph 4.2.4 for the Supply Point Registration Date or for any of the six consecutive Days thereafter, then for each Day for which Meter Readings are not obtained the Metered Quantity shall be deemed to be the Annual Quantity for the DM Supply Point divided by 365, and the Metered Volume determined (by reference to the relevant calorific value) accordingly, but thereafter paragraph 4.4. shall apply as though a Meter Reading obtained under paragraph 4.2.4 were a Valid Meter Reading obtained from Daily Read Equipment.

4.3 Metered Volume and Metered Quantity calculation

Subject to paragraph 4.4, Transco will calculate for each Daily Read Supply Meter each Day:

(a) the Metered Volume, by reference to the Valid Meter Readings for the Day obtained in accordance with paragraph 4.2.1(a)(i) or by reference to the Meter Readings for the Day obtained in accordance with paragraph 4.2.4.

(b) the Metered Quantity, by reference to the Metered Volume.

4.4 Failure to obtain meter readings

4.4.1 Subject to paragraph 4.8, Valid Meter Readings for a Day obtained from Daily Read Equipment at any time up to and including the Exit Close Out Date will be used for the purposes of paragraph 4.3.

4.4.2 Where for any Day (a "**Failed Daily Read Day**") Valid Meter Readings for the Day are not obtained by the Exit Close-Out Date:

(a) the Metered Volume for the Failed Daily Read Day shall (irrespective in the case of a Supply Meter Point comprised in an Interruptible Supply Point of whether Interruption was required on the Day or the same Day in the preceding week) be assumed to be the same as the Metered Volume (whether determined under paragraph 4.3(a)-1 or this paragraph 4.4.2) for the same Day in the immediately preceding week;

(b) there will be a subsequent DM Reconciliation in accordance with Section E6.

4.4.3 Where a Day is a Failed Daily Read Day, except in the circumstances in paragraph 4.4.5(a), irrespective of the Metered Quantity derived from the assumed Metered Volume determined under paragraph 4.4.2, the Day shall not be a Ratchet Day (in accordance with Section B4.7).

4.4.4 After a Failed Daily Read Day, upon the restoration of operation of the Daily Read Equipment (except where paragraph 1.10 applies), Transco will determine:

(a) the volume offtaken on such Day, by reference to a Valid Meter Reading then obtained, in accordance with paragraph 4.4.5;

(b) for the purposes of DM Reconciliation, the amount (the "**Failed Daily Read Reconciliation Volume**") by which the Metered Volume assumed under paragraph 4.4.2 is greater (in which case such amount shall be positive) or less (in which case such amount shall be negative) than the volume determined under paragraph (a).

4.4.5 For the purposes of paragraph 4.4.4(a)(i):

(a) where:

(i) the reason for the earlier failure to obtain Valid Meter Readings for the Failed Daily Read Day was the failure of that part of the Daily Read Equipment referred to in paragraph 4.1.2(b)(ii) and not the part referred to in paragraph 4.1.2(a)(i), and

(ii) accordingly, Valid Meter Readings are later obtained for the Failed Daily Read Day,

the volume offtaken on the Day shall be the Metered Volume determined on the basis of such Valid Meter Readings;

(b) except as provided in paragraph (a):

(i) the Metered Volume for the period of all of the consecutive Failed Meter Read Days will be determined (on the basis of the Valid Meter Reading obtained for the start of the first such Day and for the end of the last such Day under paragraph 4.3 or paragraph (a) above);

(ii) such Metered Volume will be apportioned between such Days in the proportions of the assumed Metered Volumes under paragraph 4.4.2.

4.5 Provision of Meter Readings to Users

Paragraph 5 shall apply in respect of the provision by Transco to Users of Meter Readings from Daily Read Supply Meters.

4.6 User or consumer access to Daily Read Equipment

4.6.1 ~~Subject to paragraph 4.6.2, Where~~ Daily Read Equipment is furnished and installed by Transco in accordance with paragraph 4.1.5, Transco will, upon request by the Registered User and provided it is operationally feasible to do so: make available to the Registered User, readings received from the Daily Read Equipment in respect of each hour of a Day, and provide such readings to the User at four hourly intervals.

~~(i) permit an arrangement whereby either the User or the consumer (but not both) shall have access to the Daily Read Equipment for the purposes of obtaining directly readings from the Supply Meter Installation.~~

~~(ii) make available to the User, readings received from the Daily Read Equipment in respect of each hour of a Day, and provide such readings to the User at four hourly intervals.~~

4.6.2 ~~In any case where an arrangement is permitted under paragraph 4.6.1 (i):~~

~~(i) the Registered User shall bear or secure that the consumer bears all costs incurred in connection with such arrangement, and shall secure that such arrangement will not interfere with the Supply Meter Installation or its operation, or with the obtaining of Meter Readings under paragraph 4.2.~~

~~(ii) such arrangement shall not be taken as implying any contractual relationship between Transco and the consumer. Not Used~~

4.6.3 Data obtained by the Registered User or consumer under paragraph 4.6 shall have no significance for the purposes of the Code.

4.7 DM Check Read

4.7.1 Transco will at intervals of approximately 12 months, or as soon as reasonably practicable following a Supply Meter Point first becoming a Shared Supply Meter Point, and may on other occasions on which it undertakes an inspection, repair or maintenance of the Daily Read Equipment, arrange an On-Site Meter Read (a "**DM Check Read**") in respect of each Daily Read Supply Meter.

4.7.2 The Registered User shall use best endeavours to secure that Transco is given such access to the Supply Point Premises and the Supply Meter as it reasonably requires to carry out a DM Check Read.

4.7.3 In respect of any DM Check Read the Metered Volume will be determined by reference to the period to the date of such Meter Read from the date of the preceding DM Check Read.

4.7.4 Where upon a DM Check Read the Metered Quantity differs from the sum (the "**previous metered quantity**") of the Metered Quantities determined in accordance with the foregoing provisions of this paragraph 4 (including paragraph 4.4) for each Day of the period referred to in paragraph 4.7.3 by more than 100,000 kWh (3,413 *therms*), Transco will determine and notify to the Registered User:

(a)(i) the amount of such difference; and

(b)(ii) for each Day in such period, a part (the "**DM Check Reconciliation Volume**", which shall be positive where the previous metered quantity exceeds the Metered Quantity in respect of the DM Check Read, and otherwise negative) of the amount determined under paragraph (a)(i), in accordance with paragraph 4.7.5.

4.7.5 For the purposes of paragraph 4.7.4(b)(ii) the amount determined under paragraph 4.7.4(a)(i) will be apportioned to Days in the relevant period in the same proportions as the Metered Volumes determined for such Days under paragraph 4.2 and 4.4.

4.7.6 DM Reconciliation in respect of the DM Check Reconciliation Volume for each Day will be carried out in accordance with Section E6.3.

4.8 Daily Read Errors

4.8.1 For the purposes of this paragraph 4.8:

(a) there is a "**Daily Read Error**" in respect of a Daily Read Supply Meter on a Day where, by reason of the Daily Read Equipment not functioning correctly, and not by reason of a failure of any other part of the Supply Meter Installation, the volume of gas which is determined on the basis of the Daily Meter Readings provided by Transco to the User (pursuant to paragraph 4.5) differs from the metered consumption;

(b) "**metered consumption**" is the volume of gas which was offtaken from the System at the Supply Meter Point on the Day, as registered by the Supply Meter and any convertor (and not what is determined by reference to the Daily Meter Readings obtained by the Daily Read Equipment);

(c) where the Supply Meter Installation includes a convertor, references to volume are to volume as converted for temperature and/or pressure by such convertor;

(d) Daily Read Equipment functions correctly where it functions within a tolerance of accuracy of 1%;

(e)(d) a reference to Daily Read Equipment shall include a reference to the elements of UK Link by which messages sent by Daily Read Equipment located at the Supply Point Premises are processed and submitted as Daily Meter Readings to the Registered User.

4.8.2 In respect of any Day (a "**Daily Read Error Day**"), other than a Failed Daily Read Day, a User may until the 5th Day after the Day on which Transco provided to the User the Daily Meter Readings in respect of a Relevant Daily Read Supply Meter, give notice ("**Daily Read Error Notice**") to Transco:

(a)(i) to the effect that (notwithstanding validation under paragraph 1.5) the User considers that there was a Daily Read Error on the Day; and

(b)(ii) specifying the volume (the "**User Volume Estimate**") which the User considers to have been the metered consumption on the Day.

4.8.3 Where a User gives a Daily Read Error Notice:

(a) Transco will, as soon as reasonably practicable and wherever possible within 3 Business Days after such notice, ascertain whether the elements of UK Link referred to in paragraph 4.8.1(e) are functioning correctly, and (if they are) visit and (subject to being given sufficient access to the Supply Meter Installation and/or the Daily Read Equipment) inspect the Daily Read Equipment;

(b) upon or as soon as reasonably practicable after its inspection, Transco will provide to the User a notice stating:

(i) whether in Transco's judgement the Daily Read Equipment is functioning correctly; and

(ii) where in ~~Transco's~~ its judgement the Daily Read Equipment is not functioning correctly, Transco's estimate (the "**Transco Volume Estimate**"), in accordance with paragraph 4.8.4 where applicable, and after taking account of the User Volume Estimate, of what was the metered consumption for the Daily Read Error Day, and the basis for its estimate;

(c) notwithstanding the Daily Read Error Notice and Transco's notice under paragraph (b), except as provided in paragraph 4.8.8 the volume determined by reference to the Daily Meter Readings will be used to determine the User's UDQO for the purposes of the Code;

(d) subject to paragraph (c), and unless otherwise agreed, Transco's statement under paragraph (b) will be final and its estimate will apply for the purposes of paragraph 4.8.10 unless within 5 Business Days after Transco's notice under paragraph (b) the User gives notice ("**rejection notice**") to Transco ~~within 5 Business Days after Transco's notice~~ that the User does not accept Transco's judgement under paragraph (b)(i) or its estimate under paragraph (b)(ii);

(e) upon receiving the rejection notice, Transco will enter into a dialogue with the User to attempt to resolve the difference. Where such resolution is not promptly achieved and in any event within 5 Business Days following receipt of the rejection notice, paragraph 4.8.6 will apply;

(f) Where correction of the fault (by repair or replacement of the Daily Read Equipment) is not possible at the same time as the inspection, Transco will correct such fault as soon as possible following such inspection.

4.8.4 Where the Daily Read Equipment is found not to be functioning correctly, and it is not apparent when the equipment started to function incorrectly, unless Transco and the User otherwise agree it shall be assumed (for the purposes of estimating the metered consumption for the Daily Read Error Day) that such equipment started to function incorrectly half way through the period from when the equipment was last inspected by Transco (whether pursuant to this paragraph 4.8 or any annual or other maintenance inspection) to the Day of Transco's inspection under paragraph 4.8.3(a).

4.8.5 The costs and expenses incurred by Transco in carrying out the inspection pursuant to paragraph 4.8.3(a) shall be borne:

(a) by the User, if the amount of the User Volume Estimate differs from the volume determined by reference to the Daily Meter Readings by less than 10%; ~~by the User;~~

(b) except as provided in paragraph (a), ~~and subject to paragraph (c):~~

(i) where the User did not give a rejection notice:

(1) by the User where in Transco's judgement the Daily Read Equipment was functioning correctly, and

(2) otherwise by Transco;

(ii) where the User gave a rejection notice:

(1) by Transco, where it was agreed or the expert determined that the Daily Read Equipment was not functioning correctly (under paragraph 4.8.6(a)(i)) or it was agreed or the expert determines under paragraph 4.8.6(a)(ii) that the metered consumption was closer to the User Volume Estimate than to the Transco Volume Estimate, and

(2) otherwise by the User;

~~(c) if upon such inspection Transco found that the Supply Meter (or converter) itself is reading erroneously, by Transco (except where Transco is not the owner of the Supply Meter).~~

4.8.6 Where the User gives a rejection notice, then unless Transco and the User agree otherwise:

(a) there shall be referred to Expert Determination the following questions:

(i) whether the Daily Read Equipment was functioning correctly, unless in Transco's judgement (under paragraph 4.8.3(b)(i)) it was not; and

(ii) unless the expert determines that the Daily Read Equipment was functioning correctly, what is the best available estimate (in accordance with paragraph 4.8.4 where applicable) of the metered consumption;

(b) the costs of the expert shall (notwithstanding any contrary provision of Section T) be borne by the User where:

(i) the expert determines (under paragraph (a)(i)) that the Daily Read Equipment was functioning correctly, or

(ii) the metered consumption determined (under paragraph (a)(ii)) by the expert was closer to the Transco Volume Estimate than to the User Volume Estimate;

and otherwise by Transco.

4.8.7 Where:

(a) a User has submitted a Daily Read Error Notice in respect of a Day;

(b) the User considers that there was a Daily Read Error in respect of any subsequent Day, up to:

(i) the Day of Transco's inspection under paragraph 4.8.3(a), or

(ii) (where the Daily Read Equipment is found not to be functioning correctly) the Day of its repair or replacement under paragraph 4.8.11, then unless Transco agrees otherwise the further provisions of this paragraph 4.8 shall not apply in relation to such subsequent Day unless the User gives a Daily Read Error Notice for such Day, but the giving of such notice shall not require a further inspection pursuant to paragraph 4.8.3.

4.8.8 For the purposes of determining the User's UDQO, where a User submits a Daily Read Error Notice not later than the Exit Close-out Date in relation to the Daily Read Error Day:

(a) if by the Exit Close-out Date:

(i) Transco has undertaken an inspection under paragraph 4.8.3(a), and

(ii) the User has informed Transco that it accepts the Transco Volume Estimate notified by Transco under paragraph 4.8.3(b);

the value of the Metered Quantity derived from the Transco Volume Estimate shall be substituted for the value of the Metered Quantity derived from the original Daily Meter Readings;

(b) Transco may (before the Exit Close-out Date) by agreement with the User substitute, for the value of the Metered Quantity derived from the original Daily Meter Readings, the value derived from the User Volume Estimate or such other value as Transco and the User shall agree.

4.8.9 Transco may also agree with the User to adjust (for the purposes of determining the User's UDQOs) the Metered Quantity determined for each Day after the first Daily Read Error Day, until the Day referred to in paragraph 4.8.7(b)(i) or (ii), on a basis reflecting an agreed degree of error.

4.8.10 Except in a case where a substituted or adjusted value of the Metered Quantity was (before the Exit Close-out Date) used pursuant to paragraph 4.8.8 or 4.8.9, upon the estimated metered consumption being agreed or established (pursuant to this paragraph 4.8):

~~(a)(i)~~ Transco will determine (as nearly as may be) the Metered Quantity ("**Error Revised Quantity**") for the Day on the basis of such metered consumption;

~~(b)(ii)~~ revisions and adjustments will be made in accordance with Sections B1.11, E3.5 and F1.4.

4.8.11 Where it is agreed or determined that the Daily Read Equipment is not functioning correctly, Transco will at its expense as soon as is reasonably practicable (but subject to paragraph 5.2.3) repair or replace the Daily Read Equipment.

4.8.12 For the purposes of paragraph 5 (and notwithstanding paragraph 4.2.3), where a User gives a Daily Read Error Notice:

(a) subject to paragraph (b), where:

(i) in Transco's judgement (in accordance with paragraph 4.8.3(b)) the Daily Read Equipment is not functioning correctly,

(ii) by agreement between Transco and the User pursuant to paragraph 4.8.8(b) a substituted Metered Quantity has been used, or an estimate of metered consumption, other than the metered consumption derived from the original Daily Meter Readings, has been agreed by Transco and the User for the purposes of paragraph 4.8.10,

the Daily Meter Readings provided in respect of the Daily Read Error Day shall not be Valid Meter Readings;

(b) where the Metered Quantity for any of the next 6 Days following the first Daily Read Error Day has (by agreement between Transco and the User pursuant to paragraph 4.8.9) been adjusted, the Daily Meter Readings provided by Transco for such Days shall be deemed for the purposes of paragraphs 5.2.1 and 5.2.2 to be Valid Meter Readings;

(c) where in Transco's judgement the Daily Read Equipment is functioning correctly and the User gave a rejection notice:

(i) the Daily Meter Readings for the Daily Read Error Day, and (subject to paragraph (ii)) for subsequent Days, shall be Valid Meter Readings (if otherwise valid in accordance with paragraph 4.2.3);

(ii) where the expert determines that the Daily Read Equipment is not functioning correctly, the Daily Meter Readings provided in respect of each Daily Read Error Day, from the Day on which the expert made known his determination to Transco until such time as Transco has repaired or replaced the Daily Read Equipment in accordance with paragraph 4.8.11, shall not be Valid Meter Readings.

4.9 Telemetry equipment

4.9.1 By agreement between Transco and the Registered User or the consumer, telemetry equipment may be installed at a Supply Meter instead of such equipment as is described in paragraph 4.1.2.

4.9.2 Subject to any conflicting provisions of a Supply Point Network Exit Agreement, a reference to Daily Read Equipment includes telemetry equipment where installed at a Supply Meter, and this paragraph 4 shall apply (so far as capable of applying, and except as may otherwise be agreed by Transco and the Registered User or consumer) in respect of such telemetry equipment; but paragraph 5 shall not apply in respect of a Supply Meter at which telemetry equipment is installed.

5 PROVISION OF DAILY READ METER READINGS TO USERS

5.1 General

5.1.1 For the purposes of this paragraph 5:

(a) Subject to paragraphs 5.1.2 and 5.1.3, for any User a "**Performance Relevant Supply Meter**" is:

(i) a Relevant Supply Meter which at the date of the Code was subject to the Daily Read Requirement pursuant to Section G1.5.2(a)(i) or (c)(iii) or (where the request referred to in Section G1.5.7 was made before 1st January 1996) Section G1.5.2(b)(ii), and

(ii) with effect from the date upon which the Supply Meter Point becomes a DM Supply Meter Point, any other Supply Meter at which for the time being Daily Read Equipment is installed and has become operational (in accordance with paragraph 4.1.7),

in either case until such time (if any) at which the Registered User makes an election pursuant to Section G1.5.5 that the Supply Meter cease to be Daily Read;

(b) in relation to a Performance Relevant Supply Meter, Valid Meter Readings (for the start and end of a Day) shall be counted as one Valid Meter Reading;

(c) where a single item of Daily Read Equipment is installed and has become operational (in accordance with paragraph 4.1.7) in connection with more than one Performance Relevant Supply Meter:

(i) Transco will be treated as providing Valid Meter Readings only where it provides a Valid Meter Reading in respect of each such Supply Meter;

(ii) without prejudice to paragraph (i), for all other purposes of this paragraph 5 all of such Supply Meters collectively shall be counted as a single Performance Relevant Supply Meter, and all of the Valid Meter Readings for a Day in respect thereof shall be counted as a single Valid Meter Reading; and accordingly payments made by reference to a Performance Relevant Supply Meter or the number of such Supply Meters shall be made by reference to an item of Daily Read Equipment or the number of such items;

(d) a Performance Relevant Supply Meter will not be treated as one in relation to which Transco did not provide a Valid Meter Reading where Transco was unable to provide a Valid Meter Reading in respect of such Performance Relevant Supply Meter by reason of Force Majeure;

(e) A Performance Relevant Supply Meter will not be treated as one in relation to which Transco did not provide a Valid Meter Reading where Transco was unable to provide a Valid Meter Reading by reason of:

(i) failure or unavailability of the Supply Meter Installation; or

(ii) Transco being unable to perform any of the activities in paragraph 4.1.5 due to the failure of the Registered User to comply with Transco's request in accordance with paragraph 4.1.10 to its Daily Read Equipment and/or the Supply Meter Installation; or

(iii) Meter Information relevant to the calculation by Transco of the Metered Quantity being absent, out of date or subsequently found to be incorrect, which has or should have been provided in accordance with Section M, paragraph 3.2.

5.1.2 Where:

(a)(i) a User has given a Daily Read Error Notice, or it appears to Transco that the Daily Read Equipment may not be functioning correctly,

(b)(ii) Transco has, upon reasonable notice to the User, sought to arrange or gain access (pursuant to paragraph 2.2.2(c)(iii)) at a reasonable time to the relevant premises for the purposes of inspecting, and/or repairing or replacing, the Daily Read Equipment but has been unable to gain access to the relevant premises or to the Daily Read Equipment, and

(c)(iii) Transco has promptly notified the Registered User, providing details of the circumstances in which it was unable to arrange or gain access, and requesting that such access be arranged at a reasonable time,

the relevant Supply Meter(s) shall not be a Performance Relevant Supply Meter until such time as Transco has been given such access as it may reasonably require for the purposes of such inspection, repair or replacement.

5.1.3 Where, upon an inspection (pursuant to a Daily Read Error Notice or otherwise) of Daily Read Equipment, Transco finds that there is a failure or unavailability of the Supply Meter Installation and this the Reed Switch is not functioning correctly, or is the cause of the Daily Read Equipment not functioning correctly:

(a) (a) Transco shall so notify the Registered User promptly as soon as reasonably practicable after its inspection;

(b) where the Registered User receives notice under paragraph 5.1.3 or otherwise becomes aware of a failure of the Supply Meter Installation that may impact on Transco's ability to procure accurate and timely Valid Daily Meter Readings, the Registered User will promptly advise Transco when it becomes aware of such failure;

(c) in the event of (a) or (b) the User will:

(i) promptly arrange for the repair/replacement of the Supply Meter Installation by a competent person;

(ii) notify Transco when the Supply Meter Installation has been repaired or replaced;

(iii) unless the Supply Meter Installation has been repaired or replaced, no later than one month after either of the events in (a) or (b) inform Transco of the date by which the User is expecting the Supply Meter Installation to be repaired or replaced and thereafter notify Transco of any changes to the expected date;

(d) upon notification that a Supply Meter Installation has been repaired/replaced, Transco will arrange for the prompt resynchronisation of the Daily Read Equipment.

(b) Transco will:

~~(i) take reasonable steps to arrange for a gas meter examiner to attend (so soon as such a person may be available to attend) at the Supply Point Premises, so as to allow the seal on the Supply Meter lawfully to be broken for the purposes of enabling the Reed Switch to be repaired or replaced, and (upon the attendance of such an examiner and provided that appropriate access to the Supply Meter is provided) repair or replace the Reed Switch; and~~

~~(ii) not later than one month after its notification to the User under paragraph (a), unless the Reed Switch has already been repaired or replaced, inform the User of the date by which Transco expects that the Reed Switch will be repaired or replaced, and (where such date is later than one month after such inspection) provide reasonable evidence that despite taking reasonable steps Transco has been unable to arrange for the attendance of a gas meter examiner or (but without prejudice to paragraph (c)) to secure (having given reasonable prior notice of an appointment to a User) the required access to the Supply Meter before such date;~~

~~(iii) thereafter inform the User of any change in such expected date, and provide reasonable evidence that any delay has arisen notwithstanding Transco's compliance with paragraph (i);~~

~~(c) the User shall take reasonable steps to make such arrangements with the consumer as may be required for the purposes of paragraph (b)(i);~~

~~(de) with effect from the Day of Transco's inspection, or if later from the 5th Business Day before Transco's notification to the User under paragraph (a), and until such time as the Supply Meter Installation Reed Switch has been repaired or replaced and resynchronized the Supply Meter will not be a Performance Relevant Supply Meter; provided that if Transco does not comply with paragraph (b)(ii) the Supply Meter will, with effect from the expiry of the month referred to in that paragraph, become a Performance Relevant Supply Meter.~~

~~5.1.4 For the purposes of paragraph 5.1.3, a "**Reed Switch**" is a component of, and contained within, a Supply Meter, which enables the functioning of Daily Read Equipment. Not Used.~~

~~5.1.5 Paragraphs 5.2 and 5.3 shall apply separately in respect of Performance Relevant Supply Meters which are, and which are not, comprised in DMC Supply Point Components (respectively "**DMC**" and "**non-DMC**" Performance Relevant Supply Meters), and references to Performance Relevant Supply Meters in those paragraphs shall be construed accordingly. Deletion due to Mod 565.~~

5.2 Provision of Meter Readings

5.2.1 Transco will provide not less than 95% of the required number of Valid Meter Readings:

~~(a) to each User, in respect of each week (from Monday to Sunday);~~

~~(b) for the purposes of Section V13.2.2(a), to all Users, in respect of each quarter,~~

~~in each case not later than 11:00 hours on the Day following the Day to which the relevant Meter Reading relates; and for the purposes of this paragraph, the required number of Valid Meter Readings in respect of a User in a week, or in respect of all Users in a quarter, is the sum of the numbers of the Performance Relevant Supply Meters of the User on each Day of such week or (as the case may be) of all Users on each Day in such quarter.~~

~~5.2.2 If in respect of any week Transco does not comply with the requirement in paragraph 5.2.1(a)(i), Transco will pay to the User an amount calculated as:~~

~~where for the relevant week:~~

~~A is the sum for all Days in the week of the number of the User's Performance Relevant Supply Meters;~~

B is the sum for all Days in the week of the number of Valid Meter Readings in respect of the User's Performance Relevant Supply Meters which Transco provided by 11:00 hours on the following Day;

and where C is the relevant percentage of £20.

5.2.3 In respect of each Performance Relevant Supply Meter, if for each of 7 consecutive Days Transco does not provide to a User a Valid Meter Reading by 11:00 hours on the Day following each such Day, Transco will pay to the User (subject to paragraph 5.2.5) the relevant percentage of £30 for each further Day (after the 7th) for which Transco fails to provide a Valid Meter Reading by 11:00 hours on the following Day.

5.2.4 Amounts payable under paragraph 5.2.3 are in addition to and irrespective of any amounts which may become payable in respect of any week under paragraph 5.2.2.

5.2.5 In the case of a Shared Supply Meter Point the amount payable to a User pursuant to paragraph 5.2.3 will be the amount specified under that paragraph divided by the number of Sharing Registered Users.

5.2.6 For the purposes of Section V13, the rules in paragraphs 5.2.2 and 5.2.3 are Compensation Rules within Compensation Group A; and in relation thereto:

(a) the 'payment month' is the second month following that in which:

(i) for the purposes of paragraph 5.2.2, the relevant week fell;

(ii) for the purposes of paragraph 5.2.3, the relevant Day fell;

(b) the 'relevant aggregate requirement' in respect of a quarter is the requirement in paragraph 5.2.1(c)(ii);

(c) the quarter by reference to which the relevant percentage is to be determined is the quarter in which the Day for which a Valid Meter Reading is required under paragraph 5.2.1 falls.

Representations are now sought in respect of this Draft Report and prior to Transco finalising the Report

Signed for and on behalf of Transco.

Signature:

Chris Train
Director

Support Services

Date:

Business Rules (A) – Daily Read Equipment M4.1

The following business rules provide a brief summary of the proposed Network Code provisions for Daily Read Equipment. Further to a review of the existing rules to facilitate competition in metering the impacts are as follows:

IMPACTS: REVISED TO REFLECT THE CHANGES IN RESPONSIBILITY FOR DAILY READ EQUIPMENT AND ASSOCIATED PROVISIONS THAT WILL ALLOW INSTALLATION AND MAINTENANCE OF DAILY READ EQUIPMENT TO THE SUPPLY METER INSTALLATION.

NEW PROVISIONS TO INCLUDE USER OBLIGATIONS TO PROCURE PERMISSION TO INSTALL DRE FACILITATE ACCESS FOR MAINTENANCE, ETC AND PROVIDE A SUITABLE SITE FOR THE DAILY READ EQUIPMENT.

REASON: Transco will be responsible for the installation, provision and maintenance of Daily Read Equipment and requires access to the Supply Meter Installation for such purposes.

DEPENDENCIES: M4.2 Daily Meter Readings (see Business Rule B).

M4.4 Failure to Obtain Meter Readings (see Business Rule C).

1. For the purposes of the Network Code 'Daily Read Equipment' is Equipment of a design and manufacture specified by Transco which enables Meter Readings to be obtained by Transco remotely at set intervals. ***(Network Code Reference M4.1.1 – Unchanged)***.
2. Daily Read Equipment comprises:
 - a. A device for capturing from the Supply Meter, and/or (where installed) a corrector, data which constitutes or permits the derivation of a Meter Reading and
 - b. A telephone line or radio transmitter and/or such other equipment as shall be required for transmitting such data to Transco in accordance with the formats in the UK Link Manual. ***(Network Code Reference M4.1.2 – Unchanged)***.
3. Daily Read Equipment is required to be designed to be capable of enabling Meter Readings to be obtained at intervals of 6 minutes and greater and having the intervals at which the Meter Reads are obtained set remotely (by the equipment as defined in (2b)). ***(Network Code Reference M4.1.3 – Remove – specific DRE performance provisions unnecessary)***.
4. Daily Read Equipment may (if installation designed is capable) be installed in connection with more than one Supply Meter at a single Supply Point Premises. ***(Network Code Reference M4.1.4 – Unchanged)***.
5. Unless otherwise agreed between Transco and a User pursuant to business rule H Section G6.10, Transco will have sole entitlement and responsibility for furnishing, installing, removing, making operational and maintaining Daily Read Equipment (including any connection or reconnection of such equipment to the Supply Meter Installation). ***(Network Code Reference M4.1.5 – Revised to exclude reference to M2.2 provisions as these are being removed and to clarify Transco's obligations for connecting or disconnecting Daily read Equipment)***.
6. Transco will replace any part of the Daily Read Equipment where such replacement is necessary as a result of failure (including by reason of damage, normal wear and tear or defective design manufacture). ***(Network Code Reference – Retain)***.

7. The Registered User will take reasonable steps to secure that Daily Read Equipment is not damaged or otherwise mistreated. **(Network Code Reference – New Provisions).**

8. Where Transco furnishes or has furnished Daily Read Equipment, with effect from the date when the Supply Meter Point becomes a DM Supply Meter Point, the Registered User shall (unless the costs thereof has been paid pursuant to a Siteworks Contract) pay the appropriate charges in accordance with the Metering Charges Statement. **(Network Code Reference M4.1.6 – Unchanged).**

9. Daily Read Equipment installed at a Supply Meter Point will be treated as being operational (for the purposes of Daily Read Meters M1.3) with effect from the later of:

- i) The Day on which Transco notifies the Registered User that the equipment is operational, and
- ii) The first Day on which Transco provides to the User a Valid Meter reading obtained by the equipment. **(Network Code Reference M4.1.7 – Unchanged).**

10. Where a New Supply Meter Point has been classified as DM Supply Meter Point (in accordance with G1.5.13), Transco will as soon as reasonably practicable furnish, install, make operational and maintain Daily Read Equipment at the relevant Supply Meter and will inform the Registered User when Daily Read Equipment has been installed and made operational. In the event of undue delay being experienced, Transco will:

promptly inform the Registered User of the nature of the delay and of an expected timescale for resolution. Transco will also ensure that the Registered User is regularly advised of progress and promptly notified when DRE has been installed and made operational.

Where practicable, where for reasons within Transco's control, e.g. unavailability of conventional DRE and not for reason of act or omission by any other party install a radio transmitter for transmitting such data to Transco subject to the availability of a suitable site at the Supply Point Premises and suitable support, protection and security as may be required.

(Network Code Reference M4.1.8 – Removed reference to M2 provisions. Rectify typo 'make operational'. Revised to reflect requirements of Transco to ensure that the Registered is informed when delay is being experience in installing DRE) and to reflect that Transco will install a cellular (GSM) datalogger where undue delay in DRE installation (due to act or omission by Transco) is being experienced.

11. The Registered User will procure permission for Transco to install and make operational Daily Read Equipment at the Supply Meter Installation and will facilitate inspection and maintenance by Transco as shall be required for the purposes of keeping such equipment operational (including any requirement for resynchronisation and/or adjustment) and shall procure that a suitable site including support, protection and security for the Daily Read Equipment is available at the Supply Point Premises: **(Network Code Reference – New Provisions).**

*DM Read Unbundling Sub Group – Business Rules / Daily Read Equipment
Final Version 1.0 Dated: 8 July2002*

Business Rules (B) – Daily Meter Readings M4.2

The following business rules provide a brief summary of the proposed Network Code provisions for Daily Meter Readings. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: REVISED TO INCLUDE NEW PROVISIONS TO ALLOW ACCESS TO THE SUPPLY METER INSTALLATION.

NEW PROVISIONS INCLUDED FOR DETERMINING DAILY METER READINGS.

REASON: Transco will require access to the Supply Meter Installation for the purposes of installing and maintaining Daily Read Equipment to procure Daily Readings and providing these to Users.

Transco will require contingency measures for determining a Daily Reads where the Supply Meter Installation and or Daily Read Equipment has failed or is not available

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A)
M4.4 Failure to Obtain Meter Readings (see Business Rule C)**

1. Where a Supply Meter is Daily Read:

- a) Transco will obtain (and the User authorises Transco to obtain) by means of the Daily Read Equipment (where this is operational) a Meter Reading for the start and for the end of each Day;
- b) Transco may also obtain Meter Readings at other times within the Day. **(Network Code Reference M4.2.1 – Unchanged).**

2. Transco is responsible for validation of the Meter Readings in accordance with the Network Code Validation Rules. **(Network Code Reference M4.2.2 – Unchanged).**

3. In respect of a Daily Read Supply Meter:

- a) Daily Meter Readings for a day are Meter Readings obtained by Transco in accordance with (1a) for the start and for the end of each Day;
- b) Subject to (c) and the provisions relating to Daily Read Errors, Valid Meter Readings are Daily Meter Readings which have been subject to (and not rejected by) the Network Code Validation Rules and are provided to the User in the relevant format as defined in the UK Link Manual;
- c) The Daily Meter Reading for the start of a Day will not be a Valid Meter Reading if it differs from the Valid Meter Reading for the end of the preceding Day.
- d) Users will pay appropriate charges in accordance with the Meter Reading Charges Statement in respect of such Daily Meter Readings obtained by Transco. **(Network Code Reference M4.2.3 – Unchanged).**

4. In respect of a DM Supply Meter Point classified in accordance with G1.5.13, where Transco is unable to procure Daily Reads by reason of failure or non-availability of the Supply Meter Installation and/or the Daily Read Equipment, Transco shall use all reasonable endeavours to obtain Meter Readings by procuring On-Site Meter Reads, for each Day commencing with the Supply Point Registration Date; and the Registered User shall cooperate with Transco in relation thereto. **(Network Code Reference M4.2.4 – Unchanged).**

5. When the Supply Meter at the DM Supply Meter Point classified in accordance with G1.5.13 becomes a Daily Read Supply Meter Transco will obtain Meter Readings in accordance with paragraph 4.2.1. **(Network Code Reference M4.2.5 – Unchanged)**

6. Where Transco is unable to obtain Meter Readings as defined for the Supply Point Registration Date or for any of the six consecutive Days after then for each Day for which Meter Readings are not obtained the Metered Quantity shall be deemed to be the Annual Quantity for the DM Supply Point divided by 365, and the Metered Volume determined (by reference to the relevant calorific value) accordingly, but thereafter paragraph 4.4. shall apply as

though a Meter Reading obtained under paragraph 4.2.4 were a Valid Meter Reading obtained from Daily Read Equipment.

(Network Code Reference M4.2.6 – Unchanged).

*DM Read Unbundling Sub Group – Business Rules / Daily Meter Readings
Final Version 1.0 Dated: 8 July 2002*

Business Rules (C) – Failure to Obtain Meter Readings M4.4

The following business rules provide a brief summary of the proposed Network Code provisions for Failure to Obtain Meter Readings. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: Minor amendments to include provision in the event of insufficient read history being available as may be the case at a New Supply Meter Point.

REASON: The process for provision of DM Reads for Daily Read Equipment/Supply Meter Installation failures will still be required.

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A)
M4.2 Daily Meter Readings (see Business Rule B)**

1. Subject to the provisions for Daily Read Errors, Valid Meter Readings for a Day obtained from the Daily Read Equipment at any time up to and including the Exit Close Out Date will be used for determining the Metered Volume and Metered Quantity Calculation. **(Network Code Reference M4.4.1 – Unchanged).**
2. Where for any Day (Failed Daily Read Day) Valid Meter Readings are not obtained by the Exit Close Out Date:
 - a) The Metered Volume for the Failed Daily Read Day shall (regardless as to whether the Supply Meter Point comprised in an Interruptible Supply Point and interruption was required on the Day or the same Day of the preceding week) be assumed to be the same as the Metered Volume (whether determined under paragraph 4.3(i) or this paragraph 4.4.2) as the same Day in the immediately preceding week.
(Network Code Reference M4.4.2 – Unchanged except to correct typo in line 2 of whether and incorrect existing reference in line 5 - 4.3.1 should be 4.3(i)).
3. Where there is a Failed daily Read Day, except in the circumstances in 5 (a), irrespective of the Metered Quantity derived from the assumed Metered Volume determined in (2), the Day shall not be a Ratchet Day. **(Network Code Reference M4.4.3 – Unchanged).**
4. Where a Day is a Failed Daily Read Day, upon restoration of the Daily Read Equipment (subject to the provisions in respect of Meter Error), Transco will determine:
 - a) The volume offtaken on the Day, by reference to a Valid Meter Reading then obtained as defined in (4).
 - b) For the purposes of DM Reconciliation, the amount (Failed Daily Read Volume) determined in (2) is greater (such amount shall be positive) or less (such amount shall be negative) than the volume determined under (a). **(Network Code Reference M4.4.4 – Unchanged)**
5. For the purposes of (3a) where

i) The reason for the earlier failure to obtain Valid Meter Readings for the Failed Daily Read Day was the failure of that part of the Daily Read Equipment defined in M4.1.2 (ii) i.e. telephone line or radio transmitter and

ii) Accordingly, Valid Meter Readings are later obtained for the Failed Daily Read Day,

The volume offtaken on the Day shall be the Metered Volume determined on the basis of such Valid Meter Readings;

a) Except as provided in 4(a)&(b)

The Metered Volume for the period of all consecutive Failed Meter Read Days will be determined (on the basis of the Valid Meter Reading obtained from the start of the first such Day and for the end of the last Day (as provided in the section relating to metered volume and metered quantity calculation) or section (a) above;

b) Such Metered Volume will be apportioned between such Days in the proportions of the assumed Metered Volumes as defined in (2). **(Network Code Reference M4.4.5 – Unchanged)**.

*DM Read Unbundling Sub Group – Business Rules / Failure to Obtain Meter Readings
Final Version 1.0 Dated:8 July 2002*

Business Rules (D) – DM Check Read M4.7

The following business rules provide a brief summary of the proposed Network Code provisions for DM Check Readings. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: REVISED TO REFLECT THAT PROVISIONS IN M4.7.2 ARE SUPERFLOUOUS AND ARE CAPTURED ELSEWHERE

REASON: Provisions proposed elsewhere for Transco to access the Supply Meter Installation for DM Check Read purposes.

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A).
M4.2 Daily Meter Readings (see Business Rule B).**

1. Transco will at intervals of approximately 12 months or as soon as reasonably practicable following a Supply Meter point first becoming a Shared Supply Meter Point and may on other occasions on which it undertakes an inspection, repair or maintenance of the Daily Read Equipment arrange an On-Site Meter Read (DM Check Read) for each Daily Read Supply Meter. **(Network Code Reference M4.7.1 – Unchanged)**.

2. The Registered User shall use best endeavours to secure that Transco is given access to the Supply Point Premises and the Supply Meter Installation as it reasonably requires to undertake a DM Check Read. **(Network Code Reference M4.7.2 – To be removed provisions to be captured in general provisions relating to access (see business rule A – item 11 & 12))**.

3. In respect of any DM Check Read the Metered Volume will be determined by reference to the period to the date of the Meter Read from the date of the preceding DM Check Read. **(Network Code Reference M4.7.3 – Unchanged)**.

4. Where the Metered Quantity from a DM Check Read differs from the previous Metered Quantities for each Day of the period for more than 100,000 kWh (3,413 therms per annum), Transco will notify the Registered User:

a) The amount of the difference and

b) For each Day in the period a part (the DM Reconciliation Volume shall be positive where the previous Metered Quantity exceeds the Metered Quantity for the DM Check Read, and otherwise negative) of the amount determined in (a) in accordance with (5). **(Network Code Reference M4.7.4 – Unchanged)**.

5. For the purposes of 4(b) the amount determined under 4(a) will be Apportioned to Days in the relevant period in the same proportions as the Metered Volumes determined for such Days as defined in the rules for Daily Meter Readings and Failure to obtain meter readings. **(Network Code Reference M4.7.5 – Unchanged)**.

6. DM Reconciliation in respect of the DM Check Reconciliation Volume for each Day will be carried out in accordance with the rules for DM Reconciliation **(Network Code Reference M4.7.6 – Unchanged)**.

*DM Read Unbundling Sub Group – Business Rules / DM Check Reads
Final Version 1.0 Dated: 8 July 2002*

Business Rules (E) – Daily Read Errors M4.8

The following business rules provide a brief summary of the existing Network Code provisions for Daily Read Errors. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: Revised to reflect changes in responsibility for the Supply Meter Installation.

REASON: The provisions for Daily Read Errors are unchanged as these relate to the errors resulting from failures of Daily Read Equipment.

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A).
M4.2 Daily Meter Readings (see Business Rule B).**

1. For the purpose of these rules:

a) There is a Daily Read error in respect of Daily Read Supply Meter on a Day where, by reason of the Daily Read Equipment not functioning correctly and not by reason of any failure of any part of the Supply Meter Installation, the volume of gas which is determined on the basis of the Daily Meter Readings provided by Transco to the User differs from the metered consumption;

b) 'Metered consumption' is the volume of gas which was offtaken from the System at the Supply Meter Point on the Day, as registered by the Supply Meter and any corrector (not what is determined as the Daily Read from the Daily Read Equipment)

c) Where a Supply Meter Installation includes a corrector, the reference to volume is that corrected by temperature and /or pressure

d) Daily Read Equipment functions correctly within a tolerance of 1%

e) A reference to Daily Read Equipment shall include a reference to the elements of UK Link by which messages sent by the Daily Read Equipment located at the Supply Point Premises are processed and sent to the Registered User. **(Network Code Reference M4.8.1 - Unchanged)**.

2. In respect of any Day (Daily Read Error Day) other than a Failed Daily Read Day, a User may have until 5th Day after the Day on which Transco provided to the User the Daily Meter Readings in respect of a Relevant Daily Read Supply Meter, give notice ' Daily Read Error Notice' to Transco:

- To the effect that (notwithstanding Validation) the User considers that there was a Daily Read Error Day; and
- Specifying the volume (User Volume Estimate) which the User considers to have been the metered consumption on the Day. (**Network Code Reference M4.8.2 – Unchanged**).

3. Where the User gives a Daily Read Error Notice:

a) Transco will as soon as reasonably practicable and wherever possible within 3 Business Days after the notice, ascertain whether the elements of UK Link referred to in (1) are functioning correctly, and (if they are) visit and (subject to being given sufficient access to the Supply Meter Installation and/or Daily Read Equipment) inspect the Daily Read Equipment;

b) Upon or as soon as reasonably practicable after its inspection, Transco will provide to the User a notice stating:

i) Whether in Transco's judgement the Daily Read Equipment is functioning correctly; and

ii) Where in its judgement the Daily Read Equipment is not functioning correctly, Transco's estimate (Transco Volume Estimate) in accordance with (4) where applicable, and after taking account of the User Volume Estimate, of what was the metered consumption for the Daily Read Error Day, and the basis for its estimate: If repair/ fault correction of the DRE is not possible at the same time as the inspection, Transco will correct the problem with the DRE as soon as is practicable following the inspection.

c) Notwithstanding the Daily Read Error Notice and the notice referred to in (b) the volume determined by reference to the Daily Meter Readings will be used to determine the Users UDQO for the purposes of Code;

d) Subject to the above and unless agreed otherwise Transco's statement referred to in (b) will be final and its estimate will apply for the purposes of M4.8.10 (determining UDQO's) unless the User gives notice (Rejection Notice) to Transco within 5 Business Days after Transco's notice that the User does not accept Transco's judgement in (b)(i) or estimate in (b) (ii).

e) Upon Transco receiving such notice, it will enter into dialogue with the User. If resolution is not promptly achieved and in any event within five Business Days, Paragraph 6 will apply. (**Network Code Reference M4.8.3(a) - Revised to include 'subject to being given sufficient access to the Supply Meter Installation and /or Daily Read Equipment'. Revise provisions in e).**

4. Where the Daily Read Equipment is found not to be functioning correctly and it cannot be established from when, unless Transco and the User otherwise agree it shall be assumed (for the purposes of estimating the metered consumption for the Daily Read Error Day) that the equipment started to malfunction half way through the period when it was last inspected by Transco to the Day of Transco's inspection as defined in (3)(a). (**Network Code Reference M4.8.4 - Unchanged**).

5. The costs and expenses incurred by Transco in carrying out the inspection as defined in 3(a) shall be borne:

a) By the User if the User Volume Estimate differs from the volume determined by the reference to the Daily Meter Reading by less than 10%

b) Except as provided above

- Where the User did not give a rejection notice:
 - i) By the User where in Transco's judgement the Daily Read Equipment was functioning correctly, and
 - ii) Otherwise by Transco.
- Where the User gave a rejection notice, by Transco, where it was agreed or by expert determination that the Daily Read Equipment was not functioning correctly or the metered consumption was closer to the User Volume Estimate than to the Transco Volume Estimate, and otherwise by the User. **(Network Code Reference M4.8.5(b) amended. M4.8.5(c) - Removed.**

6. Where the User gives a rejection notice, then unless Transco and Users agree otherwise:

a) The following questions shall be referred to Expert Determination:

i) Whether the Daily Read Equipment was functioning correctly, unless in Transco's judgement it was not

and

ii) Unless the expert determines that the Daily Read Equipment was functioning correctly, what is the best available estimate of the metered consumption.

b) The costs of the expert shall be borne by the User where:

a) the expert determines (under 6(a)(i)) that the Daily Read Equipment was functioning correctly or

b) the metered consumption determined (under 6(a)(ii) by the expert was closer to the Transco Volume Estimate than to the User Volume Estimate;

and otherwise by Transco.

(Network Code Reference M4.8.6 - Unchanged).

7. Where a User has submitted a Daily Read Error Notice in respect of a day and they consider that the Daily Read Error up to the day of the visit (3a) or the day of any repair/ replacement of the Daily Read Equipment, unless agreed otherwise these provisions will not apply to each day. However, if the User gives a subsequent Daily Read Notice for a Day, then the provisions will apply but Transco shall not be required to undertake a further inspection. **(Network Code Reference M4.8.7 - Unchanged).**

8. To determine UDQO's where a Daily Read Error Notice has been given, if by the Exit Close-out date the inspection has been made and the User accepts the Transco Volume Estimate, the metered quantity derived from the estimate shall be substituted for the value of the quantity derived from the readings.

Transco may (before the Exit Close-out date) agree with the User to substitute the value of the Metered Quantity derived from the original Daily Meter Readings with the value derived from the User Volume Estimate or such other value as agreed by the User and Transco. **(Network Code Reference M4.8.8 - Unchanged).**

9. Transco may also agree with the User (to determine UDQO's) the Metered Quantity for each day after the Daily Error Notice (up to the day when the visit or repair/replacement of the Daily Read Equipment) on the basis of reflecting an agreed degree of error. **(Network Code Reference M4.8.9 - Unchanged).**

10. Where adjustments are after the Exit Close-out date, Transco will determine the Error Revised Quantity for the Day on the basis of the metered consumption. Revisions and adjustments will be made accordance with the existing provisions:

- Daily Read Errors B.11
- Daily Read Errors E3.5
- Daily Read Errors F1.4

(Network Code Reference M4.8.10 - Unchanged).

11. Where it is agreed or determined that Daily Read Equipment is not functioning correctly, Transco will at it's own expense as soon as reasonably practicable and (subject to being given access) replace or repair the Daily Read Equipment. **(Network Code Reference M4.8.11 - Unchanged).**

12. For the purposes of the provisions in Daily Read Meter Readings to Users, where a User gives a Daily Read Error Notice:

a) Subject to (b) where

i) Transco's judgment the Daily Read Equipment is not functioning correctly,

ii) By agreement between Transco and the User a substituted Metered Quantity has been used, or an estimate of metered consumption derived from the original Daily Meter Readings, has been agreed by Transco and the User for the purposes defined in (10).

The Daily Meter Readings provided in respect of the Daily Read Error day shall not be Valid Meter Readings.

b) where the Metered Quantity for any of the next 6 Days following the first Daily Read Error day has (by agreement between Transco and the User pursuant to 9) been adjusted, the Daily Meter Readings provided by Transco for such Days shall be deemed to be Valid Meter Readings.

c) where in Transco's judgement the Daily Read Equipment is functioning correctly and the User gave a Rejection Notice:

i) The Daily Meter Readings for the Daily Read Error Day and (subject to (ii) for subsequent Days shall be Valid Meter Readings (if otherwise valid in accordance with M4.2.3).

ii) Where the expert determines that the Daily Read Equipment is not functioning correctly, the Daily Meter Readings provided in respect of each Daily Read Error Day, from the Day which the expert made known his determination to Transco, until such time as Transco has repaired or replaced the Daily Read Equipment, shall not be Valid Meter Readings. **(Network Code Reference M4.8.12 - Unchanged).**

*DM Read Unbundling Sub Group – Business Rules / Daily Read Errors
Final Version 1.0 Dated: 8 July 2002*

Business Rules (F) – Provision of Daily Read Meter Readings to Users (General) M5.1

The following business rules provide a brief summary of the proposed Network Code provisions for the Provision of Daily Read Meter Readings to Users. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: PRSM TO BE REDEFINED.

REASON: Provisions required to take account of any SMI failures which may impact on Transco's ability to provide Valid Meter readings.

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A).
M4.2 Daily Meter Readings (see Business Rule B).**

1. For the purposes of these provisions:

a) Subject to (2) and (3), for any User a Performance Relevant Supply Meter is:

- i. A Relevant Supply Meter which at the date of the Code was subject to the Daily Read Requirement as defined in G1.5.2(i) or (ii) or (where the request referred to in Section G1.5.7 was made before 1 January 1996) or Section G1.5.2(ii) and
- ii. With effect from the date upon which the Supply Meter Point became a DM Supply Meter Point and other Supply Meter which has operational Daily Read Equipment.

in either case until such time (if any) at which the Registered User elects pursuant to Section G1.5.5 that the Supply Meter ceases to be Daily Read.

b) In respect of a Performance Relevant Supply Meter Valid Meter Readings (for the start and end of a Day) shall be counted as one Valid Meter Reading:

c) where one single item of Daily Read Equipment is installed for more than one Performance Relevant Supply Meter Point:

- i. Transco will be treated as providing Valid Meter Readings only where it provides Valid Meter Reads for each Supply Meter;
- ii. Without prejudice to (i) for all other purposes all such Supply Meters collectively shall be counted as a single Performance Relevant Supply Meter, and all of the Valid Meter Readings for a Day, shall be counted as a single Valid Meter Reading. Payments made by reference to a Performance Relevant Supply Meter shall be made by reference to an item of Daily Read Equipment or the Number of such items.

d) A Performance Relevant Supply Meter will not be treated as one in relation to which Transco did not provide a Valid Meter Reading where Transco was unable to provide one by reason of:

- i. failure/unavailability of the Supply Meter Installation
- ii. for reason of Transco being unable to gain access to its Daily Read Equipment and/or the Supply Meter Installation.
- iii. relevant Meter Information being absent, out of date or subsequently found to be incorrect ,which has or should have been provided in accordance with the rules contained within [asset/work business rules 9a & 9b (M3.2 Meter Information)].

e) A Performance Relevant Supply Meter will not be treated as one in relation to which Transco did not provide a Valid Meter Reading where Transco was unable to provide one by reason of Force Majeure.

Network Code Reference M 5.1.1(d) – Revised to include new provisions for excluding Supply Meters as Performance Relevant Supply Meters where there has been a failure or unavailability of the Supply Meter Installation or where Transco has been unable to gain access to its Daily Read Equipment and/or the Supply Meter Installation or where relevant Meter Information is absent or out of date which resulted in Transco being unable to provide a Valid Meter Reading.

2.

i. Where a User has given a Daily Read Error Notice or it appears to Transco that the Daily Read Equipment is not functioning correctly,

ii. Transco has, upon reasonable notice to the User, sought to arrange or gain access at a reasonable time to the relevant premises to inspect and or repair or replace the Daily Read Equipment but cannot gain access to the premise or Daily Read Equipment and

iii. Transco has promptly notified the User, providing details of the circumstances in which it was unable to gain access, and requesting that such access be arranged at a reasonable time,

The Relevant Supply Meter shall not be a Performance Relevant Supply Meter until such time as Transco has been given the required access to inspect, repair and or replace. (***Network Code Reference M5.1.2 – Unchanged***).

3. Where, upon an inspection (whether from a Daily Read Error Notice or otherwise) of Daily Read Equipment, Transco finds that there is a fault or unavailability of the Supply Meter Installation, which is the cause of the Daily Read Equipment not functioning correctly Transco shall promptly notify the Registered User after its inspection:

and/or

Where the Registered User becomes aware of a failure of the Supply Meter Installation that may impact on Transco's ability to procure accurate and timely Valid Daily Meter Readings it will promptly advise Transco when it becomes aware of such failure.

In any such event the User will:

i. Promptly arrange for the repair/replacement of the Supply Meter Installation.

ii. No later than one month after Transco's notification, (unless the Supply Meter Installation has been repaired and or replaced) the User will inform Transco of the expected date when the repairs/replacement is to be carried out.

iii. Advise Transco of any delays in the expected date.

iv. Advise Transco when the Supply Meter Installation has been repaired/replaced.

v. Upon notification that a Supply Meter Installation has been repaired/replaced, Transco will arrange for the prompt resynchronisation of the Daily Read Equipment.

c) with effect from the Day of the Transco inspection or if later from the 5th Business Day before Transco's notification to the User and until such time as the Supply Meter Installation has been repaired or replaced, the Supply Meter will not be a Performance Relevant Supply Meter (until it is resynchronised/other). (***Network Code***

Reference M5.1.3 - Revision of the provisions in respect of responsibility for repairs/replacement of the Supply Meter Installation and new provisions for notifying Transco).

4. A Reed Switch is a component of and contained within a Supply Meter Installation, which enables the functioning of Daily Read Equipment. **(Network Code Reference M5.1.4 - Remove –Specific provisions for a Reed Switch not required as generic Supply Meter Installation provisions apply).**

5. The provisions in (1) and (2) shall apply separately in respect of Performance Relevant Supply Meters which are, and which are not comprised in DMC Supply Point Components (respectively DMC and non DMC Performance Relevant Supply Meters) and references to Performance Relevant Supply Meters in those provisions shall be construed accordingly. **(Network Code Reference M5.1.5 - Unchanged).**

*DM Read Unbundling Sub Group – Business Rules /Provision of Daily Read Meter Readings to Users
Final Version 1.0 Dated:8 July 2002*

Business Rules (G) – Daily Read Metering G1.5

The following business rules provide a brief summary of the proposed Network Code provisions for Daily Read Metering. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: AS THE DAILY READ REQUIREMENTS IN G1.5 ARE UNCHANGED AS A RESULT OF METERING UNBUNDLING, THE PROPOSED CHANGES ARE FOCUSED ON THE REMOVAL OF REFERENCES TO SITEWORKS

REASON: Daily Read Equipment will not installed under Transco’s Siteworks Terms & Conditions.

**DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule A)
M4.2 Daily Meter Readings (see Business Rule B)**

1. A Supply Meter Point shall be classified as a DM Supply Meter Point where:

a) the Supply Meter is Daily Read in accordance with M1.3.1 or paragraph 1.5.13 applies, and

b) either:

i) the Daily Read Requirement applies, or

ii) an election pursuant to paragraph 1.5.6(c) is in force in relation to such Supply Meter Point **(Network Code Reference G1.5.1 - Unchanged).**

2. The Daily Read Requirement applies in respect of:

i) each relevant Supply Meter Point comprised in any Supply Point whose Annual Quantity is greater than 58,600,000 kWh (2,000,000 therms);

ii) each relevant Supply Meter Point comprised in an Interruptible Supply Point; and

iii) each relevant Supply Meter Point which is an NTS Supply Point. **(Network Code Reference G1.5.2 - Unchanged).**

3. For the purposes of paragraph 1.5.2:

i) the "Daily Read Requirement" is the requirement that the Supply Meter at a Supply Meter Point shall be Daily Read;

ii) a relevant Supply Meter Point is a Supply Meter Point in respect of which the Annual Quantity is greater than 2,196,000 kWh (75,000 therms). **(Network Code Reference G1.5.3 - Unchanged)**.

4. If Transco determines and notifies the Registered User that it would not be practicable or economic for Supply Meters at a particular Supply Point to be Daily Read, unless upon application (made within 10 Business Days after such notification by the User) the Director shall give Condition 7(4) Disapproval to Transco not installing Daily Read Equipment, the Daily Read Requirement described in (3) shall not apply, and the Registered User may not make a request under paragraph 1.5.9, in respect of that Supply Point (and for the avoidance of doubt the relevant Supply Meter Points shall be NDM Supply Meter Points). **(Network Code Reference G1.5.4 – Unchanged)**.

5. Where:

i) a Supply Meter Point is a DM Supply Meter Point, and

ii) upon a change in the Annual Quantity of the Supply Meter Point or the Supply Point in which it is comprised, or the Supply Point's ceasing to be an Interruptible Supply Point, the Daily Read Requirement ceases to apply,

the Supply Meter Point shall not be required to be classified as a NDM Supply Meter Point, and in the absence of any Supply Point Confirmation or Reconfirmation, the Supply Meter Point shall continue to be a DM Supply Meter Point, but without prejudice to the entitlement of the Registered User to make a Supply Point Reconfirmation as an NDM Supply Point (to which paragraph 1.5.6 shall apply). **(Network Code Reference G1.5.5 - Unchanged)**.

6. Where a User is, or following a Supply Point Confirmation (including a Reconfirmation) a User becomes, the Registered User of a Supply Meter Point in relation to which the Supply Meter is Daily Read (including pursuant to a request under paragraph 1.5.9), but the Daily Read Requirement does not apply:

a) subject to paragraph (c), the Supply Meter Point shall be classified as an NDM Supply Meter Point;

b) except where Daily Read Equipment was installed pursuant to a request under paragraph 1.5.9, Transco may at any time (unless at such time the User has made an election under paragraph (c)) inform the User that it wishes to remove the Daily Read Equipment and having given the User reasonable notice, thereof, remove the Daily Read Equipment at its own expense;

c) where the Annual Quantity of exceeds 73,200 kWh (2,500 therms) the User may elect in accordance with paragraph 1.5.7 that the Supply Meter Point shall be classified as a DM Supply Meter Point. **(Network Code Reference G1.5.6 - Unchanged)**.

7. An election for the purposes of paragraph 1.5.6(c):

a) shall be made by Nominating the Supply Meter Point as a DM Supply Meter Point:

i) at the time of the Supply Point Confirmation or Reconfirmation referred to in paragraph 1.5.6; or

ii) in the case in paragraph 1.5.6(c) only, at any time thereafter, by way of Supply Point Reconfirmation;

b) shall lapse with effect from the Supply Point Registration Date, where the Registered User or any other User submits a Supply Point Confirmation (including a Reconfirmation) which becomes effective in respect of a Supply Point including the relevant Supply Meter Point (and may be revoked accordingly). **(Network Code Reference G1.5.7 - Unchanged)**.

8. Upon a change in the Annual Quantity of the Supply Meter Point such that the Annual Quantity becomes less than 73,200 kWh (2,500 therms) the Registered User shall be required to reclassify the Supply Meter Point as an NDM Supply Meter Point within 2 months of the change in Annual Quantity. **(Network Code Reference G1.5.8 - Unchanged).**

9. The Registered User may at any time request (subject to and pursuant to Siteworks Terms and Procedures as described in paragraph 7) that Daily Read Equipment be installed at any Supply Meter Point (other than one whose Annual Quantity does not exceed 73,200 kWh (2,500 therms)).
(Network Code Reference G1.5.9 - Unchanged).

10. Where a User submits a Supply Point Nomination in respect of a Proposed Supply Point, with a Supply Meter Point, in relation to which the Supply Meter is not Daily Read, as a DM Supply Meter Point, Transco shall reject such Supply Point Nomination, unless the New Supply Meter Point has been classified as a DM Supply Meter Point in accordance with paragraph 1.5.13. **(Network Code Reference G1.5.10 – Remove ‘the User has submitted such Supply Point Nomination in accordance with paragraph 7.3.5 and’).**

11. Subject to paragraph 1.5.4, where (by reason of an increase in the Annual Quantity of a Supply Point or a Supply Meter Point at the start of the Gas Year, or upon a Supply Point being designated as Interruptible) the Daily Read Requirement applies in respect of a Supply Meter Point pursuant to paragraph 1.5.2(i) or 1.5.2(ii), but is not satisfied:

a) Transco will arrange for the satisfaction of such requirement (by installation of Daily Read Equipment at the relevant Supply Meter), as soon as reasonably practicable, and will inform the Registered User when the Daily Read Requirement is satisfied. **(Network Code Reference G1.5.11(a) - Remove ‘subject to and in accordance with Section M2’ and ‘and the installation for the purposes of this paragraph 1.5.9 of Daily Read Equipment will not be Siteworks’).**

b) the relevant date for the purposes of paragraph 1.11.2 shall be the date on which the Supply Meter becomes Daily Read and the period referred to in that paragraph shall be 2 and not 3 months. **(Network Code Reference G1.5.11 - Unchanged other than as described above).**

12. Where a User submits (pursuant to the provisions of this paragraph 1.5) a Supply Point Nomination (including a Renomination) pursuant to which an NDM Supply Meter Point is to become a DM Supply Meter Point:

a) where in relation to any Supply Meter Point to be comprised in the DM Supply Point Component:

i) the Supply Meter was Daily Read during the period of 12 months preceding the date of submission of the Supply Point Nomination, and

ii) Transco and the User have not agreed that insufficient Valid Meter Readings (in accordance with Section M4) were obtained in the months of October to May in such period of 12 months,

the Nominated Supply Point Capacity shall be not less than the Preceding Year Maximum Quantity in accordance with paragraphs 5.2.3 and 5.2.4, but paragraph 5.2.3(b) shall be read as though references to a Supply Meter Point being DM were to the relevant Supply Meter being Daily Read;

b) where paragraph (i) does not apply, the Nominated Supply Point Capacity shall not be less than the User's estimate (made in good faith and after all appropriate enquiries of the consumer and on the basis of reasonable skill and care) of the maximum quantity of gas to be offtaken from the System at the DM Supply Point Component on any Day in the next 12 months, on the basis of reasonable assumptions as to weather conditions; and

c) the Supply Meter Point will become a DM Supply Point with effect from the Supply Point Registration Date. **(Network Code Reference G1.5.12 - Unchanged).**

13. Without prejudice to the other provisions of paragraph 1.5, a New Supply Meter Point which is included in a Supply Point shall be classified as a DM Supply Meter Point, even though the Supply Meter is not Daily Read, where there is a Daily Read Requirement in accordance with paragraph 1.5.2 in respect of the Supply Meter at the Supply Meter Point but for any reason (other than due to an act or omission of the Registered User) Daily Read Equipment is not installed at the Supply Meter, or if installed is not operational in accordance with Section M4.1.7. **(Network Code Reference G1.5.13 - Remove '(pursuant to paragraph 7.3.5)').**

*DM Read Unbundling Sub Group – Business Rules /Daily Read Metering
Final Version 1.0 Dated: 8 July 2002*

Business Rules (H) – Miscellaneous J4.5, G2.4 and G6.10

The following business rules provide a brief summary of the proposed Network Code provisions for Daily Read Metering in respect of miscellaneous references in the Network Code. Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: MINIMAL – MINOR CHANGE TO SECTION G6 TO REFLECT THAT USERS DO NOT PROVIDE DAILY READ EQUIPMENT FOR THE PURPOSES OF NETWORK CODE.

REASON: Ensure consistency with DRE provisions.

DEPENDENCIES: M4.1 Daily Read Equipment (see Business Rule a).

Section J4.5 Preheating offtake.

1. Where in accordance with the Network Exit Agreement preheating equipment is installed at a NExA Supply Meter Point:

b) Daily Read Equipment will be installed at the Supply Meter Point (which shall accordingly be a DM Supply Meter Point). **(Network Code Reference J4.5.1(b) - Unchanged).**

Section G2.4 Supply Point Offers.

2. A Supply Point Offer will specify in relation to the Proposed Supply Point.

e) where the Proposed Supply Point includes one or more DM Supply Meter Points.

iii) details of the Daily Read Equipment installed and the Supply Meter point Reference Number of each Supply Meter Point at which any such Daily Read Equipment is installed. **(Network Code Reference G2.4.1(e)(iii) - Unchanged).**

Section G6.10 Partial Interruption.

3. Transco may allow Partial Interruption at an Interruptible Supply Point provided that the following rules are satisfied:

v) Daily Read Equipment shall be installed at the Supply Point prior to the commencement of Partial Interruption status. **(Network Code Reference G6.10.2(v) – Revised to clarify that Transco installs DRE).**

Business Rules (J) – Supply Meter and Other Equipment M2.1

The following business rules provide a brief summary of the proposed Network Code provisions for Supply Meter and other equipment (relating to DM Meter Reading). Further to a review of the existing rules to facilitate competition in metering the impacts are as follows:

IMPACTS: NEW PROVISIONS REQUIRED TO REFLECT THAT WHERE THE DAILY READ REQUIREMENT APPLIES THE SUPPLY METER INSTALLATION IS SUITABLE FOR DAILY READ EQUIPMENT

REASON: Supply Meter Installations will no longer be the responsibility of Transco for the purposes of Network Code.

DEPENDENCIES: Supply Meter Installation M1.2

1. The Registered User shall secure that at each Supply Meter Point (other than a Supply Meter Point which has been isolated) the Supply Meter Installation is installed, operated and maintained in proper working order for registering the volume of gas offtaken from the system at the Supply Meter Point. The Supply Meter Installation must comply with the following requirements:

- Located at a point in accordance with the requirements in The Gas Safety (Installation and Use) Regulations 1998 (where applicable),

and
- Including such further equipment (including any corrector) as may be required in accordance with the further provisions of Section G of the Network Code (Supply Point Metering). (**Network Code Reference M2.1.1 - Revised to exclude reference to the provision by Transco (subject to M2.2). The reference to Daily Read Equipment has also been excluded in M2.1.1(ii). Updated to include current legislation in force at this time.**)

2. The Supply Meter Installation shall be of a type and standard of design and accuracy complying with and shall be installed in compliance with the following:

- IGE Meter Recommendations, the Gas (Meters) Regulations 1983 (where applicable)
- The Gas Safety (Installation and Use) Regulations 1998 (where applicable)
- Any other applicable Legal Requirements as in force at the date of the Supply Meter Installation
- and shall be stamped in accordance with Section 17 of the Act (where required) (**Network Code Reference M2.1.2 - Revised to include current legislation in force at this time.**)

3. The point at which the Supply Meter Installation is to be installed shall be a point as required in accordance with paragraph 5 of the Gas Code and Gas Safety (Installation and Use) Regulations 1998. (**Network Code Reference M2.1.3 - Updated to include current legislation in force at this time.**)

4. Without prejudice to the requirements in 1, the Supply Meter shall be the meter referred to in the Gas Code and may be provided and owned by a person and/or installed by a person other than the Registered User. (**Network Code Reference M2.1.4 - Unchanged.**)

5. Nothing in the provisions for Supply Point Metering prevents a User from securing that a Supply Meter Installation conforms to higher standards than are required as detailed in 2. (**Network Code Reference M2.1.5 - Unchanged**).

6. The Registered User will ensure that all Supply Meters installed at its request, or notified to it by a meter installer (pursuant to paragraph 12 of Schedule 2B of the Gas Code) on or after [DATE] will comply with the relevant Ofgem Codes of Practice for Supply Meter Installations (COP/1a, COP/1b, or COP/1c) and that the Supply Meter Installation has been appraised by Transco's Meter Appraisal Scheme which includes a warranty to Transco on the pressure management arrangement for the installation. (**Network Code Reference M2.1.6 - Revised to include a reference to the Meter Appraisal Process**).

7. Following the exchange of any Supply Meter or maintenance work on the Supply Meter Installation where such work requires notification pursuant to paragraph 12 of Schedule 2B of the Gas Code, any warranty given under an appraisal shall still be valid or if appropriate revised. (**Network Code Reference - New reference to include provisions for the Meter Appraisal Process**).

8. Supply Meter Installations installed at the start date of code and before [DATE] shall be deemed to comply with the requirements detailed in 2, 3, 6 and 7, providing that this shall not prejudice any requirement for the installation of a different Supply Meter Installation arising from a change in the nature of or use of the Consumer's Plant after the Supply Meter Installation was installed. (**Network Code Reference M2.1.7 - Revised to include a reference to the Appraisal requirements and an end date to define the period which Transco is deemed to comply with the requirements in 2 & 3**).

9. When a Supply Meter Installation is replaced or modified the Registered User shall provide to Transco such information concerning the replacement or modification pursuant to the Metering Information provisions contained in the Network Code. (**Network Code Reference M2.1.8 - Revised to exclude reference to 'other than by Transco' and a cross reference relating to the notification of information in respect of the Supply Meter Installation in accordance with the proposed Meter Information provisions**).

10. The Registered User will ensure that the Supply Meter Installation where the Daily Read Requirement applies is and remains suitable for installation, maintenance and continuing operation of Daily Read Equipment. This will require the Supply Meter to incorporate a port (Interface) capable of indicating a pulse representing a discrete amount of gas (usually 0.1, 1, 10, 100 or 1000 units) dependant on the make and size of meter, being:

a port on the Supply Meter providing such indication by cyclic changes in the electrical resistance across such port or otherwise (including but not limited to ports known as "R5"). (**Network Code Reference - New provisions**).

*Meter Asset/Work Unbundling and DM Read Unbundling Sub Group – Business Rules /Supply Meter and other Equipment.
Final Version 1.0 dated: 8 July 2002*

Business Rules (K) – Provision by Transco M2.2

The following business rules provide a brief summary of the proposed Network Code provisions for Provision by Transco (relating to DM Meter Reading). Further to a review of the existing rules to facilitate competition in metering the impacts are as follows:

IMPACTS: New provisions are required to reflect that a shipper will need to notify Transco where it undertakes works on the Supply Meter Installation which is subject to the Daily Read Requirement.

REASON: For the purposes of the Network Code, Transco will not be responsible for Supply Meter Installations and Meter Installation Works post unbundling.

DEPENDENCIES: Supply Meter Installation M1.2

Revise Section Title to 'Provision by User'

1. The following provisions apply where the Registered User has provided the Supply Meter Installation or any part of it. ***(Network Code Reference M2.2.1 - Revised to exclude reference to Transco providing the Supply Meter Installation).***

2. Where this section applies, except as Transco may otherwise agree in an Ancillary Agreement with the Registered User:

Transco will be responsible for securing (on behalf of the Registered User) the installation maintenance, repair, exchange and replacement of the Supply Meter Installation or relevant part of it provide by Transco within a reasonable time after being requested to do so and subject to payment of the appropriate charges as detailed in the Transportation Statement. ***(Network Code Reference M2.2.2(a) - Section to be removed as Transco will no longer be responsible for the Supply Meter Installation for the purposes of Network Code).***

The Customer Charge where payable by the Registered User will include a component in respect of the provision and maintenance of the Supply Meter Installation or relevant part of it provided by Transco. ***(Network Code Reference M2.2.2(b) - Section to be removed as Transco will no longer be responsible for the Supply Meter Installation for the purposes of Network Code).***

The Registered User shall secure that the following are made available at the Supply Point Premises

A suitable site (complying with the requirements in M2.1.3) which includes suitable support, protection and security for the Supply Meter Installation;

Supplies of power, water, drainage as appropriate for the Supply Meter Installation. ***(Network Code Reference M2.2.2(c) (i) & (ii)).***

Reasonable access at times between 08:00 and 17:00 hours in any Business Day to the Supply Point Premises as required to enable Transco to carry out all Meter Installation Works. ***(Network Code Reference M2.2.2(c) (iii) - Section to be removed as Transco will no longer undertake Meter Installation Works).***

The Registered User shall take all reasonable steps to secure that the Supply Meter Installation is not damaged or otherwise mistreated. ***(Network Code Reference M2.2.2(d) - Unchanged).***

The Registered User shall take all reasonable steps to secure that any notice affixed by Transco shall not be removed or defaced. ***(Network Code Reference M2.2.2(e) - Reference 'Ownership of the Supply Meter Installation shall remain with Transco (or any person to whom Transco may transfer ownership)' removed as Transco will no longer be responsible for the Supply Meter Installation for the purposes of Network Code).***

3. Nothing in Section 2 requires Transco to:

Replace any part of a Supply Meter Installation other than where this is for replacement for failure, damage and wear and tear.

To carry out Meter Installation Works other than for the purpose of maintaining or repairing or replacing the Supply Meter installation or part thereof.

Except in the case of routine maintenance to carry out Meter Installation Works until reasonable notice has been given to Transco for the works. ***(Network Code Reference M2.2.3 (i), (ii) and (iii) - Section to be removed as***

Transco will no longer be responsible for the Supply Meter Installation and Meter Installation Works for the purposes of Network Code).

4. Meter Installation Works carried out by Transco for the purposes of maintaining, repairing or replacing any part of the Supply Meter Installation to which this section applies will not be considered as Siteworks as defined in section G 'Supply Points' in the Network Code. ***(Network Code Reference M2.2.4 - Section to be removed as Transco will no longer be responsible for the Supply Meter Installation and Meter Installation Works for the purposes of Network Code).***

5. Any Meter Installation Works which a person may request Transco to carry out other than as defined within section 1 including:

- The provision of a Supply Meter Installation at a Supply Meter Point where Transco was not previously providing this or at a New Supply Meter Point.
- The provision of a New Supply Meter Point where by reason of a change in the nature of the customers requirements for supplying gas the existing Supply meter Installation no longer complies with M2.1.2 & M2.1.3 (See Supply Meter and other equipment – Business rule 12)

Will be Siteworks subject to the conditions in Section G – Supply Points. ***(Network Code Reference M2.2.5 (i) & (ii) - Section to be removed as Transco will no longer undertake Meter Installation Works for the purposes of Network Code).***

6. Nothing in the Section M – Supply Point Metering, prevents Transco from providing at the request of a consumer or supplier a Supply Meter Installation which conforms to higher standards as required in accordance with M2.1.2 provided that the amount of the Customer Charge payable by the Registered User will not be increased. ***(Network Code Reference M2.2.6 - Section to be removed as Transco will no longer be responsible for the Supply Meter Installation for the purposes of Network Code).***

7. Where as a result of any failure or defect in the Supply Meter Installation gas cannot be offtaken from the System at the relevant Supply Meter Point (except where Section J4.4.5(b) applies (NeXa obligations)). Transco will not be in breach of its obligations to make gas available for offtake from the System until such time as the User has informed Transco that the fault has been rectified. ***(Network Code Reference M2.2.7 – Revised to exclude Transco from providing Supply Meter Installations).***

8. Where it, the consumer or any other party intends to undertake works on the Supply Meter Installation e.g. Meter exchanges or corrector maintenance, which will, or is likely to impact on the ability of Transco to procure accurate and timely Valid Daily Meter Readings the Registered User will use reasonable endeavours, to notify Transco at least two business days prior to works:

1. Of the date when disconnection of Transco's DRE will occur.
2. If different from (1), of the date when reconnection of Transco's DRE is required.

Transco will within two business days of the date stated in (2) use reasonable endeavours to reconnect and resynchronise its DRE. ***(Network Code Reference – New provisions).***

*Meter Asset/Work and DM Read Unbundling Sub Group – Business Rules /Provision by Transco.
Final Version 1.0 dated: 8 July 2002*

Business Rules (L) – Access to Daily Read Equipment M 4.6

The following business rules provide a brief summary of the proposed Network Code provisions for access to Daily Read Equipment (DRE). Further to a review of these rules to facilitate competition in metering the impacts are as follows:

IMPACTS: Revised to take account of the disaggregation of DRE from the Supply Meter Installation (SMI) and to remove the User from being responsible for requesting access to Transco's DRE on behalf of end consumers .

REASON: To remove the requirement for Users to be responsible for passing on to Transco requests from parties wishing to request access to Transco's DRE. All relevant provisions regarding access to DRE will be contained within the relevant Automatic Meter Reading (AMR) contract.

DEPENDENCIES: M4.1 Daily Read Equipment (See Business Rule A).

1. Where Daily Read Equipment is furnished and installed by Transco it will, upon request by the Registered User and provided it is operationally feasible to do so:

(i) Permit an arrangement whereby either the User or the consumer (but not both) shall have access to the Daily Read Equipment for the purposes of obtaining directly readings from the Supply Meter Installation.

(ii) make available to the User, readings received from the Daily Read Equipment in respect of each hour of a Day, and provide such readings to the User at four hourly intervals. **(Network Code Reference M4.6.1(i) – Removed).**

2. In any case where an arrangement is permitted as described above;

(i) the Registered User shall bear or secure that the consumer bears all costs incurred in connection with such arrangement, and shall secure that such arrangement will not interfere with the Supply Meter Installation and /or Daily Read Equipment or its operation, or with the obtaining of Meter Readings.

(ii) such an arrangement shall not be taken as implying any contractual relationship between Transco and the consumer. **(Network Code Reference M4.6.2(i) and (ii) – Removed.**

3. Such data obtained by the Registered User or consumer shall have no significance for the purposes of the Code. **(Network Code Reference M4.6.3 - Retained).**

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Final Version 1.0 Dated: 8 July2002*