

28/06/2004

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0673**

"Supply Metering Unbundling - Meter Information requirements in accordance with the Review
of Gas Metering Arrangements (RGMA)"

Please note that Modification Proposal No 0673 was implemented with effect from 06:00 hours
on 12/07/2004. The Final Modification Report, Version 1.0, was signed by Ofgem on
24/06/2004.

The new Network Code text resulting from this Modification follows.

Modified Text:

Section E

8.1.1 In relation to Larger Supply Points with effect from the Reconciliation by Difference Date:-

(a) subject to paragraph (c) below, Transco shall investigate Reconciliation Values that have been
Suppressed following Individual NDM Reconciliation and DM Reconciliation where such Individual NDM
and DM Reconciliation was undertaken pursuant to a Meter Reading obtained by Transco pursuant to
Section M3.6 and M4.2 ("**Suppressed Reconciliation Values**"); ~~and~~

(b) subject to paragraph (c) below, the User shall investigate Reconciliation Values that have been
Suppressed following Individual NDM Reconciliation and DM Reconciliation where such Individual NDM
Reconciliation and DM Reconciliation was undertaken other than pursuant to a Meter Reading obtained
by Transco pursuant to Section M3.6 and M4.2 ("**User Suppressed Reconciliation Values**")-; and

(c) where Meter Information has or was due to have been provided by Users to Transco in accordance
with Section M3.2 and Transco informs the User that such Meter Information is incomplete, out of date or
otherwise incorrect, the User shall investigate any Reconciliation Values that have been Suppressed
following Individual NDM Reconciliation and DM Reconciliation and such Reconciliation Values shall be
User Suppressed Reconciliation Values.

8.1.2 Those Reconciliation Values in respect of which this paragraph 8 will apply (Reconciliation Values
that have been "Suppressed", being Suppressed Reconciliation Values and User Suppressed
Reconciliation Values) shall be identified in the "Network Code Reconciliation Suppression Guidelines",
the document so entitled prepared and revised from time to time by Transco (in consultation with Users).

8.1.3 For the purposes of this paragraph 8:

(a) "Investigate" means an investigation:-

(i) by Transco of the accuracy of a Suppressed Reconciliation Value; or

(ii) by the User of the accuracy of a User Suppressed Reconciliation Value

(b) "relevant Reconciliation Billing Period" is the Reconciliation Billing Period in respect of which a Reconciliation Invoice would have contained an Invoice Item derived from a Suppressed Reconciliation Value had not paragraph 8.1.4 applied;

(c) for each LDZ for each Reconciliation Billing Period the "User LDZ Suppressed Reconciliation Proportion" shall be the User's User Aggregate Reconciliation Proportion for Monthly Individual Reconciliation calculated in accordance with paragraph 7.2.2

8.1.4 Where as a result of carrying out Individual NDM Reconciliation or DM Reconciliation a Reconciliation Value is Suppressed, neither the Suppressed Reconciliation Value nor the User Suppressed Reconciliation Value will be used for the purposes of calculating the relevant Invoice Items in a Reconciliation for the relevant Reconciliation Billing Period (Reconciliation Billing Period 'p').

Section S

4.6 Not Used

4.7 GRE Invoice Query Incentive Scheme Methodology

4.7.1 For the purposes of this section:

(a) the "**GRE Invoice Query Incentive Scheme Methodology**" is a document prepared by Transco and agreed with the Authority dated February 2003 setting out the methodology for the calculation of Incentive Payments;

(b) "**GRE Invoice Query**" shall mean an Invoice Query raised by a User for the overpayment of Reconciliation Clearing Charges as determined in accordance with the GRE Invoice Query Incentive Scheme Methodology;

(c) a "**Valid GRE Invoice Query**" is a GRE Invoice Query which results in a financial adjustment for the overpayment of Reconciliation Clearing Charges;

(d) a "**month**" for the purposes of this paragraph is the period from the 6th day in one month until and including the 5th day in the following month;

(e) the "**Query Receipt Month**" shall mean the month in which the GRE Invoice Query is received by Transco;

(f) the "**Service Standard Adjustment Month**" shall mean the target month for the processing of financial adjustments in respect of a Valid GRE Invoice Query and this will be the third month following the Query Receipt Month;

(g) the "**Relevant Month**" shall mean the month in which the financial adjustment for the overpayment of the Reconciliation Charge is paid by Transco to the User in accordance with the service standard as defined within the GRE Invoice Query Incentive Scheme Methodology;

(h) the "**Incentive Payment**" shall mean the amount payable by Transco to the User and such amounts will be determined in accordance with the GRE Invoice Query Incentive Table contained within the GRE Invoice Query Incentive Scheme Methodology;

4.7.2 For the purposes of Section V13, the rules in this paragraph are Compensation Rules within Compensation Group F; and in relation thereto the payment month is the second month following the Relevant Month.

4.7.3 Any amount payable by Transco pursuant to this GRE Invoice Query Incentive Scheme Methodology will be invoiced and payable in accordance with Section S.

Meter Information – Connection & Disconnection Notifications

Remove existing Network Code text in Section M3.2 and replace with the following text.

3 METER READING: NON-DAILY READ SUPPLY METERS

3.2 Meter Information

3.2.1 For the purposes of facilitating compliance with Code, the Shipper Licence and the Transco Licence, the Registered User and Transco shall in accordance with paragraph 3.2 each provide timely and accurate Meter Information to the other in accordance with the requirements in the UK Link Manual.

3.2.2 The Registered User will provide to Transco, Meter Information which is:

- (a) C&D Information by means of a Meter Information Notification;
- (b) not C&D Information by means of a Meter Information Update Notification.

3.2.3 Within 6 Business Days from the Day on which the Registered User receives Meter Information in respect of the installation, removal, exchange or repositioning of a Supply Meter Installation the Registered User shall provide Transco with such information by means of a Meter Information Notification and /or Meter Information Update Notification as appropriate.

3.2.4 Where C&D Information is received by Transco:

- (a) by means of a Meter Information Notification from the Registered User (being the Registered User on the date specified in the Metering Information Notification as the date on which such Meter Work was completed) then Transco will record such information and update the Supply Point Register accordingly;
- (b) by means of a Meter Information Notification, from the Proposing User (in respect of a Supply Meter Point comprised in a Proposed Supply Point, in respect of which the Supply Point Confirmation has become effective) Transco will record such C&D Information and update the Supply Point Register accordingly;
- (c) by means of a C&D Notification, from any User, other than a Registered User or Proposing User, Transco will only record such C&D Information;
- (d) by means of a C&D Notification, from a Meter Worker Transco will only record such C&D Information.

3.2.5 Transco will update the Supply Point Register where it receives a Meter Information Update Notification only from a Registered User and no other.

As soon as reasonably practicable after a Meter Information Update Notification is submitted, Transco will revise the Meter Information in accordance with such notification, unless Transco is not satisfied that the details contained in the notification are valid, in which case it will so notify the Registered User and Transco and the Registered User shall co-operate with a view to establishing the correct details, and once such details are established Transco will make any required revision of the Meter Information.

A Meter Information Update Notification shall be "**outstanding**" for the purpose of the Code until the Meter Information has been revised pursuant to this paragraph 3.2.5.

A Meter Information Notification shall be outstanding for the purposes of paragraphs 3.2.6, 3.2.7, 3.2.8 and 3.2.10 until the Meter Information has been revised pursuant to this paragraph 3.2.5.

3.2.6 Where in respect of a Supply Meter Point, C&D Information is received by Transco from a Meter Worker or User in accordance with paragraph 3.2.4 (c) or (d), Transco will provide a copy of such C&D Information to the Registered User within 2 Business Days from the Day on which the identity of the such Registered User is known to Transco, and the Registered User will:

- (a) submit such C&D Information to the relevant supplier;
- (b) review the suppliers response and within 30 Days from the date that such C&D Information was received by the Registered User, by means of a Meter Information Notification, use its best endeavours to provide Transco with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;
- (c) notify Transco as soon as reasonably practicable where the Registered User is unable to comply with (b), together with the reasons for such non-compliance.

3.2.7 Where in respect of a Supply Meter Point comprised in a Proposed Supply Point, (whether a New Supply Point or a Current Supply Point) C&D Information is received by Transco from a Meter Worker or User in accordance with paragraph 3.2.4 (c) or (d), before the Supply Point Registration Date (and therefore the identity of the Registered User is not known to Transco at that time) then within 2 Business Days following the Day on which of such C&D Information was received and after Supply Point Confirmation becomes effective, Transco will provide a copy of such C&D Information (together with any additional relevant data in the possession of Transco at such time) to the Proposing User and the Proposing User will:

- (a) submit such C&D Information to the relevant supplier;
- (b) review the supplier's response and within 30 Days from the date that such C&D Information was received by the Proposing User, by means of a Meter Information Notification, use its best endeavours to provide Transco with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;
- (c) notify Transco as soon as reasonably practicable where the Proposing User is unable to comply with (b), together with the reasons for such non-compliance.

3.2.8 Where in respect of a Supply Meter Point comprised in a Proposed Supply Point which is a Current Supply Point, C&D Information is received from a Meter Worker or User in accordance with paragraph 3.2.4 (c) or (d), and at the date of receipt by Transco of such C&D Information there is a Proposing User and a Registered User, then on the Day on which the Supply Point Confirmation becomes effective Transco will submit a copy of such C&D Information to such Proposing User and Registered User and the Proposing User will:

- (a) submit such C&D Information to the relevant supplier;
- (b) review the relevant supplier's response and within 30 Days from the date that such C&D Information was received by Proposing User, by means of a Meter Information Notification, use its best endeavours to provide Transco with the corrected C&D Information (if it is not correct) or confirmation that such C&D Notification is correct;
- (c) notify Transco as soon as reasonably practicable where the Proposing User is unable to comply with (b), together with the reasons for such non-compliance.

3.2.9 In respect of a Supply Meter Point comprised in a Proposed Supply Point in respect of which the Supply Point Confirmation has become effective, Transco will provide to the Proposing User the Meter Information (as held on the Supply Point Register) on the 7th Business Day before the Proposed Supply Point Registration Date.

3.2.10 Where Transco receives C&D Information from any User which subsequently becomes a Registered User then Transco will not resubmit such C&D Information to such User.

3.2.11 In order to ensure that Meter Information is as accurate as practicable, where at any time a Registered User becomes aware that there are material changes to the Meter Information it will:

(a) validate this and use its best endeavours to submit a Meter Information Update Notification to Transco within 30 Business Days from the Day it first becomes aware of such change; or

(b) as soon as reasonably practicable notify Transco where the Registered User is unable to so comply together with the reasons for such non-compliance; and

(c) in accordance with Section G1.9.8(b) use reasonable endeavours to secure that it becomes aware of any respect in which Meter Information provided to it is or becomes incorrect or out of date, including giving appropriate instructions to the Meter Reader for the time being.

3.2.12 Transco will update the Supply Point Register in accordance with paragraph 3.2.16 where Transco has received a Meter Information Notification:

(a) in respect of a Current Supply Point (in accordance with paragraph 3.2.7 or 3.2.8) from the User that is the Proposing User on or after the Supply Point Confirmation becoming effective;

(b) in respect of a New Supply Point, (in accordance with paragraph 3.2.8) from the User that is the Proposing User on or after the Supply Point Confirmation.

3.2.13 Where a Meter Information Update Notification is received from the Registered User and the Meter Information contained therein has resulted or may result in the amount of Transportation Charges paid or payable by the Registered User being inaccurate and a Meter Reading in respect of the Supply Meter at such Supply Meter Point:

(a) is not received from the Registered User at the time of receipt of such Meter Information Update Notification then Transco will determine a notional Meter Reading in respect of such Supply Meter to be effective upon either:

(i) the date provided within the Meter Information Update Notification); or

(ii) (if such date has not been so provided) the date on which the Meter Information Update Notification was processed by Transco;

and where no Opening Meter Reading is provided in accordance with M3.8.2(ii) or 3.8.5(a) and the notional Meter Reading applies in respect of a Non-Daily Read Meter, such notional Meter Reading will be utilised by Transco as the Opening Meter Reading and this will be effective at the Supply Point Registration Date and paragraph 3.8.6 and 3.8.7 will not apply.

(b) is received from the Registered User at the time of receipt of such Meter Information Update Notification but no Opening Meter Reading is provided in accordance with M3.8.2(b) or 3.8.5(a) then the Meter Reading provided within the Meter Information Update Notification where it applies in respect of a Non-

Daily Read Meter, will be utilised by Transco as the Opening Meter Reading and this will be effective at the Supply Point Registration Date and paragraph 3.8.6 and 3.6.7 will not apply.

3.2.14 Prior to the submission of any Meter Information to Transco, the Proposing User and/or Registered User will consider any known data inconsistencies with the relevant supplier (or any person acting on its behalf) and where appropriate ensure that the Meter Information which is submitted has been corrected.

3.2.15 Where at any time in respect of any Supply Meter Point Transco becomes aware that the Meter Information held in the Supply Point Register is incorrect, (other than where Transco has received this information from the Registered User) within 6 Business Days of the Day upon which it becomes aware of this, Transco will so notify the Registered User and provide all relevant details and the Registered User will as soon as reasonably practicable review such details, and where necessary update the Meter Information and submit to Transco a Meter Information Notification or a Meter Information Update Notification containing such update in respect of such Supply Meter Point.

3.2.16 Upon receipt of a change to Meter Information from the Registered User, or the Proposing User in accordance with paragraph 3.2.12, Transco will within 2 Business Days of such receipt revise the details held in the Supply Point Register as specified in the Meter Information Notification. Transco will ensure the Supply Point Register reflects the Meter Information as supplied by the Registered User or Proposing User.

3.2.17 Where Transco receives from the Registered User a revised Meter Information Update Notification in respect of a Supply Meter Point that has resulted or may result in the amount of Transportation Charges paid or payable by the Registered User or the Previous Registered User (if any) being inaccurate then by the end of the month following the month in which it receives such Meter Information Update Notification Transco will so notify such Registered User and provide to each Previous Registered User (if any) for such Supply Meter Point the revised Meter Information.

3.2.18 Without prejudice to the Meter Information Notification obligations in paragraph 3.2.2, the Registered User will submit as a Meter Information Notification or as a Meter Information Update Notification, additional data items relating to the Supply Meter Installation, that are required by Transco to operate in accordance with its Code or other obligations. Such data items may include but are not limited to:

- Meter serial number, dials and digits
- Metric/Imperial indicator
- converter number of dials (unconverted/converted)
- meter/converter round the clock count
- meter pulse value
- the identity of the Gas Act Owner
- the identity of the Meter Asset Manager
- Conversion Factors
- physical works on Converters where not performed in association with physical works on the Meter.

3.2.19 Where Transco believes that a User is not undertaking its Code obligations for the calculation of consumption in conjunction with the validation of meter readings, then where Transco and such User are unable to resolve such matter Transco may notify the User with reasons for such belief and require the User to provide to Transco evidence of its compliance with such obligations by means of either (a) sufficient data to enable Transco to examine whether the User has so complied or (b) an audit report produced by an external independent Auditor. Where the User has not produced such data or report, or where following examination by Transco of such data, Transco believes it has evidence that the User has not complied with such Code obligations, or the report finds that the User has not so complied then Transco will be entitled to submit a report to the Competent Authority detailing its findings. The cost and

expense of such report shall be borne by the User unless the report finds that the User has complied with such Code obligations in which case the cost and expense shall be borne by Transco.

3.2.20 For the purposes of the Code:

- (a) **“C&D Information”**: is information obtained in respect of Meter Work;
- (b) **“C&D Notification”**: is a notification (which is not a Meter Information Notification) containing C&D Information;
- (c) **“Meter Information”**: is the information in relation to a Supply Meter Installation, comprising the details set out in the UK Link Manual, including but not limited to:
 - (i) the location of the Supply Meter Installation at the Supply Point Premises;
 - (ii) number of dials and serial numbers of the Supply Meter and any convertor;
 - (iii) meter access details;
 - (iv) C&D Information.
- (d) **“Meter Information Notification”**: is a notification in accordance with the UK Link Manual containing Meter Information that is C&D Information;
- (e) **“Meter Information Update Notification”**: is a notification in accordance with the UK Link Manual containing Meter Information that is not C&D Information;
- (f) **“Meter Work”**: is work performed in respect of which a notice has been served under Schedule 2B of the Gas Act in accordance with the Gas Meters (Information on Connection and Disconnection) Regulations 1996;
- (g) **“Meter Worker”**: is a person that has performed Meter Work;
- (h) **“Previous Registered User”**: is any Registered User (other than the existing Registered User) who was the Registered User at the Supply Meter Point at any time within a period of 18 months preceding the date upon which Transco records such Meter Information Update Notification or, if earlier, the date upon which Transco revised Meter Information which was capable of affecting the amount of the Transportation Charge at such Supply Meter Point.

~~3.2.1 For the purposes of the Code, “Meter Information” is the information maintained by Transco in the Supply Point Register in relation to a Supply Meter Installation, comprising the details (insofar as Transco has been informed of or otherwise holds such details) set out in the UK Link Manual, including:~~

- ~~(i) the location of the Supply Meter Installation at the Supply Point Premises;~~
- ~~(ii) number of dials and serial numbers of the Supply Meter and any convertor;~~
- ~~(iii) meter access details, being details intended to facilitate the obtaining by Meter Readers of access to the Supply Meter~~

~~3.2.2 In respect of a Supply Meter Point comprised in a Proposed Supply Point in respect of which the Supply Point Confirmation becomes effective, Transco will provide to the Proposing User the Meter Information on or as soon as reasonably practicable after the 7th Business Day, but not later than the 4th Business Day, before the Proposed Supply Point Registration Date.~~

~~3.2.3 After providing Meter Information to a User pursuant to paragraph 3.2.2, Transco will not be required to resubmit such information to the User; and accordingly.~~

~~3.2.4 A User may inform Transco of any respect in which the User considers that the Meter Information is incorrect by submitting a notification (“**Meter Information Notification**”) in accordance with the UK Link Manual specifying what the User believes to be the correct details.~~

~~3.2.5 In order to ensure that Meter Information is as accurate as practicable, the Registered User shall:~~

~~(i) in accordance with Section G1.9.8 (ii), use reasonable endeavours to secure that it becomes aware, insofar as it might reasonably be expected to become aware, of any respect in which Meter Information provided to it by Transco is or becomes incorrect or out of date, including giving appropriate instructions to the Meter Reader for the time being;~~

~~(ii) submit to Transco a Meter Information Notification as soon as reasonably practicable if, at the time at which Transco provides the Meter Information or at any later time at which the User remains the Registered User, the User becomes aware that the Meter Information is or has become incorrect or out of date.~~

~~3.2.6 As soon as reasonably practicable after a Meter Information Notification is submitted, Transco will revise the Meter Information in accordance with such notification, unless Transco is not satisfied that the details contained in the notification are correct, in which case it will so notify the User and Transco and the User shall co-operate with a view to establishing the correct details, and once such details are established Transco will make any required revision of the Meter Information; and a Meter Information Notification shall be “**outstanding**” for the purpose of the Code until the Meter Information has been revised pursuant thereto or it has been established that the details in such notification were incorrect.~~

~~3.2.7 Without prejudice to paragraph 2.7, if Transco becomes aware that any Meter Information is incorrect, Transco will as soon as reasonably practicable so inform the Registered User and revise the Meter Information accordingly.~~

Yours sincerely,

Julian Majdanski
Modification Panel Secretary