

Workstream Report
Amendment to the window for acceptance of Meter Reads by the Transporter
Modification Reference Number 0124
Version 0.1

This Workstream Report is presented for the UNC Modification Panel's consideration. The consensus of attendees at the Distribution Workstream is that the Proposal should now proceed to the Consultation Phase.

1. The Modification Proposal

Paragraph 3.3 of Section M of the Uniform Network Code provides for the manner and timing of the submission of Meter Readings to the Transporter in order that they can be validly utilised for reconciliation and other purposes.

Following the introduction of revised arrangements for metering and meter reading, a number of parties and agencies are now involved in this process. Combined with the requirements that Suppliers will carry out to properly validate meter readings, this can mean that many readings are not available for submission within the 10 Business day window.

It is therefore proposed that the paragraph M3.3.4(b) is amended to require Users to submit 100% of Meter Reads by the 20th Business Day after the Meter Read date. This will allow a much higher proportion of valid meter reads to be accepted by Transporters and this in turn will improve the accuracy of the allocation of energy through the reconciliation process. It would also provide for a greater number of meter reads to be accepted for purposes of setting Annual Quantities (AQ) which itself will improve the accuracy of deeming volumes of energy at supply points. In order to retain a balanced flow of meter reads submitted, it is also proposed to extend the timescale within which 50% of reads are to be submitted to 10 Business Days (paragraph M3.3.4(a)).

Consequences of non-Implementation

Valid meter readings would be rejected by Transporters and this will mean that reconciliation of Large Supply Points (LSPs) will not be carried out. The rejection of these reads will also mean that they are not applied to the process by which AQs are set for all NDM supply points.

2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives

The Proposer believes that this modification proposal would further the relevant objectives as defined in SSC A11 of the Gas Transporters Licence as follows:-

By ensuring the correct allocation of energy and transportation charges by acceptance of more valid Meter Readings: –

- (a) the efficient and economic operation of the pipe-line system to which this licence relates;

- (b) so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters;
- (d) so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:
 - (i) between relevant shippers
 - (ii) between relevant suppliers

3. The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

The implementation of this proposal should not have any effect on security of supply, operation of the Total System, or industry fragmentation.

4. The implications for Transporters and each Transporter of implementing the Modification Proposal, including

a) implications for operation of the System:

No implications for operation of the system have been identified.

b) development and capital cost and operating cost implications:

No development and capital cost and operating cost implications have been identified.

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

No cost recovery mechanism is proposed.

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

No such consequences on price regulation have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

No such consequences have been identified.

6. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

No systems implications have been identified. The Proposer believes that this Modification Proposal would have minimal impact upon systems and processes.

It would require only the extension of the window of acceptance of valid meter reads.

7. The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

No such implications have been identified.

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

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of each Transporter and each User and Non 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

- allows a much higher proportion of valid meter reads to be accepted by Transporters
- improves the accuracy of the allocation of energy through the reconciliation process.
- greater number of meter reads will be accepted for purposes of setting Annual Quantities (AQ).
- improves the accuracy of deeming volumes of energy at supply points.

Disadvantages

- none identified

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

No written representations have been received in respect of this Workstream Report.

The Proposer's initial view on the drafting required is simply the amendment of the number in paragraph 3.3. The suggested revised text, to be verified by Transporters is as follows:

- 3.3.4 The requirement referred to in paragraph 3.3.3 is that, of the Valid Meter Readings obtained by a User pursuant to paragraphs 3.4 and 3.5 in respect of Relevant Non-daily Read Supply Meters on any particular Day:

- (a) not less than 50% are provided (in accordance with paragraph 3.3.1) by the 10th Business Day after the Meter Read Date;
- (b) not less than 100% are provided (in accordance with paragraph 3.3.1) by the 20th Business Day after the Meter Read Date.

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

Implementation is not required to enable each Transporter to facilitate compliance with safety or other legislation.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence

Implementation is not required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence.

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

The Proposer believes that this Modification Proposal would have minimal impact upon systems and processes. Therefore no programme of works would be required as a consequence of implementing the Modification Proposal.

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

As the Proposer believes this Modification would have minimal impact upon systems and processes the Proposal could be implemented from the beginning of the month following direction from Ofgem.

16. Implications of implementing this Modification Proposal upon existing Code Standards of Service

No implications of implementing this Modification Proposal upon existing Code Standards of Service have been identified.

17. Workstream recommendation regarding implementation of this Modification Proposal

The Distribution Workstream recommends that the Panel should agree to send this Proposal to consultation.