

John Bradley
UNC Panel Secretary
31 Homer Road
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West Midlands
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03 April 2009

Dear John

EDF Energy Response to UNC Modification Proposal 242: “Changes to the window for the submission of Valid Meter Readings”.

EDF Energy welcomes the opportunity to respond to UNC Modification Proposal 242. We support implementation of 242.

EDF Energy believes that implementation of this proposal will provide Shippers with a longer period to validate their meter reads. This will ensure that more accurate meter reads are submitted resulting in a more accurate AQ and so a more accurate allocation of costs between Shippers. This should reduce the RbD risk and be beneficial to competition through the more accurate targeting of costs. In particular we would note that:

- Validating a meter reading can entail site visits or contacting the customer directly. For domestic customers this can be particularly difficult to arrange and can take a significant amount of time. Increasing the window for the validation of meter readings will allow Shippers to conduct full validations on the more “complex” meter readings and submit these. At the same time we would note that the most complex issues can take a significant time to resolve and so would time out. We would also note that the numbers of meter readings requiring validation are increasing in the current economic climate.
- The work presented by xoserve to the Rolling AQ Development workgroup has shown that in total xoserve had to manually intervene in 19,000 LSP MPRNs and 34,000 SSP MPRN AQ calculations. From the examples presented at the November workgroup it appears that the majority of these were caused by inaccurate meter reads. By allowing more time to Shippers to validate meter reads it would appear that this proposal will provide a benefit to the Transporters by requiring less manual intervention in the AQ calculations.
- When estimating a customers’ bill if there is insufficient read history, then the AQ is used to estimate the bill. If more accurate meter readings result in more accurate AQs then in turn this should result in more accurate estimated bills. This will therefore also be beneficial to consumers.
- Improved AQs and SOQs should also result in more accurate allocation of energy. This should result in a reduction in the movement of energy between sectors and so decrease the risk of RbD that SSP Shippers are exposed to. This should be beneficial to competition and so facilitate A11.1 (d).

- We would also note that by allowing more accurate meter reads to be submitted the risks of creating a USRV are reduced. This should therefore provide a benefit to LSP Shippers as they will be able to avoid USRV investigation costs and also benefit SSP Shippers who will be exposed to the risk of unreconciled energy being caught in a USRV.

I hope you find these comments useful, however please contact my colleague Stefan Leedham (Stefan.leedham@edfenergy.com, 020 3126 2312) should you wish to discuss these in further detail.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Seb Eyre".

Dr. Sebastian Eyre
Energy Regulation, Energy Branch