TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0676

"NDM Demand Estimation Sampling - Access to the Supply Meter Installation"
Version 1.0

Date: 09/12/2003

Proposed Implementation Date: 12/07/2004

Urgency: Non-Urgent

Justification

Section H of the Network Code sets out Transco's obligations with respect to Non-Daily Metered (NDM) Demand Estimation.

The daily balancing regime requires a means of allocating aggregate NDM demand (measured by difference between LDZ demand and aggregate DM demand) on a daily basis to NDM Supply Points. This is achieved by NDM profiles produced for different types of end users (known as End User Categories). These profiles are produced annually by Transco each spring as proposals for the next gas year.

Without these profiles and the processes that lead to their annual production there can be no daily balancing process as currently envisaged under the Code. Thus, the task of NDM demand estimation as set out in Section H of the Network Code is essential if effective daily balancing is to continue. NDM profiles are generated from demand models which themselves are derived from daily consumption data for a sample of NDM Supply Points of different characteristics encompassing the whole range of applicable End User Categories

The sample at present is made up of two distinct types of devices, dataloggers and data recorders.

With the advent of the regime as envisaged by the Review of Gas Metering Arrangements (RGMA) and the fact that Supply Meters may be owned by many different parties, while it would normally liaise directly with the end consumer, Transco requires the support and co-operation of the Registered User for the purposes of ensuring that it is able to sustain the NDM sample. Typically this would be to facilitate access and help ensure that third parties do not do anything wilfully detrimental to the Transco's task of data acquisition.

The Meter Asset/Work unbundling sub-group of the Supply Point & Billing Workstream has identified that Modification of the Network Code is required to reflect the above requirements.

Nature of Proposal

Modification of the Network Code is required to establish that the Registered User will co-operate with Transco in ensuring that the sample of NDM Supply Meter Points is "fit for purpose".

Purpose of Proposal

Transco has no "rights" under the Gas Act to access and install a data recorder or NDM datalogger irrespective of the meter asset owner. There is therefore a risk that:

- Transco may not be permitted continued access to its equipment thus installed for data collection and/or maintenance purposes.
- Transco may not be permitted access to meter installations to install new data acquisition equipment for NDM Demand Estimation sampling as may be required to ensure that the NDM sample continues to be "fit for purpose".

It is therefore important that matters associated with the above be adequately addressed such that Transco is able to fulfill its Network Code demand estimation obligations.

Consequence of not making this change

At present the Network Code (H1.6.3(ii)) commits Transco not to select as a sample site any premises in respect of which the end consumer objects to participation in the sample. Additionally it is Transco's understanding that the terms of the Gas Act are such that the end consumer alone (not the shipper nor Transco) has the right of absolute veto in respect of participation or non-participation in the sample.

(H1.6.3(ii)) also currently commits the relevant shipper to assist Transco in obtaining the consent of the end consumer.

Without the above and such provisions which assists Transco to access the site to install and maintain and gather data from equipment for NDM Demand Estimation data acquisition purposes, in the light of the absolute right of refusal of the end consumer, it would not be possible to continue to operate the existing NDM sample and continue to provide the necessary continuity of NDM profile generation each year.

Area of Network Code Concerned

Principal Document Section H1.6.

Proposer's Representative

Christopher J Warner (Transco)

Proposer

Chris Train (Transco)

Signature

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