

John Bradley Modification Panel Secretary Joint Office of Gas Transporters 31 Homer Road Solihull B91 3LT

12th January 2010

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Re: UNC Modification Proposal 0268 "Change to the Provisions Determining the Earliest Reading Date Applicable within the AQ Review"

Dear John

Thank you for the opportunity to comment upon this Modification Proposal. Wales & West Utilities Ltd (WWU) are fully **supportive** of the implementation of this Modification Proposal.

Following on from the 2010 Seasonal Normal Review, xoserve, on behalf of the Transporters, will derive revised Weather Adjusted Annual Load Profiles (WAALPs) that are subsequently used in the calculation of Annual Quantities (AQs) for Non-Daily Metered (NDM) meter points.

The process for deriving WAALPs is extremely time consuming and problematic and as a result it will not be practical to develop WAALPs for periods prior to 1 October 2006. This Modification Proposal has been raised to amend the current AQ backstop date of 1 October 2002 to be a 'rolling' date. The rolling date will be defined as 1 October in the Gas Year that is 4 years prior to the Gas Year that commences in the year the Seasonal Normal Review takes place.

By creating a rolling AQ backstop date it will restrict AQ calculations from being based on meter reading readings taken prior to it. This could reduce the number of successful AQ calculations each year; however, xoserve analysis has already confirmed that this would only affect a small number of meter points. With improvements in metering technology, and as more and more sites are fitted with Remote Meter Reading Equipment, we would expect even fewer sites to be impacted by this and therefore do no see this as a significant disadvantage.

We agree with the Proposer in that we would expect the implementation of this Modification Proposal to better facilitate Standard Special Condition A111(d)(i) by ensuring AQs are only calculated using meter readings that relate to the updated WAALPs. Having more accurate AQs will facilitate the allocation of energy and in turn cost targeting and therefore assist in securing effective competition between relevant Shippers / Suppliers.

By restricting the AQ backstop date to a rolling period WAALPs will only need to be derived for a limited period. The volume of analysis and time taken to re-run the models to create WAALPs

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prior to this period would be significant. Implementation of this Modification Proposal will remove this administrative burden and may therefore better facilitate the relevant objective Standard Special Condition A11.1(f); the promotion of efficiency in the implementation and administration of the Uniform Network Code.

If anyone has any questions relating to this representation then please do not hesitate to contact me.

Yours sincerely

{By email}

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