

CODE MODIFICATION PROPOSAL No 0279
Improving the availability of meter read history and asset information
Version 4.0

Date: 18/03/2010

Proposed Implementation Date: As soon as possible

Urgency: Non Urgent

Proposer's preferred route through modification procedures and if applicable, justification for Urgency

(see the criteria at http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11700_Urgency_Criteria.pdf)

1 Nature and Purpose of Proposal (including consequence of non implementation)

Background

This Proposal has been discussed at previous Distribution Workstreams and it is requested that it now proceeds to consultation, as recommended by the Distribution Workstream.

Difficulties have been identified by a number of shippers in relation to the Annual AQ Review process whereby there is insufficient meter read and meter asset information available to enable a successful AQ appeal in cases where a supply point has recently changed shipper/supplier. In such cases the new shipper is expected to produce at least 6 months of meter read history to support an amendment to the AQ. The read history and meter asset details from the previous supplier are not currently visible to the new shipper/supplier in such circumstances. This Modification Proposal is aimed at making the required information available to the incoming shipper in order to accurately amend the AQ and other relevant information in its portfolio.

Analysis based on the 2009 Annual AQ process has shown that ~30% of potential revisions to AQs were not able to be progressed due to this issue.

Access to this information should help to ensure better data quality by the industry overall and reduce the number of associated queries. The release of this information is expected to improve the following processes; Annual AQ Review, Change of Supplier AQ appeal and the USRV (Filter Failure).

Nature and Purpose of the proposal

This proposal relates to Smaller Supply Points (SSP), Larger Supply Points (LSP) (including Daily Metered (DM) Supply Points), but excludes Supply Points directly connected to the NTS.

This Modification Proposal aims to make meter read history and asset information (i.e Meter Information) available to shippers for supply points restricted to their current supply point portfolio at that time. This Modification Proposal seeks to:

- a) Give permission for the relevant Transporter to release the information; and
- b) require a report to be available on request to each shipper (as a User Pays Service).

It is proposed that the information is provided to shippers in a report on an annual basis, just ahead of the Annual AQ Review. Initially if the report cannot be produced ahead of the AQ Review it will be valuable to have the report during the AQ Review process. It is envisaged that the report be provided via the Information Exchange (IX).

The report will include the information stated below for a shipper's full portfolio when it is produced for the first time. Subsequent reports will only list changes to the previous report and will not replicate information already provided.

The information provided within the report may include but not be limited to:

- a) All meter read and meter asset information held by the transporter for a 3 year period.
- b) Closing/Latest reading from the outgoing shipper including date of read. This should include both meter and corrector reads.
- c) Clockover (TTZ) count – with supporting readings and read dates.
- d) Meter/Converter Exchange Details – Where there has been a meter exchange in the 3 year period, the closing read of the old meter and opening read of the new meter should be included along with the date of the meter exchange.
- e) Meter Asset details – the following meter asset details should be provided for current meter in place and any preceding meter assets within the 3 year period:
 - i) Serial Number
 - ii) Number of Dials
 - iii) Imperial/Metric Indicator or read factor
 - iv) Read Units
 - v) Correction Factor

vi) Model Name e.g. U65 (i.e. rotary, synthetic diaphragm, ultrasonic and indication of capacity etc.)

f) Reads which have been submitted and charges suspended – this will allow shippers sight of which reads were held as invalid and thus cannot be used for AQ Appeal.

.Consequences of non-implementation

Should this Modification Proposal not be implemented incoming shippers will continue to be disadvantaged in that they will not be able to validate the proposed AQ provided by xoserve in the Annual AQ Review.

Also, incoming shippers will not be disadvantaged relative to incumbent shippers when estimating customer usage. Providing the meter read history will enable a better forecast of their customers' usage and subsequent reduction in risk which should benefit customers.

Additionally, if this proposal was implemented it is envisaged that the number of operational invoice queries from shippers to xoserve would be reduced, as the availability of read and meter asset history should enable shippers to pre-validate to a greater extent than at present.

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User Pays

a) Classification of the Proposal as User Pays or not and justification for classification

This proposal is a User Pays code service and as such costs should be attributed to those who would benefit from its' implementation.

b) Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification

100% of costs to eligible Shippers, 0% of costs to Transporters

c) Proposed charge(s) for application of Users Pays charges to Shippers

1. Development costs should be recovered via a one-off charge to eligible shippers based upon their portfolio size by the number of eligible meter points.

2. Ongoing costs should be recovered via a charge per report (on a annual basis as a User Pays Charge).

d) Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate (ROM) from xoserve

The solution will cost at least £28k, but probably not more than £53k

On-going annual costs for producing the report will cost at least £800, but probably not more than £1200 per shipper short code report.

3 Basis upon which the Proposer considers that it will better facilitate the achievement of the Relevant Objectives, specified in Standard Special Condition A11.1 and 2 of the Gas Transporters Licence

The implementation of this Modification Proposal would better facilitate the following relevant objectives:

Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs (a) to (c) the securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers.

Incoming shippers would have access to meter read history and meter asset information to enable a more thorough AQ review process than is currently the case. The current inequity would be removed in that there would be a level playing field for incoming shippers relative to incumbent shippers such that all shippers have access to relevant information on which to base their customers AQ.

All shippers would benefit from increased information on which to validate charges; particularly mod 640 charges, such charges cannot be validated by shippers currently where a change of shipper has occurred.

This proposal would also benefit new market entrants.

4 Any further information (Optional), likely impact on systems, processes or procedures, Proposer's view on implementation timescales and suggested text.

The information provided by this proposal will improve a Shipper's ability to more thoroughly complete the AQ review process and therefore implementation should be ahead of the 2010 AQ Review.

5 Code Concerned, sections and paragraphs

- a) Uniform Network Code
- b) Transportation Principal Document

Section(s) TPD Section G & V

Proposer's Representative

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Proposer

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