

UNC Distribution Workstream Primary and Sub-deduct networks Arrangements for Isolation.

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Primary & Sub-deduct metering

Pre-requisites for RGMA

- Meter Asset/Work Unbundling sub-group.
- What is on critical path for July 2005?
- What issues are inherent P&S anomalies needing resolution but not for July 2005?

Critical path:

- Development of 'low tech' flows (MAM-Shipper-Transporter).
- Development of new business rules within Contract Review Group.
- Development of operational guidance notes.
- Indefinite retention of 'unique sites' metering provisions within the UNC.

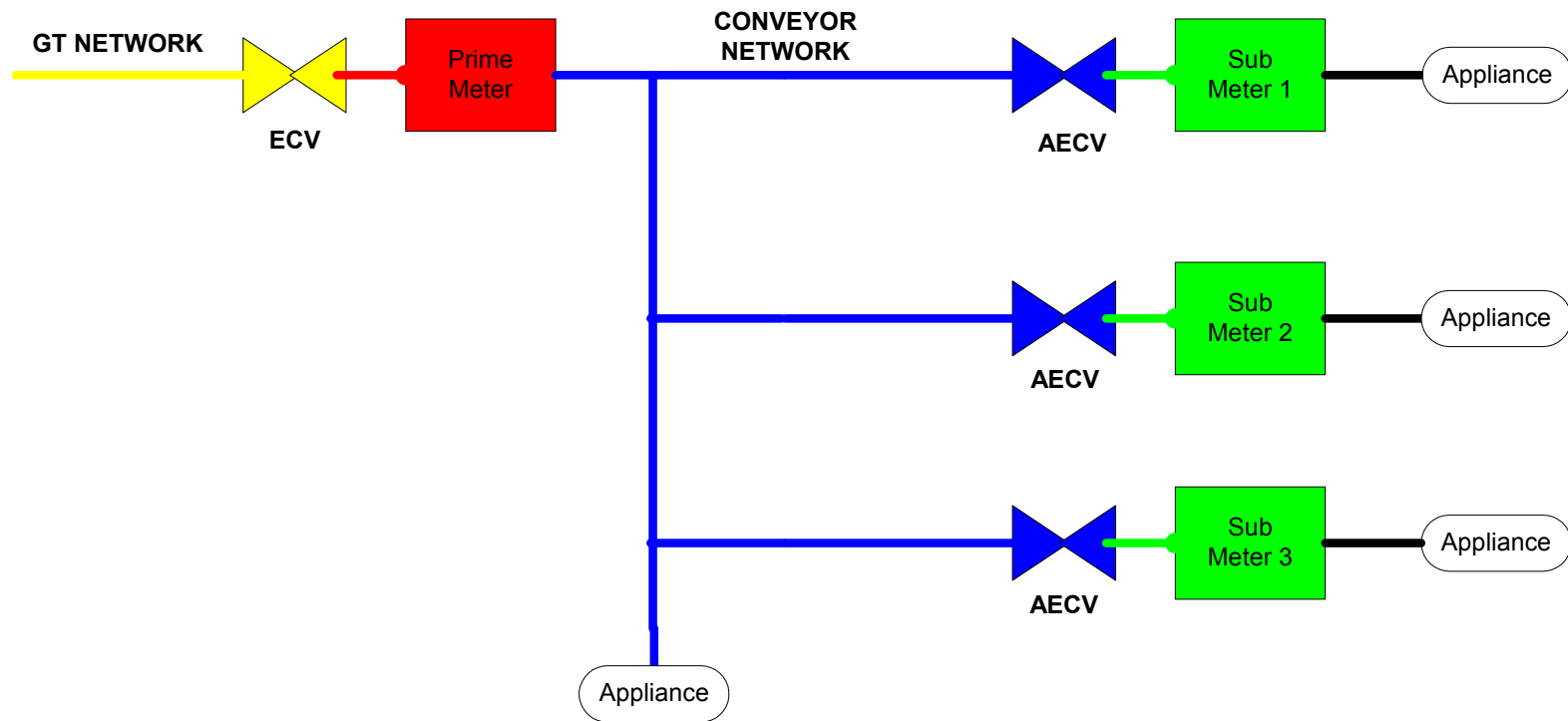
Workstream:

- Isolations.

UNC Isolations – P&S Networks

- Nature of issue
 - Shippers wish to Isolate and Withdraw from Supply Points having a Primary Supply Meter Point (SMP) where the Primary SMP has no load other than that of the Sub-deduct meters.
 - Shippers concerned that they are not able to recover costs/maintain meter where no supply contract exists at Primary SMP.
 - UNC Section (G1.8.1(e)(iii)) describes as a ‘check meter’. (termed an ‘analytical’ meter).
 - Supply to sub-deduct meters must be maintained.
 - Previous provisions with Isolation Siteworks Agreement defunct.
 - UNC ‘silent’ on P&S Isolations.

Typical P&S configuration



UNC Isolations – P&S Networks

- Transco asked to provide comments
 - Views on ‘legacy’ obligations.
 - Views on ‘duty to supply’.
 - Views on solution options.
- Transco has issued a statement concerning its position.
 - Legal
 - Commercial

UNC Isolations – P&S Networks

- Legislation
 - P&S constitutes ‘installation pipework’.
 - Responsibility for ‘downstream’ pipework combination of shipper registered at the Primary SMP and landlord/owner of the site.
 - Safe operation of the pipework not determined by GSMR which governs the transporters activities.
 - P&S Network not covered by Pipeline Safety Regulations.
 - Gas Act exemption order for P&S.

UNC Isolations – P&S Networks

- Transporter obligations
 - No legislative obligation to convey gas to Sub-deduct SMP.
 - Gas Act obligation to provide a connection at the Primary ECV.
 - GSMR obligation to maintain safe working at appliance (set and seal regulator at Primary SMP).

UNC Isolations – P&S Networks

- 'Legacy'
 - Sub-deduct arrangements regulated by supply agreements between consumers and British Gas Plc prior to 1st March 1996
 - Arrangements deemed to transfer to Centrica or its subsidiaries in accordance with para 19 to the 5th schedule of the Gas Act 1995.
 - Contracts for supply established within competitive market.