UPUG0066 - 4.1 - Explain the Must Read process and identify the associated elements that make up the charges.

The must read process is managed by xoserve, as detailed within Section M of the Uniform Network Code (UNC), on behalf of the Gas Transporters (GTs). In summary the activities xoserve undertakes are determined by the Meter Read Frequency (MRF) of the site.

On a monthly basis xoserve produces a report detailing all sites that have a MRF of Monthly (M) where the shipper has failed to supply a valid meter read to Sites and Meters (S&M) in the previous 4 months. Notification of all these sites is sent to shippers, providing the opportunity to procure and load a valid meter read before the Must Read process is commenced. At the end of each month (following the 4 month period, mentioned above) xoserve instructs the Meter Read Agency (MRA) to obtain a meter reading for all sites that still do not have a valid meter reading loaded on S&M. The MRA performs a site visit and returns a meter read to xoserve for loading into S&M, if valid.

For other sites that have MRFs other than M, for example 6 monthly, annual etc… If the shipper has failed to supply a valid meter read to S&M for a period of 24 months xoserve will initiate the Must Read process at the end of the 25th month. xoserve instructs the MRA to obtain a meter reading for all sites that still do not have a valid meter reading loaded on S&M. The MRA performs a site visit and returns a meter read to xoserve for loading into S&M, if valid.

The whole Must Read process is chargeable to the shipper, where a valid Meter Read is obtained. These charges can be broken down as follows;

- xoserve administration charges, including invoicing

- Network administration charges, including cash collection

- Network site visit charges

Where the MRA returns a response of vacant or no access it has been decided by the GTs not to directly charge as a Must Read at the moment.

UPUG0067 - 4.1 - Define what constitutes a domestic Must Read and clarify the position in respect of domestic Must Reads.

A domestic Must Read is defined as any site where the meter point AQ is less than 73,200 kWh. No Must Reads are completed for domestic sites, however xoserve does issue a quarterly report to shippers and GTs detailing all sites where they have failed to meet their read obligations, split by monthly and non monthly sites.

The reason for not performing Must Reads on domestic sites is mainly due to the volume that would be required and the additional costs this would incur. It is hard to justify this cost, as the primary use of the meter read is for reconciliation purposes and given that all domestic sites are reconciled in aggregate through the Reconciliation by Difference mechanism the meter read is not needed for this purpose. The UNC does not actually split read requirements by domestic /

larger meter points, so is not specific that we should not be performing Must Reads. However, before the creation of xoserve it was agreed as an industry that domestic Must Reads would not be performed, based on above reasons.