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11th January 2018

Your Reference: UNC Modification Proposal 0633V/0638V

<u>UNC Modification Proposal 0633V/0638V - Mandate monthly read submission for Smart and AMR sites</u>
<u>from 01 February/01 April 2018</u>

Dear Bob,

Thank you for your invitation seeking further representations with respect to the above Modification Proposal for which Cadent would like to provide comments.

Do you support or oppose implementation?

0633 - Comments

0638 - Comments

Whilst supportive of the intent of these modifications, for this additional consultation, we have chosen to provide 'comments' regarding the varied iterations. In particular we would like to highlight a concern regarding the solution pertaining to both Proposals which seek to require a 'monthly' Meter Reading to be procured at a Supply Meter designated as an Annual Read Supply Meter. Our opinion is that this approach has the potential to create confusion and creates an inconsistency within the UNC. Noting that we have raised this matter within the relevant UNC Workgroup, we remain unsure as to why the proposers in both cases appear reluctant to classify such Supply Meters as Monthly Read.

For example, to avoid ambiguity, we suggest the solution within the modification could have been constructed in the following way:

Monthly Read Supply Meters are:

All SMPs above 293,000 kWh, or;

- All SMPs with Smart/AMR meters (reasonable endeavours obligation to read) or;
 - o if preferred for 'must reads' provision, eligibility to be treated as per Annual Read),
- Where the Shipper has so elected

All other Class 4 Supply Meters are then designated as Annual Read Supply Meters.

Relevant Objective:

We have nothing further to add.

Reason for support/opposition:

We have nothing further to add.

Self-Governance Statement:

We have nothing further to add.

Implementation

We have nothing further to add.

Impacts and Costs

We have nothing further to add.

Legal Text

Whilst acknowledging the challenge in drafting Legal Text given the nature of the Solution, we believe the Legal Text provided under paragraph 5.9.1(d) to be ambiguous in that the reference 'at least once per month' suggests that there may be the possibility of a Shipper User providing Meter Readings at a frequency greater than monthly. However, this then appears to conflict with the previous clause which states 'no greater than Monthly' (see below).

"notwithstanding the above, where the Supply Meter Installation at a Supply Meter Point has or is comprised of a Smart or Advanced Meter, the Meter Read Frequency shall be *no greater than Monthly* in any case and the Shipper User shall take all reasonable steps to obtain and submit a Valid Meter Reading *at least once per month*."

Our opinion is that there may be merit in redrafting this paragraph to better reflect the solution such that any reader not conversant with the intent of the Modifications can readily understand the relevant obligation.

Modification Panel Members have requested that the following questions are addressed:

Q1: Is this proposal inconsistent with the CMA requirement?

We do not believe the proposals to be inconsistent with the CMA requirement.

Q2: Do you believe there are any implications and/or consequential impacts that this proposal might have on Transporters' "must read" obligations?

The Modification Proposals identify that relevant 'Smart' or AMR' Supply Meters remain as Annual Read. Consequently they remain within the remit of the process which is applied by Cadent pertaining to 'must reads'. With respect to this it is presently Cadent policy not to conduct 'must reads' at Annual Read Supply Meters. However, this may change in future and it should be noted that DSC Change Managers Committee on 10 January 2018, approved Cadent's Change Request which seeks to make relevant process changes to facilitate the extension of the 'must read' process to include Annual Read Supply Meters.

Are there any errors or omissions in this Modification Report that you think should be taken into account?

We have nothing further to add.

Please provide below any additional analysis or information to support your representation

We have nothing further to add.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 07884 113385 (andy.clasper@cadentgas.com) should you require any further information.

Yours sincerely,

Andy Clasper Framework Specialist, Regulation & External Affairs