

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0468
"Removal of the Smaller Supply Point estimate Opening Reads charge for reasons of
mergers and acquisition"
Version 1.0

Date: 15/05/2001

Proposed Implementation Date: ASAP

Urgency: Non-Urgent

Justification

The Network Code (Section M3.8) specifies that the User must provide to Transco an Opening Meter Reading for a Proposed Supply Point. If Transco does not receive a read then they are required to provide an estimate. Where a Proposed Supply Point is a Smaller Supply Point, and no Agreed read is supplied to Transco, Transco must charge for this reading as stated in the Transportation Charging Statement.

This modification seeks to remove the charge for the provision of Smaller Supply Point estimate Opening Reads by Transco, only where the proposed transfer is due to mergers, acquisitions and User defaults.

Nature of Proposal

Where Users need to amalgamate supply point portfolios due to mergers and acquisitions or if a User transfers Supply Points due to another Users default there is no need for Transco to provide an estimate Opening Meter Read as it would not be used by the User or Transco. It would therefore seem unnecessary for Transco to charge for the provision of an estimate Opening Read that is only required by obligations under the Network Code. By specifying under what circumstances the charge should be applied unnecessary charges can be avoided.

Purpose of Proposal

The purpose of this proposal is to better define the circumstances under which Transco should charge for an estimated Smaller Supply Point Opening Read in order to avoid charging Users for estimated readings they do not require and which may inhibit the transfer process for wholesale customer transfers. The modification should enable Transco to suppress the charge under the above circumstances.

Consequence of not making this change

If no change is made Users will continue to be charged for estimated opening reads when transferring Smaller Supply Points regardless of whether the User is transferring the Supply Point due to a merger, acquisition or default and has no need for an estimate Opening Read.

Area of Network Code concerned

M3.8

Identity of Proposer's Representative:

Proposer Robert Cross

Signature

Position Network Code Manager

Company TXU Europe Energy Trading