

12/07/2001

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0370**

"Rules for Reconciliation at Shared Supply Meter Points and DM CSEPs."

Please note that Modification Proposal No 0370 will be implemented with effect from 06:00 hours on 01/11/2001. The Final Modification Report, Version 1.0, was signed by Ofgem on 11/07/2001.

The new Network Code text resulting from this Modification follows.

Modified Text:

SECTION E

E6.1.4 b(ii) should read:

- (ii) in the case of a Shared Supply Meter Point, for each Existing Sharing Registered User, the quantity determined by allocating the DM Check Reconciliation Quantity between such Users in the same proportions as the previously assumed quantity was allocated in respect of such Day.

E6.1.5 should read:

Where (following a Supply Point Confirmation) a User (or potentially Users in the case of a Shared Supply Meter Point) becomes the Registered User(s) in respect of a Supply Meter Point, and:

- (i) in the case of an NDM Supply Meter Point, no Opening Meter Read was provided;
- (ii) in the case of a DM Supply Meter Point or a Shared Supply Meter Point, the Supply Point Registration Date was a Failed Daily Read Day, or was not the Day of a DM Check Read,

upon the next following Individual NDM Reconciliation or (as the case may be) DM Reconciliation, the Reconciliation Values will be attributed entirely to such User (or as the case may be Existing Sharing Registered Users in amounts specified in paragraph 6.8), notwithstanding that a part thereof relates to a period before the Supply Point Registration Date; and accordingly such User (or Existing Sharing Registered Users) will obtain the benefit and bear the risk (and the User (or Users) who formerly was/were Registered User(s) of the Supply Meter Point will neither obtain the benefit nor bear the risk) of the Reconciliation Quantity insofar as attributable to the period before the Supply Point Registration Date.

Create E6.8

"Shared Supply Meter Point Reconciliation: Reconciliation Values

- 6.8.1 This paragraph 6.8 applies in respect of DM Reconciliation in respect of Shared Supply Meter Points.
- 6.8.2 For the purposes of DM Reconciliation, at the Shared Supply Meter Point for the relevant period:
- (i) Transco will in accordance with M4.7.1 arrange a DM Check Read.
 - (ii) The DM Check Reconciliation Quantity will be calculated in accordance with paragraph 6.3.
- 6.8.3 “**Existing Sharing Registered User**” is a Sharing Registered User (who may be the Proposing User) in respect of an Existing Supply Point which is a Shared Supply Meter Point.
- 6.8.4 “**Allocation Methodology**” is a methodology for the allocation of the Reconciliation Quantity between Existing Sharing Registered Users:
- (i) used by Transco; or
 - (ii) used by a User Agent, where the Shared Supply Meter Point Notification provides for the appointment of a Sharing Registered User Agent;

provided that the proportions allocated to each Existing Sharing Registered User aggregate unity.

- 6.8.5 Where a Shared Supply Meter Point Notification provides for the appointment of a Sharing Registered User Agent:
- (i) Transco will notify the Reconciliation Quantity to the User Agent in such manner as Transco may specify in the Shared Supply Meter Point Procedures.
 - (ii) Where the User Agent does not provide its Allocation Methodology to Transco within twenty (20) Business Days of Transco's notification to the User Agent under paragraph (i) then Transco shall allocate the Reconciliation Quantity in accordance with the Default Allocation Methodology under Section G 1.7.11(b) (iv).

SECTION G

Create new Section G 1.7.11 (b) (iv)

“where a Shared Supply Meter Point Notification provides for the appointment of a Sharing Registered User Agent a default allocation methodology for the apportionment of Reconciliation Quantity among Existing Shared Registered Users in percentages (aggregating 100%) (“**Default Allocation Methodology**”).”

Create new Section G 1.7.17 (f)

- (f) the procedures shall specify that the Sharing Registered User Agent may vary the Default Allocation Methodology in accordance with paragraph 1.7.11(e).

Amend Schedule 2 of the UK - Continent CSEP Ancillary Agreement

Delete existing text against reference to 6.4 and insert text as follows:

- (1) Where pursuant to paragraph 4.5 of Part 1 of Annex D of the CSEP NExA a verification of the measure of equipment at the CSEP is undertaken (for the purposes of Section E6.1.4(c) and 6.4) the Individual CSEP Reconciliation Quantity for each Day for each CSEP User shall, unless paragraph (2) applies, be determined by allocating the Aggregate Daily Reconciliation Quantity (as defined in and determined pursuant to the CSEP NExA) for that Day, between CSEP Users in proportion to their respective UDQOs for such Day, or in such other proportions (aggregating unity) as may be notified to Transco by their agent not later than 20 Business Days after the Aggregate Daily Reconciliation Quantity was provided to CSEP Users or their agent.

- (2) In respect of any Day on which individual CSEP Reconciliation is undertaken pursuant to paragraph (1), a Party ceased to be a CSEP User (the last day such Party was a CSEP User the “**change day**”, and in the event of there being more than one such day, references hereafter to the change day shall mean the last such of such days) the Individual CSEP Reconciliation Quantity for all Days on which Individual CSEP Reconciliation is undertaken pursuant to paragraph (1) shall:
- (a) for each Day for each CSEP User for Days up to and including the change day, be zero;
 - (b) for each Day for each CSEP User following the change day (a “**relevant day**”), be determined by allocating the daily relevant proportion of the daily relevant quantity between CSEP Users in proportion to their respective UDQOs for the relevant day;
- (3) For the purposes of (2):
- (a) the “**daily relevant quantity**” is a quantity equal to the sum of the Aggregate Daily Reconciliation Quantities for the Days on which Individual CSEP Reconciliation is undertaken;
 - (b) the “**daily relevant proportion**” is that proportion of the daily relevant quantity that would otherwise be assumed to have been offtaken on each of the relevant days.

Yours sincerely,

Julian Majdanski
Modification Panel Secretary