

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0602

"Amendment to the required date range for opening meter reads"
Version 1.0

Date: 18/11/2002

Proposed Implementation Date:

Urgency: Non-Urgent

Justification

At present when a Non Daily Metered (NDM) customer changes supplier, the incoming shipper must secure that an Opening Meter Reading is obtained within the required date range and provided to Transco not later than 1600 hours on the seventh Business Day after the Supply Point Registration Date.

The required date range is currently defined as the period of **five** Business Days commencing two Business Days before the Supply Point Registration Date. (NB a Business Day doesn't include Saturdays, Sundays or E&W bank holidays)

In electricity the equivalent date range is **eleven** days.

As Ofgem has recognised, the supply market is characterised by 'dual fuel' supplies. Indeed four out of five of all switchers now buy their gas and electricity from the same supplier. If a customer moves house it is likely that they will wish to continue or move to such a dual fuel arrangement. Aligning the read window in gas to that of electricity would help reduce the complexity of the change of supply process by smoothing the opening meter read process for the customer across gas and electricity.

Expanding the meter reading window would increase the number of actual reads provided to Transco, thus reducing the likelihood of Transco having to generate an estimated meter reading. This would in turn reduce the number of inaccurate estimated bills and, as a consequence, would lead to fewer customer billing errors and complaints. This is in line with Ofgem and energywatch's Good Practice Guidelines on Preventing Debt and Disconnection, which was recently issued for consultation.

Nature of Proposal

To align the opening read window in gas with that in electricity by extending the required date range.

Purpose of Proposal

This proposal would better facilitate the relevant objective of facilitating competition in gas shipping and supply:

- It would make the NDM customer transfer process more efficient and effective, thereby improving customers' perception of the competitive supply market and as a result

facilitating competition in shipping and supply. This would be consistent with one of Ofgem's stated aims in its Review of Improving Customer Transfers.

- It would increase the number of actual reads provided to Transco, thus reducing the likelihood of Transco having to generate an estimated meter reading. This would in turn reduce the number of inaccurate estimated bills and, as a consequence, would lead to fewer customer billing errors and complaints. This is in line with Ofgem and energywatch's Good Practice Guidelines on Preventing Debt and Disconnection, which was recently issued for consultation.
- Widening the window would also reduce the need for shipper agreed reads and the number of consequential disputes.

Proposed Text:

Amend Section M 3.8.3 so that it reads " For the purposes of this paragraph 3.8 the required date range is the period of 11 Business Days commencing 5 Business Days before the Supply Point Registration Date".

Consequence of not making this change

- The NDM customer transfer process will not be aligned and will therefore continue to be complex and less efficient than the equivalent process for electricity customers.
- Transco will continue to be required to generate a significantly higher number estimated meter readings, which will not be as accurate as an actual or customer reading. This increases the risk of customer billing errors and complaints. These difficulties will give customers a poor impression of the competitive supply market.

Area of Network Code Concerned

Section M

Proposer's Representative

Katherine Marshall (Scottish And Southern Energy plc)

Proposer

Katherine Marshall (Scottish And Southern Energy plc)

Signature

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