

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0674
"Daily Meter Reading - Impacts of the Review of Gas Metering Arrangements
(RGMA)"
Version 1.0

Date: 09/12/2003

Proposed Implementation Date: 12/07/2004

Urgency: Non-Urgent

Justification

Transco's Network Code currently requires that it provides Users with Meter Readings in respect of Daily Metered (DM) Supply Meter Points on a daily basis (after the day). Ofgem has previously expressed a view that the Network Code might be modified to allow Users to choose alternative DM meter reading service providers.

As part of a programme to facilitate competition in gas metering and meter reading services, a sub-group of the Supply Point & Billing Workstream was established in December 2000 to determine the future structure of the Network Code Daily Read regime and identify any modifications that may be required to facilitate its development.

Extensive research has been undertaken by the sub-group which enabled the nature and underlying complexity of the existing Network Code Daily Read regime to be identified.

The sub-group established its view that:

- The data collected by dataloggers attached to Daily Read meters is primarily used for gas transportation purposes. It is therefore logical that the Gas Transporter should be responsible for procurement of this data.
- The net benefits from fully unbundling Daily Meter Reading (i.e. transferring responsibility for read procurement from Transco to Users) are doubtful given the size and structure of the market and the likely investment required to introduce and sustain such a regime.
- In consideration of the above, priority should be placed on the key metering competition deliverables, for example meter asset and ownership unbundling.

Given the above considerations, the sub-group concluded that it was appropriate that the current DM regime be sustained. This would, however, require modification of the Network Code to reflect third party ownership of meters and ensure Transco continues to be able to procure Daily Meter Readings.

Nature of Proposal

Modification of the Network Code is required to incorporate changes required to facilitate maintenance of the current Daily Read Metering regime in a liberalised metering market.

The following are the principal requirements identified by the Daily Meter Reading (DM) sub-group of the SPA/Metering Workstream:

- Measures to ensure that a Supply Meter Installation is suitable for Daily Read Equipment to be connected to it.
- Measures to ensure that Transco is able to install and make operational Daily Read Equipment.
- Measures to ensure that Transco is able to inspect and maintain such equipment.
- Measures required in the event of Works being carried out on the Supply Meter Installation.
- Measures to be taken by Transco where Daily Read Equipment is unavailable at a New Supply Meter Point.
- Measures required for Transco to determine Daily Reads in the event that Daily Read Equipment is unavailable.
- Removal of redundant provisions relating to access to Transco's Daily Read Equipment.
- Amendments to the provisions governing the supply of Daily Meter Readings to Users including:
 - Definition of a Performance Relevant Supply Meter.
 - Measures required in the event of failure of the Supply Meter Installation.
- Miscellaneous enhancements to the 'Daily Read Error' provisions.
- Miscellaneous minor amendments in the following areas:
 - Preheating offtake.
 - Supply Point Offers.
 - Partial Interruption.

Purpose of Proposal

The purpose of this Modification Proposal is to ensure that the Network Code Daily Metering regime reflects the liberalised supply metering market and is also consistent with the requirements of Transco metering separation. Of specific importance is the implementation of contractual measures to safeguard Transco's Network Code obligations with respect to procuring Daily Read data and provision of Daily Reads to Users. The measures identified within this Modification Proposal reflect Transco's GT Licence Relevant Objective of facilitating the efficient and economic operation by the licensee of its pipe-line system.

Consequence of not making this change

Transco's ability to procure Daily Meter Readings as a pre-requisite for meeting its Network Code obligations may be compromised by an inability for it to attach and maintain Daily Read Equipment.

Area of Network Code Concerned

Principal Document Sections J4.5, G1.5, G2.4, G6.10, M2.1, M2.2, M4 and M5.

Proposer's Representative

Christopher J Warner (Transco)

Proposer

Chris Train (Transco)

Signature

.....