24/06/2004

Dear Colleague,

NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0678

"Primary and Sub-deduct meters and 'Unique' sites - Transitional Metering Arrangements post RGMA"

Please note that Modification Proposal No 0678 was implemented with effect from 06:00 hours on 12/07/2004. The Final Modification Report, Version 2.0, was signed by Ofgem on 24/06/2004.

The new Network Code text resulting from this Modification follows.

Modified Text:

8.4 TRANSITION DOCUMENT II

"8.4.20 G7.1

(a) Notwithstanding Section G, paragraphs 7.1.1(b)(iii) and (c)(i) and (ii) (which specifically does not include work relating to the Supply Meter Installation) until July 12th, 2005 but not thereafter, for the purposes of Section G7, "**Siteworks**" includes works undertaken by Transco:

(i) at the request of a Registered User or other person in connection with the System for the purposes of installing, modifying, removing or replacing a Sub deduct Supply Meter Installation at a Supply Meter Point;

(ii) at the request of the Registered User for the purposes of ceasing or enabling the flow of gas at a Sub-deduct Supply Meter Point in which a relevant meter (as defined by Section G, paragraph 1.8.1(e)(i)) is comprised;

(iii) at the request of a Registered User or other person in connection with the System for the purposes of installing, modifying, removing, or replacing a Supply Meter Installation at a Special Metering Supply Point;

(iv) at the request of the Registered User for the purposes of ceasing or enabling the flow of gas at a Special Metering Supply Point;

(b) Transco shall not be obliged to undertake work requested in accordance with:

(i) paragraphs (a)(i) or (a)(ii), unless by no later than the date of such request the Registered User has notified Transco that it has obtained from those Users at the dependant meters (as defined by Section G, paragraph 1.8.1(e)(ii)) their agreement to undertake such work;

(ii) paragraphs (a)(iii) or (a)(iv), unless by no later than the date of such request the Registered User has notified Transco that it has obtained from those Users at a Shared Supply Meter Point their agreement to undertake such work."

"8.4.21 G7.1

"**Special Metering Supply Point**" is any Supply Point:

(a) comprising a Supply Meter Point in respect of which a Supply Meter Installation is provided and installed by Transco; and

(b) such Supply Meter Point:

(i) is a Shared Supply Meter Point; or

(ii) is comprised within a System Exit Point which is subject to a Special Offtake Arrangement; or

(iii) which is comprised in an LDZ Specified Exit Point identified within a Supply Point Nomination in respect of which a Supply Point Registration has occured; or

(iv) which is comprised in a Notional NTS Connection Point identified within a Supply Point Offer in respect of which a Supply Point Registration has occured; or

(c) such Supply Meter Installation comprises a Supply Meter to which telemetered equipment has been installed in accordance with M4.9.1; or

(d) which Transco and the User at such Supply Point have agreed shall be an Special Metering Supply Point."

Insert the following to read:

"8.10.4 M2

Where Transco is providing the Supply Meter Installation or any part of it and which is comprised within a:

(a) a Special Metering Supply Point (a " **Special Metering Supply Meter Installation**"); or

(b) a Sub-deduct Arrangement ("**Sub-deduct Supply Meter Installation**");

then until July 12th, 2005 but not thereafter, the provisions of paragraph 8.10.5 will continue to apply:"

Insert the following to read:

"8.10.5 M2

(a) Except as Transco may otherwise agree in an Ancillary Agreement with the Registered User:

(i) subject to sub paragraph (a)(iii) and (iv) and to paragraphs (c) and (d), Transco will be responsible for securing (on behalf of the Registered User) the provision, installation (in accordance with Section M,

paragraph 2.1.2), maintenance, repair, exchange and replacement of the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or relevant part of it provided by Transco within a reasonable time after a request to do so and subject to payment of appropriate charges in accordance with the Metering Charges Statement;

(ii) the Registered User shall secure that there are made available (without charge to Transco) at the Supply Point Premises:

(1) a suitable site (at a location complying with Section M, paragraph 2.1.3) at the Supply Point Premises, and suitable support, protection and security, for the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation;

(2) supplies of power, water and drainage as appropriate for the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation;

(3) such access, at all reasonable times and in any event between 08:00 and 17:00 hours on any Business Day, to the Supply Point Premises as shall be required to enable Transco to carry out all Meter Installation Works required pursuant to sub paragraph (a)(i);

(iii) the Registered User shall take all reasonable steps to secure that the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation is not damaged or otherwise mistreated;

(iv) ownership of the Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation shall remain with Transco (or any person to whom Transco may transfer ownership); and the Registered User shall take all reasonable steps to secure that any notice to that effect affixed thereto by Transco shall not be removed or defaced;

(b) nothing in paragraph (a) requires Transco:

(i) to replace any part of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation other than where such replacement is necessary as a result of the failure (including by reason of damage, normal wear or tear or defective design or manufacture) thereof;

(ii) to carry out any Meter Installation Works other than for the purposes of maintaining or repairing or (where required under sub paragraph (b)(i)) replacing a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or part thereof provided by Transco;

(iii) except in the case of routine maintenance, to carry out any Meter Installation Works until reasonable notice has been given to Transco of the requirement for such works;

(c) Meter Installation Works carried out by Transco for the purposes of maintaining repairing or (where required having regard to sub paragraph (b)(i)) replacing any part of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation to which this Section 8.10.5 applies will not be Siteworks for the purposes of Transition Document II Section 8.4.20;

(d) any Meter Installation Works which any person may request Transco to carry out in respect of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation other than as required under sub paragraph (a), including:

(i) the provision of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation at a New Supply Meter Point;

(ii) the provision of a Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation at a Supply Meter Point where by reason of a change in the nature or extent of the consumer's

requirements for the supply of gas the existing Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation no longer complies with the requirements of Section M, paragraph 2.1.2 and 2.1.3;

will be Siteworks subject to and in accordance with Transition Document II Section 8.4.20;

(e) nothing in this Section 8.10.5 prevents Transco from providing at the request of the consumer or supplier a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation which conforms to higher standards than are (or provides any function in addition to what is) required pursuant to Section M, paragraph 2.1.2, provided that (unless the Registered User has otherwise agreed) the amount of the relevant charge payable by the Registered User will not thereby be increased;

(f) where as a result of any failure or defect in any Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation provided by Transco gas cannot be offtaken from the System at the relevant Supply Meter Point and except where Section J4.4.5 (b) applies, Transco will not be in breach (by reason thereof) of its obligation to make gas available for offtake from the System until:

(i) written notice of such failure, defect or requirement has been given to Transco; and

(ii) the expiry after such notice of a reasonable period for Transco to carry out the required Meter Installation Works;

(g) for the purposes of this Section M "**Meter Installation Works**" means the installation testing, maintenance, repair, exchange or replacement of a Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation or any part thereof;

(h) any Code Communication in respect of any activities performed in relation to a Special Metering Supply Meter Installation shall only be made by Conventional Notice;

(i) where as a result of any Meter Installation Works undertaken by Transco in relation to Special Metering Supply Meter Installation or Sub deduct Supply Meter Installation, the relevant Meter Information recorded in the Supply Point Register ceases to be accurate, Transco will after completing such Meter Installation Works:

(i) amend the Supply Point Register so as to record the change in relevant Meter Information required as a result of such works; and

(ii) provide to the Registered User(s) details of the amendment made pursuant to the above."

Insert the following to read:

"8.10.6 M5

For the purposes of Section M5, until July 12th, 2005 but not thereafter, where:

(a) Transco was unable to provide a Valid Meter Reading solely by reason of failure or unavailability of the Supply Meter Installation which is a Special Metering Supply Meter Installation or a Sub-deduct Supply Meter Installation then the Performance Relevant Supply Meter comprised in such Special Metering Supply Meter Installation or Sub-deduct Supply Meter Installation will be treated as one in relation to which Transco did not provide a Valid Meter Reading;

(b) Transco finds that there is a failure or unavailability of a Supply Meter Installation which is a Special Meter Supply Meter Installation or a Sub-deduct Supply Meter Installation and this is the cause of the

Daily Read Equipment not functioning correctly then the provisions of Section M5.1.3 (c) will not apply and Transco will perform the activities in paragraphs 5.1.3(c)(i) and (ii) and 5.1.3(d)."

Yours sincerely,

Julian Majdanski
Modification Panel Secretary