

Modification Report
Removal of obligation to Notify Meter Reader during Nomination or Confirmation activity as defined in paragraphs G 2.3.2 and G 2.6.1
Modification Reference Number 0079

Version 2.0

This Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 9.6.

1. The Modification Proposal

The proposal is to delete TPD Section G2.3.2(f)(i) and to delete the reference to 'Meter Reader' in TPD Section G2.6.1(d).

The UNC currently places an obligation on a new Supplier to notify the Transporter of the identity of the proposed Meter Reader. Users are required to provide such information as a consequence of relevant Supply Point Nomination and Confirmation activities.

Following the 'unbundling' of NDM meter reading, there no longer appears to be a valid requirement for Transporters to retain details of the Meter Read Agent. Additionally the UNC does not oblige Users to maintain the accuracy of such information.

For the reasons given above and to align the UNC with current industry practice this proposal seeks to remove any obligation on Users to provide this information to the Transporters.

2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives

The proposer, RWE Npower, believes implementation of this Modification Proposal would better facilitate the promotion of efficiency in the administration of the Uniform Network Code.

NG UKD and TGP concur that implementation would better facilitate efficiency.

3. The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

The implementation of this Proposal should not have any effect on security of supply, operation of the Total System, or industry fragmentation.

4. The implications for Transporters and each Transporter of implementing the Modification Proposal, including

a) implications for operation of the System:

No implications for operation of the system have been identified.

b) development and capital cost and operating cost implications:

No development and capital cost and operating cost implications have been identified.

c) extent to which it is appropriate to recover the costs, and proposal for the most appropriate way to recover the costs:

No cost recovery mechanism is proposed.

d) analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences on price regulation have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

No such consequences have been identified.

6. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

The proposer believes there is a potential for this proposal to impact on the UK Link records associated with Nomination and Confirmation activities (spec. S42, S48, S49). However, the Meter Reader identifier fields within these records are 'optional' and hence an amendment to these records is not required, would produce unnecessary costs and be of no benefit to either Users or Transporters. Given this, no systems impact is anticipated. However, at any point in time, and subject to the established governance processes, the Transporters would be free to implement a change should they believe this to be cost effective.

7. The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

No such implications have been identified.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non Code Party

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of each Transporter and each User and Non Code Party of implementing the Modification Proposal

No such consequences have been identified.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages

- Administrative efficiency

Disadvantages

- None identified

11. Summary of representations received (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

<u>Organisation</u>	<u>Abbreviation</u>	<u>Position</u>
National Grid Distribution	NG UKD	For
RWE Npower	RWE	For
Total Gas & Power	TGP	For

NG UKD advocates the removal of a redundant information requirement, stating *"Subsequent to the maturity of unbundled Meter Reading arrangements for Non Daily Metered (NDM) Supply Points (introduced in 1996) it is no longer necessary for a User to provide Transporters with the identity of the Meter Reading Agent for the purposes of inclusion within the Supply Point Register. Transporters do not require and are not obliged to hold such information for the purposes of carrying out their licensed activities"*.

RWE comment that *"as the UNC is currently written Users have an obligation to provide the identity of the Meter Reader. Since the Transporters do not need or use this information in the first instance nor require that Users maintain its accuracy, its continued inclusion in the UNC is unnecessary. In fact its inclusion makes any User who does not provide this information non-compliant with the Code"*.

TGP concur stating that *"since the unbundling of the meter service from other Transportation activities, Shippers have been obliged to inform Transporters of the identity of the meter reader. Whilst there may have been some value in supplying this information at the start of metering competition to enable identification of the source of poor quality meter readings, the market has now stabilised and this information is rarely used. As is highlighted by the Proposer, there is currently no validation undertaken on the information submitted by Shippers and we would assert that the information currently held by the Transporters would be of low quality. There is therefore no longer a requirement to supply this information to the Transporters"*.

12. The extent to which the implementation is required to enable each Transporter to facilitate compliance with safety or other legislation

Implementation is not required to enable each Transporter to facilitate compliance with safety or other legislation.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence

Implementation is not required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence.

14. Programme for works required as a consequence of implementing the Modification Proposal

No programme of works would be required as a consequence of implementing the Modification Proposal.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

Implementation can be immediate on receipt of direction from Ofgem.

16. Implications of implementing this Modification Proposal upon existing Code Standards of Service

No implications of implementing this Modification Proposal upon existing Code Standards of Service have been identified.

17. Recommendation regarding implementation of this Modification Proposal and the number of votes of the Modification Panel

At the Modification Panel Meeting held on 6 July 2006, of the 8 Voting Members present, capable of casting 10 votes, 10 votes were cast in favour of implementing this Modification Proposal. Therefore the Panel recommend implementation of this Proposal.

18. Transporter's Proposal

This Modification Report contains the Transporter's proposal to modify the Code and the Transporter now seeks direction from the Gas & Electricity Markets Authority in accordance with this report.

19. Text

UNC - TPD SECTION G

Amend paragraph 2.3.2(f) to read as follows: -

2.3.2 A Supply Point Nomination which is a Supply Point Commodity Rate Renomination shall comply with the provisions of paragraph 2.3.9 and any other Supply Point Nomination shall specify:

- (a) the identity of the Proposing User;
- (b) whether the Proposed Supply Point is a Current Supply Point or a New Supply Point, and in the case of a New Supply Point a description of the basis on which the Single Premises Requirement is satisfied;
- (c) the Supply Meter Point Reference Number in respect of:
 - (i) in the case of a Current Larger Supply Point, either one or all of the Supply Meter Points comprised in the Proposed Supply Point; or
 - (ii) in the case of a New Supply Point, all of the Supply Meter Points comprised in the Proposed Supply Point;
- (d) the Meter Post Code in respect of each Supply Meter Point for which the Supply Meter Point Reference Number is specified under paragraph (c);
- (e) where the Proposed Supply Point includes one or more DM Supply Meter Points, the proposed Supply Point Capacity and proposed Supply Point Offtake Rate in respect of the DM Supply Point Component, in compliance with the requirements of paragraph 5;
- (f) where the Proposed Supply Point includes an NDM Supply Meter Point: and where the Annual Quantity of the NDM Supply Point Component is less than 293,000 kWh (10,000 therms) but in excess of 73,200 kWh (2,500 therms), whether the relevant Supply Meters are proposed to be a Monthly Read Meter;
 - ~~(i) the proposed Meter Reader; and~~
 - ~~(ii) where the Annual Quantity of the NDM Supply Point Component is less than 293,000 kWh (10,000 therms) but in excess of 73,200 kWh (2,500 therms), whether the relevant Supply Meters are proposed to be a Monthly Read Meter;~~
- (g) the Supply Meter Point Reference Number of any Supply Meter Point comprised in the Proposed Supply Point which is to become or (as the case may be) ceased to be a DM Supply Meter Point; and
- (h) any other details which are required to be specified in any particular case pursuant to any provision of this Section G; or
- (i) where a User wishes to apply for the NTS Optional Commodity Rate at an Eligible Exit Point, the Specified Exit Point and the Specified Entry Point; or
- (j) where a User wishes to apply for the LDZ Optional Capacity Rate, the LDZ Specified Exit Point.

Amend paragraph 2.6.1(d) to read as follows: -

2.6 Supply Point Confirmations: Smaller Supply Points

2.6.1 A Supply Point Confirmation in respect of a Smaller Supply Point shall specify:

- (a) the identity of the Proposing User;
- (b) the Supply Meter Point Reference Number in respect of one Supply Meter Point comprised in the Proposed Supply Point, and the Meter Post Code of such Supply Meter Point;
- (c) the Proposed Supply Point Registration Date; and
- (d) the proposed Meter Reading Frequency ~~and Meter Reader.~~

Subject Matter Expert sign off:

I confirm that I have prepared this modification report in accordance with the Modification Rules.

Signature:

Date :

Signed for and on behalf of Relevant Gas Transporters:

Tim Davis
Chief Executive, Joint Office of Gas Transporters

Signature:

Date :