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The Joint Office, Relevant Gas
Transporters and other interested
parties

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10 July 2006

Dear Colleague

Uniform Network Code modification proposal 079: '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'

Ofgem¹ has considered the issues arising from the modification report in respect of Uniform Network Code (UNC) modification proposal 079 and, having regard to the principal objective and statutory duties of the Authority², has decided to direct relevant gas transporters to implement modification proposal 079.

Ofgem considers that modification proposal 079 would better facilitate the achievement of the relevant objectives of the UNC, as set out under Standard Special Condition A11³ of the relevant Gas Transporters' licences, as compared with the existing provisions of the UNC.

Background

The UNC currently places an obligation on a new Supplier to notify the relevant Gas Transporter (GT) of the identity of the proposed Meter Reader during the Nomination and subsequent Confirmation of a Supply Point being acquired.

The modification proposal

As described in its title, the proposal seeks to remove the obligations to include details of a Meter Reading Agent as part of the Nomination and Confirmation stages of acquiring a new customer. The proposer feels that as meter reading has for some time been an unbundled activity, and there are no obligations or other safeguards around the accuracy of any information provided, the obligation to provide this specific piece of data is now redundant and should be removed.

¹ Ofgem is the Office of the Gas and Electricity Markets Authority. The term 'Ofgem' and 'the Authority' are used interchangeably in this letter.

² Set out in Section 4AA of the Gas Act 1986, as amended.

³ This Licence Condition can be viewed at:
http://62.173.69.60/document_fetch.php?documentid=6547

Respondents' views

Three responses were received in relation to modification proposal 079, all of which were in favour of implementation. Respondents' views can be found in full on the Gas Transporters Information Service⁴.

Panel recommendation

At its meeting of 06 July 2006, the UNC Modification Panel voted unanimously in favour of the proposal being implemented.

Ofgem's view

Ofgem concurs with the views of respondents and Panel members in considering that it is no longer necessary for the GT to be informed of the identity of the Meter Reading Agent during nomination or confirmation. In particular, at this stage the data would only refer to the proposed agent and there is nothing to preclude the Supplier from choosing a different agent as often as they wish or, as the proposer suggests, requiring them to keep the GT informed. Ofgem also notes the confirmation from National Grid that GTs do not require this data and that there are no UNC obligations or related processes contingent upon their being in possession of it.

Ofgem agrees with the proposer and other respondents, who all stated that this proposal would further facilitate the relevant objectives of the UNC, insofar as the removal of this redundant obligation would reduce the burden upon both shippers and GTs, promoting efficiency in the implementation and administration of the UNC.

If you have any further queries in relation to the issues raised in this letter, please feel free to contact Sam McEwen, details above.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. N. Simpson', written over a horizontal line.

Nick Simpson
Director, Industry Codes and Licensing

⁴ <https://gtis.gasgovernance.com>.