

TOTAL GAS & POWER LIMITED

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Dear Julian,

Modification Proposal 0124 - "Amendment to the window for acceptance of Meter Reads by the Transporter"

Total Gas & Power Limited supports the implementation of Modification Proposal 0124

Our comments are as follows:

At present Users are required to submit all meter readings within ten business days of their acquisition. The implementation of metering competition has increased the number of parties involved in procuring a meter read, which has resulted in increased timescales in meter reading procurement. This means that Users cannot always meet the current submission deadline. The new timescales should help alleviate this problem and thereby improve meter reading accuracy.

We note that xoserve at the distribution workstream gave an indication of the maximum increase in timescales that could be accommodated by the current regime. This revised limit was then incorporated within the modification proposal. We welcome this revision, as it will help achieve the proposer's aim, whilst obviating significant system development.

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

Gas Transporter Licence Standard Special Condition A11.1

- (a) *the efficient and economic operation of the pipe-line system to which this licence relates;*

Does not apply to this objective

- (b) *so far as is consistent with sub-paragraph (a), the coordinated, efficient and economical operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters;*

Does not apply to this objective

- (c) *so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence;*

Does not apply to this objective



- (d) *so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:(i) between relevant shippers;(ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;*

We agree with the proposer that this modification will help Shippers to submit additional meter readings and help appropriate targeting of energy balancing charges, thereby furthering this relevant objective.

- (e) *so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards (within the meaning of paragraph 4 of standard condition 32A (Security of Supply – Domestic Customers) of the standard conditions of Gas Suppliers’ licences) are satisfied as respects the availability of gas to their domestic customers; and*

Does not apply to this objective

- (f) *so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code.*

Does not apply to this objective

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

No implications identified

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

a) implications for operation of the System:

No implications identified for Transporters.

b) development and capital cost and operating cost implications:

There will be no capital cost and operating cost implications, outside of a minor adjustment to system parameters.

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

Do not anticipate any costs requiring recovery outside of allowed revenue

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

No consequences identified.

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

We do not anticipate any increase in contractual risk for the Transporters.



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

As was indicated by xoserve at the workstream meeting, the proposed deadline will help increase the numbers of reads that can be submitted, whilst avoiding increased system development costs.

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

Users can submit meter reads later than at present.

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

No implications identified

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 implications identified

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

We have identified the following advantages:

- More meter readings can be accepted.
- Consequential improvement in energy allocation.

We have identified the following disadvantages:

- Minor cost incurred from adjustment of system parameters.

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

Not required for this purpose

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

Not required for this purpose

Programme for works required as a consequence of implementing the Modification



Proposal

Xoserve will be required to undertake some system adjustment to allow implementation of this modification, but our understanding is that the amount of work required will be modest.

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

We have no comments in this area.

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

No implications identified

Further Comments

None

Should you wish to discuss our response further, please feel free to contact me.

Yours faithfully

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