

CODE MODIFICATION PROPOSAL No 0132
Clarification of Supply Point Confirmation Notice Requirements for Certain Special
Metering Supply Points
Version 1.0

Date: 06/02/2007

Proposed Implementation Date: 01/05/2007

Urgency: Non Urgent

1 The Modification Proposal

a) Nature and Purpose of this Proposal

This proposal seeks to clarify the notice requirements for a Proposed Supply Point Registration Date (currently detailed within UNC TPD section G2.5.8) for certain Special Metering Supply Points. It is proposed that for the following Supply Points, the proposed Supply Point Registration date shall be not less than 2 months (or such lesser period as the Transporter may specify) after the Supply Point Confirmation is submitted:

- A Supply Point (excluding an NTS Supply Point) transferring to a Special Metering Supply Point (such as a Supply Point transferring to the LDZ Optional tariff pursuant to B4.6.9) which requires removal of the specified exit point from the sites and meters database for administrative purposes, or
- An existing LDZ Special Metering Supply Point which due to reversion to normal Supply Point status requires addition of the specified exit point to the sites and meters database for administrative purposes.

Examples of reasons for the latter scenario occurring are (but not restricted to) moving from the LDZ Optional tariff to the standard LDZ charge rates or moving from Shared Supply Meter Point status to normal Supply Point status.

It is proposed that the above requirements replace the current provision detailed within UNC TPD section G2.5.8(c) which requires a two month notice period for 'normal' Supply Point Offers received via Batch Transfer Communication. Such communication is defined in UNC TPD section U4.5.1 as "*a data file containing one or more messages transmitted...by means of the UK Link Network*" and should be subject to the notice periods detailed within UNC TPD sections G2.5.8(a) and G2.5.8(b) and not to a two month notice period as currently stated.

Should this proposal not be implemented, Supply Point Confirmations issued via Batch Transfer Communication will contractually require a two month lead time whereas the two month requirement is only applicable where the relevant exit point is required to be removed from, or added to,

the sites and meters database for administrative purposes.

For the avoidance of doubt, no change is proposed to the existing provisions concerning notice requirements for Shared Supply Meter Points detailed within UNC TPD section 1.7.10(b)(ii).

b) Justification for Urgency and recommendation on the procedure and timetable to be followed (if applicable)

N/A

c) Recommendation on whether this Proposal should proceed to the review procedures, the Development Phase, the Consultation Phase or be referred to a Workstream for discussion.

This Modification Proposal has been developed within the Uniform Network Code (UNC) Distribution Workstream. General consensus on its objectives was forthcoming. 'Proceed to consultation' is therefore requested.

2 Extent to which implementation of this Modification Proposal would better facilitate the achievement (for the purposes of each Transporter's Licence) of the Relevant Objectives

By clarifying the Supply Point Confirmation notice requirements as detailed above and thereby increasing certainty, we believe the proposal facilitates the relevant objective of the securing of effective competition between relevant shippers.

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

No impact on such has been identified.

4 The implications for Transporters and each Transporter of implementing this Modification Proposal, including:

a) The implications for operation of the System:

No implication for operation of the system has been identified.

b) The development and capital cost and operating cost implications:

A minor change to the internal processes and procedures of the Transporters' agent will be required.

c) Whether it is appropriate to recover all or any of the costs and, if so, a proposal for the most appropriate way for these costs to be recovered:

The proposer believes that due to the negligible costs of implementation, no additional cost recovery is required outside the existing allowance under the price control.

- d) The consequence (if any) on the level of contractual risk of each Transporter under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

Implementation will eliminate contractual uncertainty regarding the notice periods for Supply Point Confirmations.

- 5 The extent to which the implementation is required to enable each Transporter to facilitate compliance with a safety notice from the Health and Safety Executive pursuant to Standard Condition A11 (14) (Transporters Only)**

Implementation is not required to facilitate such compliance.

- 6 The development implications and other implications for the UK Link System of the Transporter, related computer systems of each Transporter and related computer systems of Users**

There are no changes required to systems.

- 7 The implications for Users of implementing the Modification Proposal, including:**

- a) The administrative and operational implications (including impact upon manual processes and procedures)**

Users will be required to ensure that sufficient notice is afforded in the relevant Supply Point Administration transactions.

- b) The development and capital cost and operating cost implications**

The proposer is not able to assess this. It is anticipated that Users will provide such information in representations at the appropriate stage.

- c) The consequence (if any) on the level of contractual risk of Users under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

Implementation will eliminate contractual uncertainty regarding the notice periods for Supply Point Confirmations.

- 8 The implications of the implementation for other relevant persons (including, but without limitation, Users, Connected System Operators, Consumers, Terminal Operators, Storage Operators, Suppliers and producers and, to the extent not so otherwise addressed, any Non-Code Party)**

No such implications have been identified.

- 9 Consequences on the legislative and regulatory obligations and contractual relationships of the Transporters**

No such consequences have been identified.

10 Analysis of any advantages or disadvantages of implementation of the Modification Proposal not otherwise identified in paragraphs 2 to 9 above

Advantages

- Implementation will reduce contractual uncertainty regarding the notice periods for Supply Point Confirmations.

Disadvantages

- No disadvantages have been identified.

11 Summary of representations received as a result of consultation by the Proposer (to the extent that the import of those representations are not reflected elsewhere in this Proposal)

No such representations have been received.

12 Detail of all other representations received and considered by the Proposer

No such representations have been received.

13 Any other matter the Proposer considers needs to be addressed

The proposer believes no other matters (connected with this proposal) require consideration.

14 Recommendations on the time scale for the implementation of the whole or any part of this Modification Proposal

In light of the above, it is proposed that in the event of the Authority providing a direction to implement, the Modification is implemented with immediate effect. In light of the low volume of such transactions*, is it not anticipated that any significant transitional issues will occur.

* in the period January 2006 to January 2007 a total of one supply point transferred to the LDZ Optional tariff (pursuant to B4.6.9) requiring removal of the specified exit point from the sites and meters database for administrative purposes. This is the only Supply Point Administration transaction that would have been additionally subject to the 2 month notice period requirement had this Modification Proposal been implemented for the aforementioned period.

15 Comments on Suggested Text

No suggested text has been provided.

16 Suggested Text

No suggested text has been provided.

Code Concerned, sections and paragraphs

Uniform Network Code

Transportation Principal Document

Section(s) TPD Section G2.5.8(c)

Proposer's Representative

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Proposer

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