



Tim Davis  
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Dear Tim

**Re: Modification Proposal 0202: Improvement to More Frequent Reading Provisions to allow benefits of AMR**

Thank you for the opportunity to comment on the above proposal which was raised by Corona Energy (Corona) and developed through industry discussions. For the avoidance of doubt Corona supports the implementation of this proposal.

In the Industrial and Commercial sector there is an increasing use of AMR on NDM Supply Points both large and small. There are a number of companies including Corona Energy who are competing to provide these AMR services to suppliers and end users. It is important that the data from these services can be supplied to Transporters by the shipper on a regular basis as it decreases the current level of inaccuracies in the billing of both transportation and energy charges.

As most charges are billed on a monthly basis, having readings on a monthly basis from all I&C Non Daily Metered (NDM) Supply Points would improve the accuracy of the DNO invoicing of large I&C NDM Supply Points. Corona believes that providing daily AMR data to xoserve would allow more benefits than this proposal allows and this should be the long-term solution. Corona believes this proposal is a vital interim measure that allows Shippers to provide data more frequently than is currently permissible. Corona accepts that due to the constraints of xoserve's existing systems this proposal is a more efficient and economic solution for the short-term.

Corona agrees that the existing UNC provisions should be changed to allow a User to elect a Smaller Supply Point to be Monthly Read and believes that this will result in increased numbers of AMR reads being provided by shippers to xoserve. Corona suggest that this is likely to improve the accuracy of AQ's as it is more likely that accurate, timely reads will be available in the AQ review process.

Corona believes this modification will also provide the opportunity for AMR data to be used in the future to produce a SSP I&C profile. The use of a greater number of more accurate and



reflective profiles by the Gas Transporters would both increase their ability to accurately forecast network usage and to invoice their customers correctly.

If this change proposal is implemented then Corona believes there is likely to be an increase the frequency that LSP metering data is provided to xoserve. This is because Shippers will be able to align the sending of LSP and SSP meter reads to xoserve for consumers with multi-site contracts which contain both types of site. This will improve the accuracy of the invoices for all such NDM supply points as it will reduce the likelihood of large reconciliations. Not only would the RbD process benefit from the reduced reconciliations in the NDM LSP sector but it would also benefit through the use of more accurate Aqs in invoicing. The more accurate allocation of energy between the market sectors and between participants also facilitates competition between relevant suppliers and shippers.

In discussions around the development of this proposal certain DNOs have suggested that they are unsure of the benefit of the extra AMR data provides in the operation and management of their networks. It is disappointing that these DNOs don't appear to view the additional data AMR provides as an opportunity for them to gain more accurate and timely data about the operation of their network and to bill their customers more accurately. Corona suggest that were the DNO's incentivised in some measurable way to ensure accuracy of their billing then the appetite for AMR data to be provided by Shippers to the DNOs may be improved.

## Costs

Corona believes that any development costs for this proposal are likely to be small and should be borne by the DNOs. As the proposal decreases the inaccuracies of the existing DNOs billing processes it does not seem appropriate that Shippers (and ultimately consumers) should bear the costs for more accurate billing by the DNOs. Indeed it could be argued that managing more accurate information should lead to process and cost efficiencies that could be passed back to consumers.

Corona would argue it is best business practice that consumers should be billed on all available data and believe the DNOs should ensure that in the future they are able to do this via their agent xoserve. It appears fair and equitable to Corona that as the consumers are paying for the AMR equipment and the collection of the data that it is the responsibility of suppliers, shippers and transporters to invoice on this data where possible.

Corona note that the ongoing operating costs for supporting the SSP sites covered under this change proposal should be no different than any other monthly read site. On that basis Corona believe there should be no additional charge to submit these reads to xoserve.

## Environment and Cost of Carbon

Corona believes this proposal has no direct effect on the production of carbon dioxide. The proposal does encourage the installation of AMR equipment through increasing the use of the reads it provides. Evidence suggests that where AMR is installed consumers usually are able to reduce the volume of gas consumed by around ten percent. It could be suggested



therefore that this modification has the potential to have a net carbon benefit through the reduction in consumer energy usage.

I trust these comments are helpful, if you have any queries regarding this response please contact me on 0208 632 8136.

Yours,

Richard Street\*  
Regulatory Affairs Manager  
Corona Energy

\*please note as this letter has been delivered electronically a signature will not be attached