

**CODE MODIFICATION PROPOSAL No 0202**  
**Improvement to More Frequent Readings Provisions to allow benefits of AMR**  
**Version 2.0**

**Date:** 03/04/2008

**Proposed Implementation Date:**

**Urgency:** Non Urgent

**1 The Modification Proposal**

**a) Nature and Purpose of this Proposal**

Currently the UNC mandates a User must secure and provide to the relevant Distribution Network Operator (DNO) meter readings for Non-Daily Metered (NDM) sites at various timescales depending on the size and nature of the meter point. The UNC also allows the shipper to send meter reads more frequently than is mandatory under UNC.

The existing UNC provisions allow Users to submit reads weekly for Monthly Read sites, fortnightly for Annual Read meters on Larger Supply Points and on a quarterly basis (63 days) for meters on Smaller Supply Points.

With the greater use of Automatic Meter Reading (AMR) on Industrial & Commercial (I&C) meters that fall into the Smaller Supply Point category there is an opportunity for Users to provide meter reads to the relevant DNO on a more regular basis

During recent industry discussions concerns have been raised over the DNOs' agent xoserve's ability to receive substantially greater numbers of meter reads from Users. In particular it has been suggested that if there is a substantial increase in the numbers of reads from Smaller Supply Points then there is a risk that UK-Link system would not be able to cope. It has been indicated that there may be an opportunity in 2012 during the scheduled UK-Link rebuild to allow even greater numbers of meter reads to be received from Smaller Supply Points. This will allow xoserve to support the fully integrated implementation of 'smart metering' in the domestic sector.

In the I&C sector there is increasing use of AMR on all 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 improves the accuracy of 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.

Whilst Corona believe that providing daily AMR data to xoserve would allow a greater accuracy of profiling and therefore more accurate invoices it accepts that providing more frequent data than currently permissible is likely to be a more efficient solution in the short-term.

Corona Energy therefore proposes that the existing UNC provisions be changed to allow a User to elect a Smaller Supply Point to be Monthly Read (current provisions of the UNC restrict the ability to make such an election to Larger Supply Points with an AQ below 293,000kWh). It is proposed that in making such an election the User will warrant that AMR is installed, is operational and readings periodically obtained from such will be issued to the Transporter (subject to the prevailing read frequency provisions for Monthly Read Meters). Designation as a Monthly Read Meter will effectively enable the User to submit a reading up to once every 7 days. The relevant Supply Point Administration (SPA) validation processes should therefore be changed to allow Smaller Supply Points to be nominated as Monthly Read subject to the warranty detailed above. All other UNC provisions relevant to Monthly Read Meters will apply.

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

None

**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.**

The proposer believes that this proposal should be referred to the Distribution Workstream for discussion.

**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**

Standard Special Condition A11.1 (a): the efficient and economic operation of the pipe-line system to which this licence relates

Increased numbers of AMR reads provided by shippers to GT's is likely to improve the accuracy of AQ's as it is more likely that accurate, timely reads will be available.

The AMR data could also be used in the future to produce a SSP I&C profile. More accurate profiles would improve the GT's ability to accurately forecast network usage.

Standard Special Condition A11.1 (b): so far as is consistent with sub-paragraph

(a), the coordinated, efficient and economic operation of

(i) the combined pipe-line system, and/ or

(ii) the pipe-line system of one or more other relevant gas transporters;

Improvements in the accuracy of the profiles and AQ's used by Distribution Networks and therefore forecasts of network usage should allow them to more accurately predict their future requirements from the NTS.

Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs

(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;

This change should increase the frequency that I&C metering data is provided by shippers to the GTs. This will improve the accuracy of the invoices for all NDM supply points. The RbD process would be improved through the use of more accurate profiles in invoicing. Additionally this change would encourage the provision of a monthly read for all I&C NDM supply points that have AMR equipment attached, improving the accurate allocation of energy between the market sectors.

By amending terms to facilitate the provision of a greater number of reads by shippers, the Modification would therefore assist the correct apportionment of transportation and energy charges thereby facilitating competition between relevant suppliers and relevant shippers.

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

A small improvement in the ability of the GT's to manage their networks would be expected due to the improved profiling and modelling allowed by the provision of this data.

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

#### **a) The implications for operation of the System:**

An improvement in the ability of the GT's to manage their networks would be expected due to the improved profiling and modelling allowed by the provision of this data.

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

The development costs are likely to be small. The operating costs for the SSP sites under this regime should be no different than any other monthly read sites.

- 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:**

No such costs have been identified.

- 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**

No consequences have been identified.

- 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)**

Not applicable.

- 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**

A small change would be required allow the nomination of SSP supply points as monthly read.

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

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

This should allow the shippers of I&C supply points with AMR attached to reduce their costs of managing the provision of meter reads to the GT's as it will allow the sending of read data for all sites on a monthly basis.

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

No costs identified.

- 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**

None

- 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)**

None

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

None

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

**Advantages**

As well as the advantages stated above this change will also provide greater accuracy of invoicing for all RbD shippers through:

- a) more accurate SSP AQ's for sites with AMR attached
- b) the provision of more reads for LSP NDM meters

**Disadvantages**

None 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 consultation has been initiated

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

No representations have been received

**13 Any other matter the Proposer considers needs to be addressed**

None identified

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

Subject to the appropriate direction being provided by the authority this proposal can be implemented as soon as xoserve can change their systems to accept meter reads submitted in line with the proposal.

**15 Comments on Suggested Text**

**16 Suggested Text**

**Code Concerned, sections and paragraphs**

Uniform Network Code

Transportation Principal Document

**Section(s)** M, 3.7.2

**Proposer's Representative**

Richard Street – Corona Energy

**Proposer**

Richard Street – Corona Energy