



Tim Davis
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Dear Tim

Regarding UNC Modification Proposal: UNC 0224 “Facilitating the use of AMR in the Daily Metered Elective Regime”.

Thank you for the opportunity to comment on the above proposals which seek to allow current NDM supply points with AMR to elect to provide DM data to the Gas Transporters. As a market leader in advanced metering (AMR) and an I&C shipper, CE has an interest in ensuring the reads collected on behalf of our customers can be used to add value throughout the gas chain. For the avoidance of doubt Corona Energy (CE) supports modification 224.

UNC 0224 seeks to introduce a Daily Metered Elective (DME) regime. This regime allows Large Supply Points (LSPs) with an annual usage of over 732,000kWh and an AMR device attached to their meter to operate as a Daily Metered site. This allows these sites to gain the maximum benefit possible from the increased information their AMR device provides.

These sites could currently become Daily Metered using the Gas Transporters Voluntary Daily Metered service. This service is unpopular with customers however due to its high price and requirement to have an additional AMR device fitted.

CE notes that during the governments consultation process on advanced metering it was stated by BERR that one of the benefits of advanced metering was the opportunity for increased meter read data to be used in the Gas Transporters' settlement regimes, making them more accurate and providing the consumer with the opportunity to enjoy the benefits of additional products and services.

Following BERR's proposal would require that this service should, if possible, be available to all LSP supply points. It is noted that this proposal has been unable to offer this service to all LSP supply points due to xoserve system constraints and should therefore been viewed in many senses as a trial prior to the delivery of full support for the entire LSP market during the xoserve Nexus project.



The proposer has therefore requested a staged approach to rollout across three phases to enable an orderly and deliberate resolution of issues for the largest of the NDM supply point population initially (EUC 8-6, then bands 5 and 4 respectively). The rollout would therefore ensure the users with the largest usage, and thereby the largest impact on energy balancing, are given the opportunity to use the service first.

As one of the first of the 'User Pays' modifications, CE has noted that costs quoted at the beginning of the 224 discussions have nearly doubled by the end of the process. It is not clear to CE that the levels of costs quoted reflect a fair market value for the work required to enact this service. This raises a number of questions regarding the ability of a Shipper to challenge prices quoted by xoserve during the modification process.

Despite concerns over the level of costs quoted by xoserve to facilitate this service, CE believes that there is no justifiable reason why competition in the provision of a Daily Metered service cannot be introduced. CE notes that the competitive service would still be significantly cheaper than procuring the Voluntary Daily Metered service.

I trust these comments are helpful. If you have any queries regarding this response please contact Richard Street on 0208 632 8169.

Yours,

Richard Street*
Regulatory Affairs Manager
Corona Energy

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