

22 December 2009

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0258A**

“Facilitating the Use of Remote Meter Reading Equipment and the Procurement of
Data from a Third Party for the Purposes of Demand Estimation Forecasting
Techniques”

Please note that Modification Proposal No 0258A will be implemented with effect
from 06:00 hours on 01/01/2010. The Final Modification Report, Version 5.0, was
signed by Ofgem on 22/12/2009.

The new Code text resulting from this Modification follows:

Uniform Network Code - Transportation Principal Document

Section H – Demand Estimation and Demand Forecasting

“1.6 NDM Sampling

1.6.1 For the purposes of development of End User Categories and Demand Models the
Transporter (other than National Grid NTS) will obtain data (which may, subject to
paragraph 1.6.7, include estimates of missing data) as to daily offtakes of gas at the
Supply Meter Points comprised in a sample of NDM Supply Point Components in
each relevant LDZ.

1.6.2 For the purposes of paragraph 1.6.1:

- (a) the Transporter shall be entitled at its cost to:
- (i) install, operate and read data recorders ~~or Remote Meter Reading Equipment; and~~
 - (ii) procure Meter Readings from third parties.
- In either case at NDM Supply Meter Points from time to time selected by the
Transporter;
- (b) the Transporter will designate (as sampled for such purposes) NDM Supply
Meter Points at which Remote Meter Reading Equipment ~~Daily Read
Equipment~~ is installed, or at which it wishes to install Remote Meter
Reading Equipment ~~Daily Read Equipment~~ or at which it has, or intends to,
procure Meter Readings for. ~~and which are comprised in Supply Points
whose Annual Quantities are not greater than 2,196,000 kWh (75,000
therms);~~

- (c) the sample will be selected by the Transporter by random sampling from NDM Supply Point Components having different Annual Quantities and geographical locations.

1.6.3 For the purposes of paragraph 1.6.2:

- (a) a data recorder is a device which captures Meter Readings at the start of each Day, but is capable of being read only at the Supply Point Premises;
- (b) the Transporter will not select any NDM Supply Meter Point for installing a data recorder or ~~Remote Meter Reading Equipment~~ ~~Daily Read Equipment~~ without the consent of the consumer.

1.6.4 For each Gas Year an NDM Supply Point Component at which a ~~data recorder~~ is for the time being installed ~~selected~~ or which is for the time being designated under paragraph 1.6.2 ~~(b)~~ is a "Sampled" NDM Supply Point Component.

1.6.5 The aggregate number of Sampled NDM Supply Point Components:

- (a) for all LDZs will be approximately 3,900 (of which approximately ~~2,700 will be subject to paragraph 1.6.2(a)~~ and 1,200 ~~will be~~ subject to paragraph 1.6.2(b));
- (b) for a particular LDZ will be:
 - (i) the approximate number of Sampled NDM Supply Point Components specified by the Transporters in a document published by the Transporters for the purposes of this paragraph 1.6; and
 - (ii) comprised of NDM Supply Point Components located at points on the LDZ of a similar geographical location within the area in which the LDZ is located as was the case at 1 March 1996

or such other number as may be established pursuant to paragraph 1.6.6.

1.6.6 The Transporters will consult from time to time with all Users and the Authority on whether to increase or reduce the number or materially alter the identity or location of the NDM Supply Point Components for all LDZs or a particular LDZ which are Sampled.

1.6.7 The data obtained by the Transporter in accordance with paragraph 1.6.1 will be subject to validation by the Transporter (by techniques which provide reasonable statistical assurance of the validity of each data set), and such of the data as is so validated will be the demand data in respect of Sampled NDM Supply Point Components for the purposes of paragraph 1.7.2.

1.6.8 For NDM Supply Point Components whose Annual Quantity exceeds 2,196,000 kWh (75,000 therms) paragraphs ~~1.6.4 and~~ 1.6.7 will not apply and the data used for the development of Demand Models will be data (including estimates of missing data) obtained for each Gas Year from Supply Meter Points comprised in Supply Point Components from a sample randomly selected by the Transporter having different Annual Quantities in the relevant LDZ; the aggregate number of such Supply Point

Components for all such LDZs will be approximately 1,600 and reference to the EUC Sample shall be construed accordingly.

1.6.9 The Registered User will co-operate with the Transporter:

- (a) in enabling access (where required) to Supply Meters for the purposes of establishing the NDM samples of NDM Supply Point Components and in ensuring that such samples are and will continue to fulfil the requirement to obtain the data as described in paragraphs 1.6.1 and 1.6.8;
- (b) in obtaining the consent (where required) of any relevant person including the consumer for the installation, operation and reading of the data recorder or Remote Meter Reading Equipment ~~Daily Read Equipment~~ at a NDM Supply Meter Point.

1.6.10 The Registered User of a NDM Supply Meter Point at which Remote Meter Reading Equipment specified in paragraph 1.6.2 is or is to be installed will, where requested to do so by the Transporter:

- (a) procure permission and access for the Transporter or the relevant third party to:
 - (i) install and make operational Remote Meter Reading Equipment;
 - (ii) attach the Remote Meter Reading Equipment to the Supply Meter Installation;
- (b) facilitate inspection and maintenance and any activity referred to in Sections M 4.1.4(a) and (b), in relation to Remote Meter Reading Equipment, by the Transporter or the relevant third party as required for the purposes of keeping such equipment operational (including any requirement for resynchronisation and/or adjustment);
- (c) procure that a suitable site including support, protection and security for the Remote Meter Reading Equipment is available at the Supply Point Premises.

1.6.11 The Registered User of a NDM Supply Meter Point at which Remote Meter Reading Equipment specified in paragraph 1.6.1 is installed shall:

- (a) where it intends, or becomes aware that the consumer or any other person intends, to undertake works on the Supply Meter Installation (or any part of it) which will or is likely to impact on the ability of the Transporter to obtain accurate and timely Meter Readings, use reasonable endeavours to notify the Transporter at least two Business Days prior to the commencement of such works of the date when disconnection of the Remote Meter Reading Equipment from such Supply Meter Installation will occur and the date on which such works will be complete such that the Remote Meter Reading Equipment may or will be reconnected;
- (b) take reasonable steps to secure that the Remote Meter Reading Equipment is not damaged or otherwise mistreated.”

Yours sincerely,

John Bradley
Modification Panel Secretary