

Bob Fletcher
UNC Panel Secretary
31 Homer Road
Solihull
West Midlands
B91 3LT

05 August 2010

Dear Bob

EDF Energy Response to UNC Modification Proposal 0297: “Extending Rights to Protected Information Provisions for Meter Asset Managers / Registered Metering Applicants”.

EDF Energy welcomes the opportunity to respond to this UNC Modification Proposal. We support implementation of Modification Proposal 0297.

This proposal allows the Gas Transporters (GTs) via xoserve to release additional information to both currently registered MAMs and MAMs that were previously registered to the meter point. EDF Energy believes that this will enable improved communication between MAMs and Suppliers and also help to address some of the data issues that are present in gas as the MAMs should be able to identify any data discrepancies between their information and sites and meters. However we believe that this proposal could be built upon were a requirement to be included in SPA or MAMCOP that would require the MAMs to update the supplier where they became aware of these data discrepancies.

In particular we would note that there are numerous issues caused by data quality in the gas industry, which in part is driven by the long communication chains from MAP to MAM to Supplier to Shipper to Transporters. This proposal will allow the MAM greater access to the details held on sites and meters and so identify any data issues. This will benefit Suppliers and MAMs by enabling effective communication between the two parties and so allow them to address and resolve any contractual issues. However we would note that this proposal does not, and can not require MAMs to update the Suppliers when they became aware of any data discrepancies, and so does not address the root of the problem – namely that the data held by MAMs is different to that held by Suppliers and Sites and Meters. We believe that were a requirement placed on MAMs to update Suppliers were they became aware of any data discrepancies would help to address this issue and the associated issues caused by sub-optimal data. We would therefore encourage and support Scotia to raise a supporting proposal to SPAA to ensure that the full value of this modification proposal is realised.

EDF Energy would however note that our support for this proposal should not be viewed, or construed as support for the GTs’ proposed replacement and funding of IAD. For clarity EDF Energy

continues to have concerns with this piece of work and the GTs' proposed funding, however we recognise that this is out of scope of this proposal.

In relation to the particular sections of the modification report EDF Energy would make the following specific comments:

2. User Pays

EDF Energy agrees with the proposer that this is not a User Pays proposal and that the costs of any service provision to the MAMs would be governed through a non code agency services charge. We further agree that all costs associated with the provision of this information should be targeted at MAMs through this service charge without exclusion or limitation.

3. Extent to which implementation of the proposed modification would better facilitate the relevant objectives:

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;

EDF Energy disagrees with the proposer that implementation of this proposal will benefit competition between Suppliers. In particular we would note that the assumptions used to support this relevant objective are based on the assumption that the data held on sites and meters is correct and accurate, and providing MRAs with access to this information will ensure that they can bill Suppliers correctly. Whilst EDF Energy undertakes to provide as accurate information to the Transporters, we disagree with the view that sites and meters is always accurate. In particular we note that data in sites and meters can be inaccurate for numerous reasons, including incorrect file flows and information from MAMs, and the fact that Shippers have to go in and amend the onjob file before xoserve will accept it. If the data in sites and meters is questionable, then the basis of Scotia's arguments that allowing access to sites and meters will improve competition as the MAMs can bill accurately also fails. We therefore do not believe that implementation of this proposal will impact on this relevant objective.

Standard Special Condition A11.1 (f): so far as is consistent with subparagraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;

EDF Energy does however believe that implementation of this proposal will facilitate this relevant objective. In particular we note that this proposal will allow MAMs access to relevant information held on sites and meters. This will allow them to identify any data discrepancies and so resolve any contractual issues caused by this. From a system perspective this would appear to be a simpler solution than xoserve allowing Shippers to submit the onjob file in the same format that they receive it from MAMs, which would have the same effect of addressing data quality issues. This would therefore represent efficient implementation of the UNC as it addresses the issue identified whilst avoiding the costly, complex and timely process of requiring xoserve to accept a simple file as it is submitted by the MAMs.

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

EDF Energy agrees that this proposal may reduce industry fragmentation by allowing MAMs to identify data discrepancies across the numerous data hubs. However, as previously noted, the only way to ensure reduced industry fragmentation would be through a supporting SPAA proposal requiring the MAMs to provide a data update to suppliers when they became aware of data issues on sites and meters.

5. The implications for Transporters and each Transporter of implementing the Modification Proposal

EDF Energy continues to oppose the use of allowed revenue for the funding of IAD replacement we believe that this is anti-competitive and calls into question the GTs' compliance with SLC A15.5 for current IAD account costs. However we recognise that this is outside of the scope of this proposal.

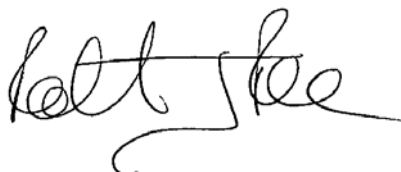
We would though note that the comments contained in section 5 suggesting that IAD replacement will provide additional functionality to support this proposal goes against the sentiment in section 2 that all costs for the provision of this service would be targeted at RMAs. We would therefore urge Scotia to ensure that the sentiment in section 2 is maintained and ensure that all costs, including functionality support, are targeted at RMAs and so avoid any cross subsidisation from Shippers to RMAs.

8. The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

EDF Energy disagrees with the proposer that implementation of this proposal will reduce Shippers' operational costs. In all likelihood were Shippers to experience an increase in data updates to correct errors then this would result in an increase in costs as these updates would be required to be worked and submitted within the timelines specified in the UNC.

I hope you find these comments useful, however please contact my colleague Stefan Leedham (Stefan.leedham@edfenergy.com, 020 3126 2312) if you wish to discuss this response further.

Yours sincerely



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