IGT UNC

iGT UNC / iGT INC Final Modification Report

| Date | 07 March 2008 | |
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| Reference | iGT012 | |
| Title | Amendment to the window for acceptance of Meter Reads by Pipeline Operators | |
| Proposer | Marie Clark | |
| | ScottishPower Energy Management Ltd | |
| iGT UNC / Pipeline Operator | IGT UNC | |
| Modification Proposal Dates | Circulation: 23/11/2007 Response: 14/12/2007 Circulation of DMR: 09/01/2008 Response to DMR: 30/01/2008 Circulation of draft FMR: 20/02/2008 Draft FMR considered at Panel: 27/02/2008 FMR sent to Authority: 07/03/2008 | |

The Proposal

Following the introduction of revised arrangements for metering and meter reading, a number of parties and agencies are now involved in this process. Combined with the requirements that Suppliers will carry out validation of meter readings, this can mean that many readings are not available for submission within the current 10 Business Day window as outlined within Section E. Paragraph 3.1

A UNC Modification (No. 124) was raised to amend the UNC to allow the Pipeline User to submit Meter Readings to the Pipeline Operator up to 15 Business Days after the meter read date. This Modification was subsequently approved by the Authority and implemented on 16 April 2007.

Paragraph 3.1 of Section E of the iGT UNC provides for the manner and timing of the submission of Meter Readings to the Pipeline Operator.

It is therefore proposed that Section E Paragraph 3.1 is amended to require Users to submit Meter Readings up to the 15th Business Day after the Meter Read Date. This will allow a much higher proportion of valid meter reads to be submitted and accepted by Pipeline Operators. It would provide for a greater number of meter reads to be accepted for purposes of setting Annual Quantities (AQ) which will improve the accuracy of AQ calculations at Supply Points. In addition a greater number of Meter Readings will be available to allow for the reconciliation of I&C Supply Points.

For clarity, the Proposer does not propose that this amended timescale will apply to the provision by the Pipeline User of Opening Meter Readings. These should continue to be submitted within 10 Business Days of the Supply Point Registration Date.

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Suggested timescale for implementation

The Proposer does not consider that this Modification requires system changes and recommends an immediate implementation following Authority consent.

This Modification proposes more than changes to documentation so it is suggested that implementation should be at least four months following Authority consent according to paragraph 19.2(b) of part L to the iGT UNC.

Representations

Individual responses can be viewed here.

| Respondee | Response to Consultation | Response to DMR |
|-----------------------|--------------------------|-----------------|
| E.ON UK | Support | Support |
| RWE npower | Support | |
| SSE Energy Supply Ltd | Support | |
| ScottishPower | Support | Support |
| ESP | Support | |
| SSE Pipelines | Support | |

Facilitation of the relevant objectives

The Proposer believes that this modification proposal would further the relevant objectives as defined in Standard Condition 9 of the Gas Transporters Licence by ensuring that more valid Meter Readings are available for the calculation of AQ values and to allow for the undertaking of I&C reconciliations.

This will ensure greater accuracy of energy and cost allocations and so far as is consistent with sub-paragraphs (a) to (c) of Condition 9 will secure effective competition between relevant shippers and relevant suppliers.

Implementation issues

One Pipeline Operator highlighted that, although not an issue for their company, other Operators may have to carry out system improvements to facilitate this Modification.

View of affected Operator(s) on whether or not the Proposal should be implemented

The Operators support this proposal as it will ensure greater numbers of accepted reads flow through to the Operators. These reads are important when carrying out AQ reviews or reconciliation and therefore the Operators endorse the Proposer's view that increased accuracy in this area will facilitate the securing of effective competition.

The Operators consider that this Modification should be implemented.

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Other information

None

Panel Decision

The Panel unanimously agreed that it recommended the Modification for implementation, commenting that it promotes Competition between Shippers and Suppliers.

The Panel recommended an implementation date of not earlier than four months pending Authority consent in accordance with clause 19.2 (b) of section L to the iGT UNC.

Legal Text

iGT UNC Section E

Clause 3 <u>Provision of Meter Readings to the Pipeline Operator</u>

3.1 It is the responsibility of the Registered User to ensure that Meter Readings are provided to the Pipeline Operator, not later than 10 15 Business Days after the Meter Read Date. Where the Pipeline Operator has a Computer System, Meter Readings are required to be provided to the Pipeline Operator by way of System Communication by the means and in the form described in the Manual and accompanied by the details specified in the Manual.

