

iGT UNC / iGT INC Consultation Response

Date	4 th September 2012
Reference	iGT048 Modification Proposal Consultation
Title	Estimated Opening Meter Reads Code Amendment
Respondee	Trevor Clark
Position on the Modification	Support Modification

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.

<i>Relevant Objective</i>	<i>Yes/No</i>
a. the efficient and economic operation of the pipe-line system to which this licence relates	
b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters	
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	
e. so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers	
f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition	Yes
g. so far as is consistent with sub-paragraphs (a) to (f), the compliance with the Regulation* and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

Relevant Objectives to be better facilitated:

Likely impact on environment?

None

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Implementation issues including impact on your systems

Minimal

Additional Information and Comments

E.ON is supportive of this proposal as we believe it provides an opportunity to increase the utilisation of meter reads obtained during the change of supply process.

Currently a Pipeline Operator may reject an opening meter reading where the reading itself is correct but the accompanying meter technical details are incorrect. Extending the read submission window from D+7 to D+10 provides the Shipper with an increased period with which to resolve the issue with the meter technical details and allow the original reading to be resubmitted. This will result in a higher proportion of consumer bills being based on an actual read (usually provided by the consumer themselves) rather than an estimated reading provided by the Pipeline Operator.

An increased level of consumer bills based on an actual read rather than an estimate will also have a positive impact on the disputed read process. Within the recent Authority decision letter relating to the 3 week switching proposals, Ofgem acknowledged the issues caused by the disputed read process: *“Currently, around 10% of domestic customer transfers have a change of supplier meter read amended through the disputed reads process. This can be a source of frustration for consumers and can increase costs for the industry, which may feed through to consumer tariffs.”*

A further benefit of this proposal is the standardisation of the submission window, under current rules the Pipeline Operator decides if they accept reads submitted between D+7 and D+10. This causes complexity to Shippers whereby processes and systems need to operate differently depending on an individual Pipeline Operators policy. Standardising this policy across the Pipeline Operators will also bring into line the practice operated by Xoserve where they accept reads submitted up to D+10 (we note that there is an equivalent UNC Mod currently in progress to similarly remove ambiguity in the UNC).

This proposal therefore offers an opportunity to reduce the volume of estimated reads provided by the Pipeline Operators, in turn Shippers may benefit from a reduction in costs.

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at iGT-UNC@gemserv.com or faxed to 020 7090 1001