










modification		At what stage is this document in the process?
<p><b>iGTxxx:</b> <i>(Code Administrator to issue reference)</i></p> <p><b>Opening Class 1 read services on IGT Meter Supply Points to Competition</b></p>		<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid green; background-color: #2e8b57; color: white; padding: 2px; display: flex; align-items: center; justify-content: center;">01 Modification</div> <div style="border: 1px solid blue; padding: 2px; display: flex; align-items: center; justify-content: center;">02 Workgroup Report</div> <div style="border: 1px solid purple; padding: 2px; display: flex; align-items: center; justify-content: center;">03 Draft Modification Report</div> <div style="border: 1px solid orange; padding: 2px; display: flex; align-items: center; justify-content: center;">04 Final Modification Report</div> </div>
<p><b>Purpose of modification:</b></p> <p>This modification proposes to bring into effect similar changes proposed under UNC 0647 that Open Class 1 reads to competition by introducing common arrangements for Class 1 and 2 by removing the obligation on IGTs to provide Daily Read services to Shippers for [non-telemetered] Class 1 Supply Meter Points located on IGT Networks.</p>		
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> <li>assessed by a Workgroup</li> </ul> <p>This modification will be presented by the Proposer to the Panel on <b>dd mmm yyyy</b>. The Panel will consider the Proposer's recommendation and determine the appropriate route.</p>	
	<p>High Impact: None</p>	
	<p>Medium Impact: Shippers, IGTs, CDSP</p>	
	<p>Low Impact: Suppliers, Consumers</p>	

**Guidance on the Use of this Template:**

*Please complete all sections unless specifically marked for the Code Administrator.*

*Green italic text is provided as guidance and should be removed before submission.*

*The Code Administrator is available to help and support the drafting of any modifications, including guidance on completion of this template and the wider modification process. Contact iGTUNC@gemserv.com or 020 7090 1044.*

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Timetable		
<i>Please provide proposer contacts and an indicative timeline. The Code Administrator will update the contents and provide any additional Specific Code Contacts.</i>		
<b>The Proposer recommends the following timetable: <i>(amend as appropriate)</i></b>		
Initial consideration by Workgroup	dd month year	
Amended modification considered by Workgroup	dd month year	
Workgroup Report presented to Panel	dd month year	
Draft modification Report issued for consultation	dd month year	
Consultation Close-out for representations	dd month year	
Variation Request presented to Panel	dd month year	
Final modification Report available for Panel	dd month year	
modification Panel decision	dd month year	

## 1 Summary

This modification completes the process started by UNC 0647 of opening the service up to competition by removing the obligation on IGTs to procure a Daily Metered service for the Class 1 supply points on their Networks and so allowing Shippers to appoint any Daily Metered Service Provider (DMSP) they choose. It proposes to accomplish this by relinquishing DNOs of all obligations to provide DM services to non-telemetered class 1 Supply Meter Points.

The definition of Class 1 will be unchanged but the current arrangements peculiar to Class 1 will cease. Class 1 will effectively become the same as Class 2 with the exception that a Class 1 site will be mandatory whereas Class 2 will be elective on the part of the Shipper.

Class 1 Supply Meter Points are large and may need to be monitored for the purposes of network management. Therefore, Shippers will have an obligation to provide the DNO access to the meter and corrector to enable them to obtain flow data and pressure data.

For the avoidance of doubt, this modification does not amend the Class 1 Criteria, but responsibility for obtaining the reads is passed to Shippers.

It is expected that the terms under section E of the IGTAD will change as a result of UNC 0647, as current arrangements require DNOs to provide daily read services for DM CSEPs. This change therefore requires provisions to be put in place to ensure that Shippers have access to IGT Class 1 and 2 supply points in order to facilitate competition of reads.

### What

Class 1 reads are a monopoly Transporter obligation and UNC modification 0647 seeks to remove this restriction. However, due to the limitation of 0647, removal of the obligations to provide a DM read service for Class 1 supply points on IGT networks leaves IGTs with a standing obligation to procure a service which still leaves the choice of service provider out of shipper hands. This modification proposes that the obligation on IGTs to procure Class 1 Meter reading Services under IGTAD be amended so that arrangements to receive Class 1 meter readings will henceforth be treated in line with those that are common for Class 2 meter readings – which are used for meter points with a rolling AQ of under 58,600 mWh's. Xoserve require meter reads within 24 hours following the day of gas consumption. These reads are typically provided by advanced meter reading functionality and are procured by the shipper.

### Why

Under the proposals of UNC 0647, it is argued that standardising the arrangements for meter reads at Class 1 and Class 2 Supply Meter Points will simplify processes and open up the meter reading market to competition bringing it in line with the wider metering market.

This modification proposal allows that process of opening the market to competition to encompass DM sites on IGT Networks so that Shippers in the future are not inconvenienced by having separate DMSPs for their DM sites on DNO and IGT Networks respectively.

### How

This modification will achieve its objective by standardising Class 1 and Class 2 processes by removing the IGT obligation to provide a Daily Read service for class 1 Supply Meter Points. Since Shippers will



provide the reads going forward, the current requirement and arrangement for IGTs (Large Transporters/GDNs operating on behalf of IGTs providing DM read service) to submit reads to Shippers by a given time on the Day will cease. As will the payment of liabilities for failure to provide the reads and the provision of the within day hourly reads obtained from Class 1 Supply Meter Points to Shippers. The Shippers will be required to submit reads to the same timescales as for Class 2.

For the avoidance of doubt; sites with an AQ greater than or equal to 58.6GWh will still be required to be Daily Metered and will continue to be Class 1. IGTs will acquire a new right to install dataloggers at Class 1 sites for System management purposes from the gathering of flows and pressure readings. Shippers will also need to ensure that access is available to meter installations by the relevant Transporter.

## 2 Governance

### Justification for Normal Procedures and Authority Decision

This modification removes the Transporter monopoly in provision of Class 1 Daily meter reading services and will affect competition between Shippers and Suppliers. It is therefore is not suitable for self-governance.

It is not required for this modification to be considered for Fast-track status

### Requested Next Steps

This modification should:

- be assessed by a Workgroup
- be sent for Authority Decision

## 3 Why Change?

The developments in meter reading mean there is no difficulty for Shippers to procure meter reading services for Class 1 non-telemetered Supply Meter Points. Following implementation of UNC 0647, Shippers can provide this service at Class 1 Supply Meter Points located on DNO networks. By introducing the provisions set out under this modification, Shippers will be able to carry out the same exercise at Class 1 Supply Meter Points located on IGT networks.

In practical terms, many Shippers have commercial arrangements already in place with AMR Service Providers (ASPs) who already have services available that are comparable in scope to that of DMSPs.

Under the proposals of UNC 0647, it is argued that standardising the arrangements for meter reads at Class 1 and Class 2 Supply Meter Points will simplify processes, reflect advances in meter reading and will open up the meter reading market to competition bringing it in line with the wider metering market.

This modification proposal allows that process of opening the market to competition to encompass DM sites on IGT Networks so that Shippers in the future will not have the inconvenience of having separate DMSPs for their DM sites on DNO and IGT Networks respectively.

## 4 Code Specific Matters

### Technical Skillsets

Not relevant.

### Reference Documents

UNC TPD Section M Supply Point Metering.

All documents under [UNC modification 0647](#)

#### [IGTAD Section E DM CSEP Supply Points](#)

Currently within the IGTAD section E document, it states the DNOs are required to collect Class 1 and 2 Meter Readings on behalf of IGTs. Consideration needs to be made with the workgroup for UNC 0647 as to whether this is still a relevant section for the IGTAD and therefore whether it should be removed.

## 5 Solution

The solution will align Class 1 with Class 2 meter reading processes using the same file formats and timescales. The existing obligations for IGTs (or Large Transporters/GDNs operating on IGTs behalf) are to:

- 1) Submit reads to Shippers by a given time on the Day;
- 2) Pay liabilities for failure to provide the reads;
- 3) Provide within day hourly reads obtained from Class 1 Supply Meter Points to Shippers on request.

The above obligations will cease, and will be replaced by obligations transferred to Shippers, who will be required to submit Class 1 reads to the same timescales as for Class 2.

For the avoidance of doubt the Supply Meter Points with an AQ greater than or equal to 58.6GWh will still require to be Daily Metered and will continue to be Class 1.

IGTs will acquire a new right to install dataloggers at Class 1 Supply Meter Points for System management purposes but will be under no obligation to do so, and will not be required to provide any data obtained to any other party.

The new arrangements will be implemented on a day to be agreed and there will be no transition arrangements so on that day IGTs will cease to have the Class 1 read obligation. Following this, Shippers shall procure the Class 1 meter reading service in the same way that Class 2 meter reads are procured.

Following the cutover from DNO to Shipper provision there could be circumstances when the previous DMSP need to submit reads. Examples include late reads which can be submitted up to D+5 and consumption adjustments. These arrangements will also be required for any subsequent changes of DMSP by Shippers.

**Commented [RJ1]:** I have my doubts that IGTs are allowed to do this as we have a prohibition in collecting reads within certain timeframes, so it may be more appropriate for this to fall back to the DNOs – For discussion in the WG.

## 6 Impacts & Other Considerations

### Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification proposal should not impact any current Significant Code Reviews or significant industry change projects.

#### Consumer Impacts

The change will open Class 1 reads on meters located on IGT networks to competition and should result in a benefit to consumers due to a relaxation of timescales and liabilities which may result in a cheaper Shipper service as they make internal benefits and cost savings.

The current systems reflect the DNO's drive to achieve an excellent service to remove the risk of liabilities being incurred in the tight timescales. Relaxing the timescales and liabilities may result in a cheaper service as Shippers internalise the benefits and costs of achieving a given standard.

#### Environmental Impacts

There are no anticipated environmental impacts.

## 7 Relevant Objectives

### Impact of the modification on the Relevant Objectives:

Relevant Objective	Identified impact
(A) Efficient and economic operation of the pipe-line system	None
(B) Co-ordinated, efficient and economic operation of (i) the combined pipe-line system; and/or (ii) the pipe-line system of one or more other relevant gas transporters	None
(C) Efficient discharge of the licensee's obligations	None
(D) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation agreements with other relevant gas transporters) and relevant shippers	Positive
(E) 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	None

(F) Promotion of efficiency in the implementation and administration of the Code	Positive
(G) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators	None

Opening up Class 1 meter reads to competition will further relevant objective (d) by allowing Shippers to choose who would provide their daily meter reading services. And objective (f) for continuity between the UNC and IGT UNC documents.

## 8 Implementation

Implementation of this modification should be in alignment with implementation of UNC 0647 but only on condition of its approval through Workgroup and Authority Decision.

## 9 Legal Text

### Text Commentary

At the time of writing, Legal text for UNC 0647 is not available –the proposed below is not exhaustive and highlighted purely in order for the purposes of discussion under the working group.

A number of areas in the IGT UNC will need to be adapted in some manner to accommodate this change:

The text of the IGT UNC defines and in several places refers to “Transporter Daily Read Equipment”, should UNC 0647 be implemented, this will no longer be an appropriate definition.

### Suggested Text

#### PART C - SUPPLY POINT ADMINISTRATION

##### 3.2 For the purposes of the Code:

(a) “~~Transporter~~ Daily Read Equipment” is equipment of a design and standard of manufacture approved (consistently with any Legal Requirement) by the Pipeline Operator or by the Large Transporter which enables Meter Readings to be obtained by the ~~Large Transporter~~ Shipper remotely at set intervals and which comprises of:

(i) a device for capturing from the Supply Meter, and/or (where installed) a converter, data which constitutes or permits the derivation of a Meter Reading; and

(ii) a telephone line or radio transmitter and/or such equipment as shall be required for transmitting such data;

(b) ~~Transporter~~ Daily Read Equipment is “Operational” on the first Day on which ~~Transporter~~ Daily Read Equipment provides a Valid Meter Reading unless the ~~Large Transporter~~ Shipper notifies ~~to~~ the Pipeline Operator of a later date in from which ~~ease~~ such Equipment shall be Operational ~~from such later date~~.

## PART E - METER READING

### 7 Cyclic Reading: Class 1 Supply Meters

7.1 For the purposes of this Clause 7.1 the provisions of paragraph 5.6 of Section M of the UNC shall apply with the following changes:

the reference to "Transporter" in paragraph 5.6.1(b) shall be interpreted as a reference to the "Large Transporter"

the reference to paragraph 5.4 of Section M of the UNC in paragraph 5.6.2 shall be interpreted as a reference to paragraph 5.4 as incorporated into this Part E by Clause 5.1

paragraph 5.6.4 of Section M of the UNC shall not apply and shall be replaced by the following:

"The Pipeline Operator and Pipeline User acknowledge that, pursuant to paragraph 8 of Section M of the UNC, the further provisions of paragraph 6 apply in relation to Class 1 Supply Meters as between the Large Transporter and the User".

For a Class 1 Supply Meter Point the CDSP will provide to the Pipeline Operator Daily Meter Readings for the Supply Meter within 5 Business Days after the Large Transporter has provided the same to the CDSP.

**Commented [RJ2]:** These areas may need adjustment dependent on the changes that occur as a result of UNC 0647 as we are still waiting for legal text in the UNC, so will have to wait until we see the proposed legal text.

10.2 Where the Proposed Supply Point includes one or more DM Supply Meter Points a Supply Point Nomination shall specify in addition to the requirements of clause 10.1 above:

(a) the proposed DM Capacity and proposed DM Offtake Rate in respect of the DM Supply Point, in compliance with the requirements of Part CII; and

(b) the Proposing User shall confirm that:

i. where the Supply Meter Point has ~~Transporter~~ Daily Read Equipment installed that it has or will have requested or that it has or will have secured that a CSEP User has requested pursuant to the LDZ CSEP Ancillary Agreement for the ~~Large Transporter Shipper~~ to ~~provide procure~~ the Service (as defined therein)

ii. where the Supply Meter Point does not have ~~Transporter~~ Daily Read Equipment installed that it has or will have requested or that it has or will have secured that a CSEP User has requested the Large Transporter pursuant to the LDZ CSEP Ancillary Agreement for such ~~Transporter~~

Daily Read Equipment to be installed and for the ~~Large Transporter Shipper~~ to provide the Service (as defined therein).



14.6 Each Pipeline User acknowledges that in order to become the Registered User of a DM Supply Point it is necessary for a Pipeline User to enter into with the Large Transporter any applicable LDZ CSEP Ancillary Agreement or make appropriate arrangements with a CSEP User who has entered into any applicable LDZ CSEP Ancillary Agreement in respect of the CSEP. Accordingly:

(a) where a Proposing User makes a Supply Point Confirmation in respect of a Supply Point with a DM Supply Point, the Proposing User shall by a date no later than the date 8 Supply Point Systems Business Days before the Proposed Supply Point Registration Date provide evidence either that:

(i) it has entered into any applicable LDZ CSEP Ancillary Agreement with the Large Transporter; or

(ii) it has made appropriate arrangements with a CSEP User (whose name shall be provided to the Pipeline Operator) who has entered into any applicable LDZ CSEP Ancillary Agreement Provided that if the Proposing User has provided evidence that it has entered into an LDZ CSEP Ancillary Agreement within the previous 12 months and warrants that such Agreement is still in force, it shall not be required to do so again. Failing the provision of such evidence by such date, such Supply Point Confirmation shall lapse and shall not come into effect.

(b) if the Supply Point Confirmation has not lapsed pursuant to paragraph (a) the Supply Meter Points comprised in such DM Supply Point shall with effect from the later of:

(i) the Supply Point Registration Date; and

(ii) the date on which ~~Transporter~~ Daily Read Equipment has been installed and becomes Operational be DM Supply Meter Points.

(c) the CDSP shall without prejudice to paragraph (b) within 2 Supply Point Systems Business Days following the coming into effect of a Supply Point Confirmation in respect of a DM Supply Point and in respect of the Registered User and where appropriate relevant CSEP User notify the Large Transporter accordingly.

14.8 Each Pipeline User further acknowledges that:

(a) it is the ~~Large Transporter's Shippers'~~ responsibility and not the Pipeline Operator's to install ~~Transporter~~ Daily Read Equipment at a Class 1 Supply Point; and

(b) the Pipeline Operator has no responsibility or liability in respect of the provision or non-provision of ~~Transporter~~ Daily Read Equipment and any services provided in connection therewith.

14.9 The Registered User of a Supply Point with a Class 1 Supply Point shall ensure that the Large Transporter is permitted full access to the ~~Transporter~~ Daily Read Equipment

Commented [RJ3]: Anticipating this a bit here, but it seems reasonable at this stage to suggest this would be suitable.

at each Class 1 Meter Point (including granting the Large Transporter any letter of authority) to enable the Large Transporter to obtain access upon receiving a written request from the Pipeline Operator for the purposes set out in the IGTAD.

## 17 Class 1 Supply Meters

17.1 In respect of a Class 1 Supply Meter "Daily Meter Readings" for a Day are Meter Readings obtained by the ~~Large Transporter Shipper~~ by means of ~~Transporter~~ Daily Read Equipment for the start and end of the Day.

17.2 The Registered User of a Class 1 Supply Meter Point acknowledges that the ~~Large Transporter Shipper shall be is pursuant to the LDZ CSEP Ancillary Agreement~~ responsible for obtaining and providing Valid Meter Readings and ~~The Large Transporter shall be responsible~~ for calculating the quantity of gas offtaken at such Supply Meter which quantity so calculated shall be deemed to be the quantity delivered in respect of the Class 1 Supply Meter Point at the CSEP and offtaken at the Class 1 Supply Meter Point.

For a Class 1 Supply Meter point the CDSP will provide to the Pipeline Operator Daily Meter Readings for the Supply Meter within 5 Supply Point Systems Business Days after the ~~Large Transporter Shipper~~ has provided the same to the CDSP.

## PART M - DEFINITIONS

"~~Transporter~~ Daily Read Equipment" shall have the meaning in Part CI 3.2(a)

Commented [RJ4]: Terminology to be defined in the WG

## 10 Recommendations

### Proposer's Recommendation to Panel

Panel is asked to:

- Agree that normal governance procedures should apply
- Refer this proposal to a joint IGT UNC Workgroup for assessment.