



*Bringing choice and value
to customers*

Our Ref: Net/Cod/iPGT
Direct Dial: 020 7901 7491
Email: nick.simpson@ofgem.gov.uk

25 April 2005

SSEP Ltd, Shippers and other parties

Dear Colleague,

Modification Proposal SSEP011: To allow the use of an Old Supplier Estimated Read (OSER) as a Change of Supplier Meter Reading.

Ofgem have considered the issues raised in this modification proposal and have decided to direct Scottish & Southern Electric Pipelines Ltd (SSEP) to implement the proposal as we believe that it will better facilitate the relevant objectives of SSEPs Network Code as defined in Standard Condition 9 of SSEPs GT Licence.

Background to the Proposal

The Customer Transfer Programme (CTP) has identified a number of ways in which Change of Supplier Meter Readings can be processed as part of the customer transfer process. This modification proposal forms part of the end to end solutions put forward by the Customer Transfer Programme (CTP) and seeks to improve the efficiency, accuracy and robustness of the Change of Supplier Process by adding a new classification of meter read that can be accepted by the GT.

The Modification Proposal

This modification proposal seeks to codify a new category of acceptable meter read for the purposes of the Customer Transfer Process.

The CTP defines a process where the OSER will be sent by the Old Supplier to the New Supplier. The new supplier would then submit this meter read, via the confirming Shipper, to the GT to be used as a Change of Supplier Meter Reading.

Respondents' Views

SSEP received four responses in relation to this modification proposal all of which supported its implementation. Respondents expressed the view that the proposal would help to improve the robustness of the Change of Supplier process by reducing the volume of 'shipper agreed reads' and that it was consistent with similar proposals in the electricity market.

SSEP's views

SSEP supports the implementation of this modification proposal as they believe that implementation will improve the efficiency, accuracy and timeliness of the Change of Supplier process.

Ofgem's Views

This modification proposal forms part of the solutions suggested by the CTP as a means of improving the customer transfer process. Ofgem is supportive of changes that contribute to a more efficient customer transfer process.

Ofgem's decision

Having considered the issues raised by this modification proposal Ofgem has decided to direct SSEP to implement modification proposal 011, as it will contribute to the efficient and economic operation of the pipe-line system and to the fulfilment of the relevant code objectives, particularly Standard Condition 9.1 (c).

In accordance with condition 9 (9) (b) of the standard conditions of Scottish & Southern Electric Pipelines Ltd Gas Transporter's Licence, dated 10 April 1999, Scottish & Southern Electric Pipelines Ltd is directed to make the above proposal (as contained in Scottish & Southern Electric Pipelines Ltd Network Code Modification report 0011 dated 11 April 2005) as a modification to the Network Code.

If you have any further queries regarding this decision letter please feel free to contact Samantha McEwen 020 7901 7032.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. N. Simpson', written over a horizontal line.

Nick Simpson
Director, Modifications