



Promoting choice and  
value to customers

The Joint Office, relevant Gas Transporters and other interested parties

Our Ref: Net/Cod/Mod/UNC117  
Email: [industrycodes@ofgem.gov.uk](mailto:industrycodes@ofgem.gov.uk)

2 October 2006

Dear Colleague,

**Request for urgent status for modification proposal UNC117: 'Amendment to Invoice Billing Period'.**

Following consideration of the request that modification proposal 117: *'Amendment to Invoice Billing Period'*<sup>1</sup> follow urgent modification procedures, Ofgem has today agreed to that request.

In reaching our decision on granting urgent status we have considered the details contained within the modification proposal and the Proposer's justification for urgency. Ofgem considers that this proposal satisfies the criteria for granting urgent status to a modification proposal, as set out in its published guidelines<sup>2</sup>. In particular, we consider that the proposal is both linked to:

- a specific date related event, being the earliest date that an invoice can be issued to include a reconciliation of the significant South East Local Distribution Zone metering error, recently notified to the industry; and,
- a real likelihood of significant commercial impact upon GTs, shippers or consumers if the proposal is not granted urgency. The total impact of the error may amount to approximately £25 million, largely due to the period over which the error occurred.

**Urgency Timetable**

Whilst agreeing that this proposal should be given urgent status, we have not agreed to the urgent timetable originally suggested by the proposer. Following recent discussions at the Billing Operational Forum, in particular the fact that the group had not been presented with a final Meter Error Report in sufficient time to agree the invoice, the matter has been deferred to an extraordinary meeting of that group on 26 October 2006. We therefore understand that the reconciliation for this error could not appear in an invoice earlier than 24 November 2006.

---

<sup>1</sup>[www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/16822\\_Modification\\_Proposal\\_0117.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/gasgovernance](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/16822_Modification_Proposal_0117.pdf?wtfrom=/ofgem/work/index.jsp&section=/areasofwork/gasgovernance)

<sup>2</sup>[www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11700\\_Urgency\\_Criteria.pdf](http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11700_Urgency_Criteria.pdf)

We consider that this deferral provides a useful opportunity for this proposal to be discussed in relevant industry meetings. Some of these are noted in the timetable below, though we leave it to the proposer and other parties to determine where and when this proposal should appropriately be discussed. We also consider that the consultation period should extend beyond the next meeting of the Billing Operational Forum, in order that respondents can have regard to any discussions and/or decisions made by that group prior to submitting their representations.

Ofgem has therefore determined that this proposal should follow the following timetable:

<b>Ofgem grant urgent status</b>	<b>02/10/06</b>
<b>Proposal issued for consultation</b>	<b>03/10/06</b>
<b>Transmission workstream</b>	<b>05/10/06</b>
<b>Distribution Workstream/Billing Operational Forum</b>	<b>26/10/06</b>
<b>Closeout for representations</b>	<b>02/11/06</b>
<b>Final Modification Report to the UNC modification panel</b>	<b>09/11/06</b>
<b>UNC modification panel recommendation</b>	<b>16/11/06</b>
<b>Ofgem decision expected week commencing</b>	<b>20/11/06</b>
<b>Implementation date (subject to Ofgem's decision) no later than</b>	<b>24/11/06</b>

For the avoidance of doubt, in accepting this request for urgency, Ofgem has made no assessment of the merits of the modification proposal and nothing in this letter in any way fetters the discretion of the Authority in respect of this modification proposal.

If you have any queries in relation to the issues raised in this letter, please feel free to email [industrycodes@ofgem.gov.uk](mailto:industrycodes@ofgem.gov.uk).

Yours sincerely,



**Nick Simpson**  
**Director, Industry Codes and Licensing**