

UNC 0795:

Arrangements for charging for revenue to pay valid Last Resort Supplier Payment claims



Proposer: Richard Pomroy

Panel Date: 16th December 2021

Why change?



- The way in which the charges to recover the revenue to pay valid Last Resort Supplier Payment claims is not stated in Code, given the very large revenues that may be charged for in 22/23 clarity is required
- This modification is being raised in case 0687V is not implemented in time for it to come into effect for 1st April 2022

Options



- A UNC modification is the only route to address the issue

Solution



- Introduce text to reflect the way these charges have been set in the previous years
 - this is to add the value of the Last Resort Supplier Payment claims to the DN's allowed revenue and to set charges using the established arrangements

Recommended Steps



- The Proposer recommends that this modification should be:
 - Subject to Self-Governance
 - It is not in itself material as it puts into Code the arrangements that have been used previously

Recommended Steps



- The Proposer recommends that this modification should:
 - Proceed to Consultation
 - No substantive questions were raised at pre-mod discussions on 25th November nor on 13th December when the fully drafted modification including legal text was available
 - We had hoped that a direction on implementing 0687 would have been made by now, but that has not happened so our preference is for 0795 to run slightly behind the timescales for 0687V; this will enable UNC modification panel to make an implementation decision on 20th January. If 0687V has been directed for implementation by this date, we will suggest that panel determines not to implement 0795
 - it would then effectively be a material change to 0687V
 - therefore,,panel may think it prudent to ask a consultation question regarding what should happen if 0687V is directed for implementation such as “The proposer’s view is that if 0687V is directed for implementation that this modification should not be implemented. Do you agree with this view?”