

Representation – Draft Modification Report UNC 0841 Introduction of cost efficiency and transparency requirements for the CDSP Budget

Responses invited by: 5pm on 07 March 2024

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Marina Papathoma
Organisation:	Wales & West Utilities
Date of Representation:	07/03/2024
Support or oppose implementation?	Support
Relevant Objective:	c) Positive d) Positive f) Positive
Relevant Charging Methodology Objective:	Not Applicable

Reason for support/opposition: *Please summarise the key reason(s) for your support or opposition.*

This Modification proposes to provide greater clarity of the content requirements for the Central Data Services Provider (CDSP) Annual Budget. WWU supports this modification as it will better enable how stakeholders determine whether the Business Planning proposals are economic and efficient. The current arrangements do not require the CDSP to demonstrate that the expenditure proposed is economic and efficient (transporter Standard Special Condition A15 4(a) i requires transporters to “jointly control and govern the CDSP on an economic and efficient basis”) and that it represents value for money to its Customers. Specifically, the proposed changes are intended to create a set of business plan information rules that specify the information that the CDSP must include. We therefore believe the Modification 0841 furthers relevant objective: c) Efficient discharge of the licensee's obligations, d) Securing of effective competition: (i) between relevant shippers; (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers, and f) Promotion of efficiency in the implementation and administration of the Code.

Governance Statement: *Please provide your views on the self-governance statement or reasons why Authority Direction should apply.*

We believe this modification meets the criteria for self-governance.

Impacts and Costs: *Please provide a view on the impacts and costs you would face.*

Assurance Audit conducted by 3rd Party for CDSP (not under existing arrangement) (every year) - £45,000 - £70,000. The impact will be minimal as this cost is shared between DSC parties

Implementation: *What lead-time do you wish to see prior to implementation and why?*

This modification can be implemented without delay.

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

Yes

Panel Questions: *Panel Members have requested that the following questions are addressed.*

No questions were raised but the Panel have asked respondents to note that Modification 0841A was raised as an alternative to Modification 0841 on 27 September 2023 and was withdrawn on 26 January 2024. The information is available with all of the other 0841 documentation, as normal.

<https://www.gasgovernance.co.uk/0841>

Error or Omissions: *Are there any errors or omissions in this Modification Report that you think should be taken into account? Please include details of any impacts/costs to your organisation that are directly related to this.*

None.

Additional analysis: *Please provide below any analysis or information to support your representation.*