

Representation

Draft Modification Report

0451 0451A (Urgent): Individual Settlements For Pre-Payment & Smart Meters

Consultation close out date: 09 September 2013

Respond to: enquiries@gasgovernance.co.uk

Organisation: Opus Energy Limited

Representative: Gemma Trembecki

Date of Representation: 09 September 2013

Do you support or oppose implementation?

0451 - Not in Support

0451A - Neutral

If either 0451 or 0451A were to be implemented, which would be your preference?

Prefer **0451A**

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

0451A – The basic principle that pre-payment meter customers may consume according to a slightly different profile to credit meter customers seems likely to be sound. However, we do not believe the analysis is robust enough to enable to us to support this modification. In particular we are concerned by the small sample size (one shipper, one LDZ, very few meters, only smart meters) and that there is little evidence that the benefits will outweigh the costs before Nexus makes this modification redundant.

0451 – Retrospective changes should be used very sparingly as they can undermine parties' confidence in governance arrangements and can create windfall gains and losses. There is nowhere near enough evidence to suggest retrospection is appropriate in this situation.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

No

Relevant Objectives:

How would implementation of these modifications impact the relevant objectives?

0451 0451A
Representation
15 August 2013
Version 1.0
Page 1 of 2

0451A – If further evidence is provided to confirm the proposer’s theory this modification would improve competition by increasing the accuracy of settlement.

0451 – Retrospection would undermine market confidence and create windfall gains and losses; it is therefore negative against this objective.

Impacts and Costs:

What analysis, development and ongoing costs would you face if either of these modifications were implemented?

Any system changes would be minimal.

Implementation:

What lead-time would you wish to see prior to either of these modifications being implemented, and why?

No opinion

Legal Text:

Are you satisfied that the legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the modifications?

We have not reviewed the legal text

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

No