

## Representation - Draft Modification Report UNC 0691S

### CDSP to convert Class 2, 3 or 4 meter points to Class 1 when G1.6.15 criteria are met

**Responses invited by: 5pm on 07 August 2020**

**To:** [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

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

<b>Representative:</b>	David Mitchell
<b>Organisation:</b>	Scotland Gas Networks and Southern Gas Networks
<b>Date of Representation:</b>	7 <sup>th</sup> August 2020
<b>Support or oppose implementation?</b>	Oppose
<b>Relevant Objective:</b>	a) Negative  d) Negative

### Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

SGN is unable to support the implementation of this modification. We understand why the proposer has raised this modification in order to resolve an identified issue, however we have some concerns around the principle and details of the process proposed by the modification, and consider it creates some unintended consequential risks:

#### Duplicate Obligations

There are existing obligations in the Uniform Network Code that already require Shippers to move sites into the correct product class (TPD Section G1.5), and therefore we believe this modification creates duplicate obligations. We note that the particular issue which the modification seeks to address is limited to a small number of Supply Points and would therefore again highlight that the existing obligations should be sufficient to address the issue.

#### Process Concerns

This Modification proposes that where the requirement for a Class 2, 3 or 4 Supply Meter Point has met the requirement to become Class 1 but the Shipper has not converted it to Class 1 by 20 Supply Point System Business Days (SPSBD) after the existing deadline, then the CDSP will convert the Supply Meter Point to Class 1.

We are concerned that this modification will place an obligation on the CDSP to move Supply Meter Points into product Class 1. As per the standard process, once the Supply Meter Point has been moved into product Class 1, there is then a requirement for DM read equipment to be installed at the Supply Meter Point. As the CDSP does not have a

contractual relationship with the end user, this creates the risk that the installation of DM read equipment may become problematic which could result in a negative customer experience.

### Data Quality Risk

We note that the modification also requires the CDSP to record default or estimate values in the central systems in the event that the requested Supply Point Capacity or the requested Supply Point Offtake Rate is not provided by the relevant Shipper. This creates a data quality risk within central systems, as the CDSP will be recording gas usage for a Supply Meter Point without having the appropriate level of knowledge of the gas usage for the site, and as such values may be under or overstated. It should be noted that this data is relied upon in subsequent processes - for example it could be involved in the application of ratchets – and therefore it is imperative that this data is accurate. There is the risk that the use of default values may result in negative customer outcomes – for example the passing on of ratchet charges – even if the customer has followed the correct procedures.

### **Self-Governance Statement:** *Please provide your views on the self-governance statement.*

We believe that the modification fulfils the self-governance criteria although we do note that there could be a consequential risk of moving a site into Class 1 that may mean that customers are subject to ratchet charges, however we would expect Shippers to mitigate this impact by managing the capacity booking correctly.

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

Following a Modification Panel decision to implement this modification, the CDSP and DSC Change Management Committee would need to confirm the delivery timescales for the changes to processes and systems. We are aware that a Change Proposal has been raised (XRN 5038) to ensure requirements are captured and delivered.

### **Impacts and Costs:** *What analysis, development and ongoing costs would you face?*

SGN has not identified any costs to its business should this modification be implemented.

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

*For information: legal text for UNC Modification 0691S has been provided with UNC Modification 0708S legal text in mind. It is recommended therefore that UNC Modification 0691S legal text, if approved, is inserted into the Uniform Network Code after the UNC Modification 0708S effective date (as aligned with IGT137 timescales) of 05:00 on 24 July 2020.*

SGN is the legal text provider for this modification therefore we believe that the legal text reflects the modification solution.

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

None identified.

**Please provide below any additional analysis or information to support your representation**

We do not have any additional analysis in support of our representation.