

## Representation

### Draft Modification Report

#### **0422: Creating the permission to release data to Meter Asset Provider organisations**

**Consultation close out date:** 08 February 2013  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** E.ON  
**Representative:** Colette Baldwin  
**Date of Representation:** 01 February 2013

#### **Do you support or oppose implementation?**

Support \* *delete as appropriate*

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

Ensuring that parties who are entitled to recover their charges have access to data to enable them to collect revenue to which they are entitled should result in lower charges overall, since parties won't have to support query management processes in a scattergun manner as currently, and costs will not have to increase to include a risk premium for lost revenue from missing assets.

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

No

#### **Relevant Objectives:**

*How would implementation of this modification impact the relevant objectives?*

We believe this would support relevant objective D – the securing of effective competition between Shippers/Suppliers.

MAP ID isn't held as part of the standing industry data therefore there isn't a system that can be interrogated by a supplier, a shipper, a MAM or a MAP, to help identify who is providing the current metering asset to a supply point.

The Supplier Hub principle and the RGMA processes are supposed to ensure that the supplier appoints a MAM who contracts with the MAP who then collects the rental charges on behalf of the MAP from the supplier. The supplier is not necessarily privy to the identity of the MAP (as this is a commercial arrangement between MAP and MAM) and on a change of supply the identity of the out-going MAM should be passed to the in-coming MAM to allow them to contact and contract with the existing MAP to continue supporting the asset that is already on the wall and avoid unnecessary stranding costs.

Unfortunately because of failures of RGMA processes and the unintended consequence of the deletion of the MAM ID on a COS event, the new MAM doesn't always know who the old MAM is and therefore which MAP to contract with, equally, the MAP isn't always aware of who the current MAM is either. This leads to multiple queries between parties trying to track down ownership and responsibility for meter provision and maintenance resulting in increased workload and servicing cost on all parties. Additionally, if MAPs can't always be certain of recovering their rental this may lead to increased rental costs as they may include risk premiums for lost assets, which will lead to higher prices for customers.

All suppliers may not be impacted equally – the supplier who fails to manage the RGMA rejection process effectively avoids costs, but could actually put costs on other suppliers and MAPs who then have to track down the party responsible for meter maintenance and/or provision & rental income.

Concern was expressed in the development of this modification that it could lead to suppliers being asked for payment of rental invoices directly rather than via the contracted MAM. We believe that once the MAP has confirmation of the MAM ID, it will enable them to progress the appropriate commercial discussions directly with the MAM as it is clearly in the MAP's interest to facilitate the continuity of the contractual arrangements with the suppliers' MAMs and it should lead to less query management between suppliers and MAPs.

### **Impacts and Costs:**

*What analysis, development and ongoing costs would you face if this modification were implemented?*

The benefit would be the avoided costs of managing queries from MAPs directly. Due to the variable levels of effort by MAPs it is difficult to put a specific cost to the activity on it's own.

**Implementation:**

*What lead-time would you wish to see prior to this modification being implemented, and why?*

We see no reason to delay the implementation any longer than Xoserve determines is necessary to make the information available.

**Legal Text:**

*Are you satisfied that the legal text [and the proposed ACS (see [www.gasgovernance.co.uk/proposedACS](http://www.gasgovernance.co.uk/proposedACS))] will deliver the intent of the modification?*

Yes

**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