

Representation - Draft Modification Report UNC 0664

Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4

Responses invited by: 5pm on 19 March 2020

To: enquiries@gasgovernance.co.uk

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

Representative:	Gareth Evans
Organisation:	ICoSS
Date of Representation:	19 March 2020
Support or oppose implementation?	Oppose
Relevant Objective:	d) Negative

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

This proposal is inflexible, creating fixed performance targets and does not take into account the many potential issues which a shipper may encounter in submitting meter read, such as intermittency issues with Smart/AMR meters, or problems with third party suppliers. This proposal, as currently drafted, is therefore discriminatory between shippers and will not achieve the resolution of the root causes of poor performance.

We believe that a flexible approach through the Performance Assurance Regime will help address the issues identified regarding abuse of product classification to avoid UIG costs, without creating the negative impacts identified above.

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

A significant lead-in period would be required by our members to allow the significant amount of work to be done to change any arrangements with 3rd party suppliers and also to revise existing operational processes to guarantee read submissions.

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

Our members have indicated that these proposals will require potentially substantial changes to internal processes, and higher costs in managing sites to address short term issues with intermittent meter reading provision.

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

We have not reviewed the legal text

Modification Panel Members have requested that the following questions are addressed:

Q1: Consider whether proposal has an impact on Shippers who ship for other parties?

We agree with the concerns raised regarding the impact this will have on shippers who have more than one supplier business for which they ship. Basing performance on shipper short codes, rather than supplier short code, will either penalise high-performing suppliers or allow poor-performing suppliers to avoid charges. It also limits the ability of an individual supplier to influence performance if it is being aggregated with others. In summary we believe that this proposal will have a negative impact on those who ship for multiple 3rd parties.

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.

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

N/A