

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.

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| Representative: | Jason Salmon |
| Organisation: | Utility Warehouse |
| Date of Representation: | 19 March 2020 |
| Support or oppose implementation? | Oppose |
| Relevant Objective: | d) Positive |

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

In principle Utility Warehouse supports the spirit of the modification; improving the allocation of UIG and preventing mis-classification of supply points for longer than necessary.

Whilst we support the principles of the modification we feel it does not address the route cause(s) of low read performance within class 2 & 3. One of the contributing factors to this is the inability to obtain meter readings due to smart meter communication issues, which may be caused by technology, continued energy supply or infrastructure instability. SMETS2 technology is still in its infancy with suppliers experiencing multiple issues.

In addition, the performance levels proposed (25% & 90%) should be reviewed to ensure they accurately reflect achievable levels of performance given the Smart technology challenges.

Finally it is our view that incentives targeted at improving this measure through the Performance Assurance Framework would be a more efficient and cost effective solution. This would allow for more agile review and adjustment of the performance metrics. Therefore whilst we support the principles for implementing the modification, we are not able to support the proposed solution.

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

If the modification were to be approved, the implementation timelines would need to allow a minimum of 6 months to provide sufficient time to develop and implement system changes.

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

Utility Warehouse is not able to comment on the cost of system impacts or complexity of development required as XRN4990 does not yet contain sufficient detail on the proposed technical solution.

Regarding the costs outlined in the ROM, we have concerns that these will increase as the scope of the change is developed which could have a knock on impact to the implementation costs faced by other parties.

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

No comment

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?

The change of profile class is often driven by supplier activity and interactions with the customer and not the shipper, such as following installation of a Smart meter. As such there may be instances in which a supply point is locked-out due to shipper, not supplier activity or there may be agreements whereby a shipper limits the ability of a supplier to amend the profile class. In these instances whilst the supplier has made efforts to increase read performance and subsequently change the profile class, they are prevented from doing so by factors outside of their influence.

These factors should also be considered as part of this proposal.

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.*

Further analysis should be considered looking at the root cause(s) of the low read performance of class 2 & 3 with particular attention being paid to the impact of smart meter technology that is non-communicative.

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

No comment