

Representation - Draft Modification Report UNC 0674

Performance Assurance Techniques and Controls

Responses invited by: 5pm on 24 May 2021

To: enquiries@gasgovernance.co.uk

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

Representative:	Robert Johnstone
Organisation:	Utilita Energy Limited
Date of Representation:	18 May 2021
Support or oppose implementation?	Support
Relevant Objective:	d) Positive f) Positive

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

Utilita are supportive of this modification.

It has been the case (and outlined in the modification report) that performance issues which directly lead to settlement inaccuracy, and such under performance being a direct contributor to high levels of Unidentified Gas, have been sustained for too long a period. Under the current framework, the Performance Assurance Committee are limited in the powers it can utilise to address such underperformance, and the effect is that these performance issues are prolonged and negatively impact other UNC Parties.

Suitably empowering the PAC with the ability to address underperformance with UNC parties through varying Performance Assurance Techniques should provide industry with confidence that identified issues contributing to settlement inaccuracy can, and will be, adequately addressed.

We also support the responsibility of updating the PAF Document moving to the PAC; this should provide the PAC with the flexibility required to adapt the framework if and where necessary to facilitate achievement of the Performance Assurance Objective.

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

If feasible, we would like to see this modification implemented in time for the start of the Gas Year 2021.

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

It is hard to associate costs from the modification but we envisage these to be minimal, and any associated cost is far outweighed by the benefits from this modification.

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

Yes.

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

Q1: Provide a view on whether respondents think it is appropriate to impact non-UNC parties with this proposal?

Whilst a non-UNC party cannot be directly managed under the code, if such a company is impacting settlement performance then appropriate action should be taken against the UNC Party – if this leads to indirect impacts on non-UNC companies, that is for the UNC Party to manage.

Q2: Consider impact of proposal for the overarching principle to apply to Modification Panel, UNCC, Sub Committees and Parties as set out in business rule 2a.

We have considered the impact for the overarching principle to apply to all mentioned in 2a and believe this should indeed be applicable to all. A considerate approach will be required across the board in order to facilitate the Performance Assurance Objective.

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.*

No comments.

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

No comments.