

## Representation - Draft Modification Report UNC 0625

### Extension of 4 months to 10 months to transfer non-mandatory sites from Class 1

Responses invited by: **5pm on 02 November 2017**

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

<b>Representative:</b>	Emily Wells
<b>Organisation:</b>	Corona Energy
<b>Date of Representation:</b>	2 November 2017
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive

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

Daily read sites are settled using actual reads on a daily basis and so, by their nature, provide a more accurate view of settlement than non-daily metered sites. We therefore support any initiative that seeks to maintain current levels of accuracy, as it reduces the levels of settlement error that are smeared to suppliers via Unidentified Gas. Any drop in the number of daily settled sites reduces settlement accuracy and also results in more costs via unidentified gas to the whole industry.

This drop will occur if the deadline is not extended, owing to the current level of errors being experienced with Class 1 sites; the industry has naturally concentrated on fixing these errors rather than moving them to Class 2. If the current deadline is not extended therefore this effort to fix existing issues will be penalised with suppliers having to move sites from Class 1 to Class 4 and then to Class 2 to maintain daily read status.

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

To provide certainty to the market this deadline should be extended as soon as possible.

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

This proposal will extend the current regime by a few months, but we will not incur any substantial costs in doing so. By allowing a suitable lead-time to move those affected sites to Class 2, this will reduce the cost and inconvenience in doing so; if these sites are forced to default to Class 4, we will incur significantly more costs in moving the site from Class 1 to Class 4 to Class 2 in rapid succession.

**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: Respondents are to consider the materiality of the proposed modification and provide evidence (where available) to demonstrate the potential impacts should it be implemented.*

Such information, would it be provided, is commercially sensitive and so we have not done so.

*Q2: Following consideration of representations, it is recommended that Panel test the materiality of the modification against the self-governance criteria, prior to making a recommendation/determination on the Final Modification Report.*

We have no comments on this question.

**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**

None.