

Representation - Draft Modification Report UNC 0819 Establishing/Amending a Gas Vacant Site Process

Responses invited by: **5pm on 16 November 2023**

To: enquiries@gasgovernance.co.uk

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

Representative:	Kevin Clark
Organisation:	Utilita Energy Ltd NZ 17/11/23
Date of Representation:	07/11/2023
Support or oppose implementation?	Support
Relevant Objective:	d) Positive – This will reduce Shipper overheads, enabling leaner operation which can help drive competition between them, especially for smaller Shippers that may not have the capability to hold large cash reserves.
Relevant Charging Methodology Objective:	Not Applicable* <i>delete as appropriate</i>

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

There are many instances where Shippers/Suppliers are unable to access sites to obtain meter readings. The absence of a means to remove such sites from Shippers' Settlement and Commodity obligations is both operationally and economically inefficient. The criteria proposed in the Vacant Site Guidance Document provide a robust means of ensuring Shippers undertake all reasonable steps prior to utilising such a process – meaning that the robustness of the current process remains, and this new process introduces new means of dealing with sites where usual means have been exhausted. In short, this proposal does not detract from current processes and introduces only benefits.

A similar process has existed under electricity arrangements for many years and offers only improvements to accuracy of associated processes.

Introducing a vacant site process will allow Shippers to settle accurately by reflecting the real status of properties in their portfolio, reducing costs for these sites, which will also

have a knock on benefit to anything that relies on accurate consumption data, such as UIG.

The removal of Settlement Performance Obligations and Transportation Costs on Shippers with vacant sites will reduce overheads and improve the accuracy of data being submitted for settlement purposes.

The modification offers adequate control and oversight to CDSP to ensure that this proposal would not reduce Shipper/Supplier efforts to obtain meter readings.

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

We require 6 – 8 months lead time in order to ensure the development work can be carried out and undergo testing

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

Our implementation costs would be in the range of £25-50k – primarily resource costs for design, build and test activities.

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

We are satisfied that the Working Group has reviewed the legal text extensively and have no further comments.

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.*

We are satisfied that the modification report is complete.

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

We are still confirming the number of sites that we will be conducting the first of the two required site visits and attempting to identify and contact the persons responsible for the supply in order to determine vacancy under the guidance set out in the document if this process were to be implemented. We will be able to provide these figures shortly.

Additionally, we request that the process of providing the additional evidence of attempted contact and investigative work to CDSP be clarified to ensure that all parties have the same understanding of how this will be done.