

## Representation - Draft Modification Report UNC 0664VVS

### Transfer of Sites with Low Valid Meter Reading Submission Performance from Classes 2 and 3 into Class 4

**Responses invited by: 5pm on 01 July 2021**

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

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

<b>Representative:</b>	Emily Wells
<b>Organisation:</b>	Corona Energy
<b>Date of Representation:</b>	30/06/2021
<b>Support or oppose implementation?</b>	<del>Support/</del> <b>Oppose</b> / <del>Qualified Support/</del> Comments * <i>delete as appropriate</i>
<b>Relevant Objective:</b>	<del>d) Positive/Negative/None</del> * <i>delete as appropriate</i>

*The consultation is aimed at establishing if the content/effect of the variation have caused you to change a view that you previously expressed, or to take a view that you had not previously considered. Please note any representation received in respect of Modifications 0664 and 0664V will be carried forward should parties not wish to change their original representation.*

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

Whilst we are in support of the overall principle in Shippers meeting their read performance targets, and the over-arching aim to improve settlement accuracy and UIG allocations, we are in opposition to this Modification for three main reasons:

- 1) One of the initial drivers for this modification, was to prevent Shippers from moving meters into Class 3 in order to benefit from favourable UIG factors and reduce their UIG exposure, but this incentive has now been removed with the introduction of the latest AUGE tables. Consequently, we no longer think that this Modification is justified.
- 2) Our End Consumers currently under the Class 2 regime, have chosen to be in this class, provide their own SOQ / SHQ values and are billed on daily reads, and therefore there is significant negative consumer impact if they are moved to Class 4 and are only billed to a monthly read. For us to continue to bill to daily reads, even though it may now be classified as Class 4, would be a significant system change or a manual solution.
- 3) There are a number of significant operational challenges to be met, if this modification were to be implemented:
  - a. Reporting on individual MPRs monthly performance would require a new process to incorporate DDP information and monitoring as we currently only track overall performance at 90% & 97.5% respectively. The reporting listed in

the modification will be two months in arrears and so not suitable for tracking and targeting the MPRs needing to be improved to hit the 25% target

- b. Resolving MPRs that it has not been possible to obtain a read for legitimate reasons can take longer than 30 days to resolve. For Class 2 meters, a site visit is usually raised within 48 hours of a read failure, but if the meter / specific part is faulty these are typically at large & complex installations that can have many months lead time to resolve. For Class 3, issues can take on average 2-6 months to resolve as it is much harder to arrange site visits

In addition, we have invested a lot of resource into improving and managing our read performance to hit 90% and 97.5% respectively, in order to contribute to reducing UIG volatility along with the rest of the industry. It therefore feels an additional administrative burden to also be tracking individual MPRs to hit 25% per month on the second criterion.

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

N/A

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

- Significant Negative Consumer Impact for Class 2 MPRs moved to Class 4 (especially if it is a known issue that has a long lead time to resolve) – a significant system change or manual solution would be required to continue to bill a customer on daily reads as per their contract
- Additional Reporting and Analysis to be developed to track MPRs are hitting the 25% criteria

**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: Please provide your views on, and confirmation of, the Self-Governance status.*

Agree with Self-Governance status

**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 identified

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

N/A