

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.

Representative:	Rebecca Louth
Organisation:	ENGIE
Date of Representation:	Date sent in
Support or oppose implementation?	Oppose
Relevant Objective:	d) Negative

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

While we support the intention of the MOD in order to reduce UIG charges we feel that this modification as designed would potentially have an adverse effect on Gas Settlement accuracy and on UIG charging. We have highlighted the reasons for this below.

Firstly, moving problem sites to Class 4 will reduce the number of daily read sites reducing the overall accuracy of settlement. It would seem preferable for us to introduce a performance assurance regime that incentivises Shippers to resolve Class 2 issues in order to improve overall Class 2 performance, rather than reducing the overall size of the class.

On the actual solution design, we believe that allowing 90% to cover all faults may not be realistic in all instances. For us it would be preferable to remove any sites that have a fault flag raised from the calculation completely. In addition, any sites where the issue of reads not being accepted lies with the CDSP should also be removed from the calculation.

Lastly, we don't believe the customer impact of this change has been considered. Many customers in Class 2 will be on contractual products that rely on their consumption being settled daily. Moving them into Class 4 would mean they couldn't access these products anymore and may result in contracts needing to be requoted. Customers will not understand the need for this action.

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

6 Months to develop systems and process.

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

Customer Service impact in explaining Class changes and the contract amendments that come out of that.

Reporting and System developments to monitor at MPRN level.

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 are addressed:

Q1: Consider whether proposal has an impact on Shippers who ship for other parties?

N/A

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.*

N/A

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

N/A