

Representation - Draft Modification Report UNC 0822 Reform of Gas Demand Side Response Arrangements

Responses invited by: **5pm on 22 September 2022**

To: enquiries@gasgovernance.co.uk

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

Representative:	Dan Fittock
Organisation:	Corona Energy
Date of Representation:	21 September 2022
Support or oppose implementation?	Comments
Relevant Objective:	a) Negative b) Positive
Relevant Charging Methodology Objective:	Not Applicable

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

Corona Energy support this Modification in principle, however it places significant liabilities on the Shipper essentially as a billing agent for passing the Option and Exercise payments on to the customer as well as ensuring processes are in place for posting these offers on DSR Locational Market, including at weekends when most non-Domestic Suppliers are not open for business, with little to no benefit to the Shipper. Where National Grid Gas likely already has a relationship with these large consuming customers, we are unsure as to why Shippers are being asked to take on these liabilities.

Although we are cognisant that the intent of this Modification is to aid in the management of voluntary pre NGSE load shedding arrangements, at a time when Shippers are experiencing significant commercial pressures we do not believe that the liabilities on the Shipper are reflective of the potential benefits and thus would have a negative impact on Relevant Objective A.

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

Although we appreciate the tough timescales for implementing this Modification in time for winter 2022, we believe that this Modification requires further development to more equitably spread the liabilities between National Grid Gas and Shippers and would welcome a Workgroup to develop the proposal for a winter 2023 implementation.

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

The liability impacts to Shippers of this change are large and have not been adequately assessed as part of the 'Urgent' UNC Modification process, with the associated costs not being assessed.

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

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.*

Assessment of Shipper impacts and liabilities for this process have been omitted from this Modification and require a Workgroup for investigation and analysis.

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

N/A