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Mod Ref 0099
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Dear Julian,

Modification Proposal 0099 "Management of erroneous Domestic AQs during the Registration Process"

On behalf of RWE npower I would like to thank you for the opportunity to respond on modification proposal 0099. As the proposer, RWE npower strongly supports the implementation of this proposal. We believe its implementation would create a more efficient process whereby more reflective AQs can be introduced into the registration process. Not only will this support more effective competition between Shippers but will assist Transporters in the safe and efficient management of their system by having more accurate data.

By having more accurate AQs recorded in the system it will also ensure that Transporters will be better able to manage their obligations in a Gas Supply Emergency.

Additionally, it will remove a potential barrier to new entrants who might not be in the financial position to withstand the Energy and Transportation costs of an erroneous registration.

There are currently two ways of getting erroneous domestic AQs corrected. The first option is to submit with the Transporter two separate meter readings with a minimum time between reads of 186 days. This process exposes the Shipper to a level of unrecoverable Capacity charges until the calculation of a new AQ. It also puts Transporters at risk by perpetuating inaccurate data in their system. The second option is the use of a BTU form for a domestic property during the change of Supplier process.

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Currently, a BTU form is sent to a customer who is required to fill in property details which include ratings of gas appliances on its property e.g. a boiler and for the customer to verify and sign the form before sending it back to the gas supplier who will then forward the completed BTU form to the Transporter in order for the AQ consumption be corrected through reconciliation. This whole process has to be completed within the window of Supply Start Date -7 to +23 days. It is extremely unlikely that the average domestic consumer would be able to provide the technical information required.

Our proposal is looking to simplify the current BTU form to enable a Supplier to submit the required information to the Transporter within the specified time frame. The Shipper will then be able to register the end consumer with a more realistic AQ. The benefits will be that the Shipper is not over charged for unrecoverable Capacity charges and that the Transporter has more accurate information for system management purposes.

The return of the completed BTU form must comply with the timescale of between SSD -7 to SSD +23 as stipulated in the UNC under Section G, paragraph 1.6.11.

As stated in our proposal, the problem associated with the current BTU form process is the complexity and technical nature of the form which has resulted in a lack of responses received from customers.

We have proposed that the current BTU form be simplified with a revised form (Annex G – 3 of Draft Mod Report) that includes sets of values based on the current NExA table which is an industry recognised set of values already used by Users. These values are based solely on regional estimates and are dependent on the size and type of residential property. A customer will not be required to supply appliance ratings and to provide a signature before sending the form back to the supplier.

RWE npower believe that revising the form to reflect the proposed changes, more realistic AQs would be processed through the system thereby improving the quality of data available to calculate consumption.

We also believe that the existing processes may be capable of dealing with the proposed change since the essence of the Proposal is to slightly amend the form, and hence improve quality of information available to support a change in AQ.

We would be happy to discuss any points that you feel need clarification.

Yours sincerely,

Simon Howe
Gas Network Codes Manager