

Further Representation

0345 - Removal of Daily Metered voluntary regime

Consultation close out date: 05 September 2011
Respond to: enquiries@gasgovernance.co.uk
Organisation: Shell Gas Direct
Representative: Lisa Harris
Date of Representation: 05 September 2011

Modification Panel Members have indicated that it would be particularly helpful if the following questions could be addressed in responses:

Q1: which of the following dates would you recommend as an implementation date for this modification:

SGD support this modification being implemented on 1st October 2013.

Q2: How would you justify your support/lack of support for the above dates? You may wish to include views on the development of alternative metering solutions.

DM-E regime was not exhaustively user tested and is not currently being utilised

We have some concern that very few users participated in the DM-E user testing phase prior to system implementation and since implementation there has been no uptake of the DM-E regime. We believe these concerns will be shared by others and therefore feel a period of time is required prior to the implementation of this modification for these concerns to be addressed, firstly by understanding and resolving the issues that are preventing shippers from confirming sites in to the regime and secondly by conducting a second user testing phase.

Align with licence obligations to install AMR

We would like to see the implementation of this modification align with supplier obligations to install AMR (April 2014 for all sites above 732,000kWhs). This will allow for a transition phase where both a daily metered service and daily meter reads via AMR equipment are available and will allow shippers to transfer to DM-E once they are confident that the AMR equipment can deliver timely daily reads.

Impact on customers

We believe that forcing sites into a regime by removing the existing arrangements too early could ultimately lead to many sites being confirmed as NDM if shippers are unable to operate within the DM-E regime. This could inadvertently reduce competition as it will limit the ability of some to offer daily priced products and may also result in amendments to existing customer contracts if contractual obligations can no longer be met.

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.

DM-E regime is an interim solution

SGD believe that the DM-V regime should not be removed until Project Nexus has been delivered, as the DM-E regime will be superseded by the business rules being developed within the Project Nexus workstream. The cost of enhancements to systems and processes for an interim period is likely to deter some suppliers from utilising the DM-E regime and therefore the removal of the DM-V regime pre Nexus will leave customers without a daily metered service.