

Representation

Draft Modification Report

0369/0369A: Alternative Re-establishment of Supply Meter Points – measures to address shipperless sites

Consultation close out date: 03 February 2012

Respond to: enquiries@gasgovernance.co.uk

Organisation: **Scotland & Southern Gas Networks (SGN)**

Representative: Erika Melén

Date of Representation: 03 February 2012

Do you support or oppose implementation?

0369 - Support/Qualified Support/Neutral/Not in Support/Comments* *delete as appropriate*

0369A - Support/Qualified Support/Neutral/Not in Support/Comments* *delete as appropriate*

If either 0369 or 0369A were to be implemented, which would be your preference?

Prefer **0369**

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

Shipperless sites pose a great risk to the industry as a whole both in terms of incorrectly allocated costs which can not be recouped by a supplier from the consumer in question and also in terms of safety.

These two modifications are looking to address scenarios where the Supplier has isolated and withdrawn from the supply point and the meter has been removed from the system. After 12 months the relevant DNO will carry out the service disconnection GS(I&U)R visit but find the original meter still on site and capable of flowing gas. In this scenario both of these modifications are looking to enable the transporter to register the supply point to the previous supplier/cancelling the withdrawal and so enabling the accurate allocation of transportation and energy charges. However, for MOD369A the charges will not apply if customer owned metering is found on site or if the Transporter carried out the initial works leading to the supply point withdrawal. The modifications will also enable the Transporters to recover costs for the visits carried out as had the appropriate action been taken these visits would not have been required.

As these modifications ensure the correct allocation of costs to the responsible party (as already set out in the UNC) through registration of the relevant sites we fully support implementation.

In regards to MOD369A and the omission of sites where the Transporter has carried out the work we are not convinced that these should be excluded. Suppliers, in their role of managing the Supplier Hub and holding the metering contract are ultimately accountable for the meter and its removal hence even if the work is carried out by the Transporter the supplier shall ensure that the meter is physically disconnected or that gas is not able to flow and so should still be liable for any costs if gas has been offtaken. We also feel that MOD369A not containing the implementation element could hinder the resolution of the 2000 outstanding sites which are incurring unallocated transportation and energy charges. For these reasons we state our preference for MOD369

Are there any new or additional issues that you believe should be recorded in the Modification Report?

No

Relevant Objectives:

How would implementation of either of these modifications impact the relevant objectives?

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We agree with the proposers that these modifications will both better facilitate effective competition (d) between shippers/suppliers through the effective targeting and allocation of costs. They will also ensure supply points are registered to the relevant User thereby enabling the efficient operation of the UNC (f)

Impacts and Costs:

What analysis, development and ongoing costs would you face if either of these modifications were implemented?

None

Implementation:

What lead-time would you wish to see prior to either of these modifications being implemented, and why?

None

Legal Text:

Are you satisfied that the legal text will deliver the intent of each modification?

Yes

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.

No