Representation

Draft Modification Report

0378: Greater Transparency over AQ Appeal Performance

Consultation close out date: 06 January 2012

Respond to: enquiries@gasgovernance.co.uk

Organisation: Corona Energy

Representative: Richard Street

Date of Representation: 06 January 2012

Do you support or oppose implementation?

Not in Support

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

The additional information that is to be provided (being a high level summary of Shipper activities with no surrounding context), will not provide sufficient clarity to achieve the proposer's purpose, which is to demonstrate that Shippers are abiding with the provisions of the UNC. This modification will therefore add cost and complexity to the industry for no appreciable gain and may lead to unfounded accusations being levied regarding Shipper activity which may be perfectly appropriate.

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

No

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

This modification proposes to provide high level summaries on Shipper activities in three specific areas. Corona Energy does not believe that the information provided will demonstrate appropriate or inappropriate use of the current industry processes. For example, a Shipper may well in one year revise down the majority of its AQs. This would be perfectly appropriate if the consumption of its customer base is reducing in response to the CRC or other energy efficiency measures.

An external organisation would not have the surrounding context and may draw erroneous conclusions from the information provided. This modification will therefore not achieve the objectives of the proposer and may lead to unwarranted accusations and reputational damage. The cost of defending such accusations to smaller organisations that are operating appropriately in the UNC could be significant. This modification therefore has the potential of damaging competition and so goes against objective (d).

It should also be noted that the publication of the information could (with the implementation of modification 387) reveal the commercial strategies of suppliers that change their portfolio size or position within the market. It is not clear how or why this would further competition.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

This modification will significantly increase the risk of unwarranted concerns regarding Shipper activities being raised, which may result in reputational damage.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

We have no comments on implementation timescales.

Legal Text:

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

We have not reviewed the legal text.

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.