

Representation

Draft Modification Report

0396: EU Third Package: Three week switching

Consultation close out date: 02 March 2012
Respond to: enquiries@gasgovernance.co.uk
Organisation: SSE
Representative: Anne Jackson
Date of Representation: 2 March 2012

Do you support or oppose implementation?

Not in Support

For reference: In Support of Modification 0403

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

This modification does not ensure licence compliance for suppliers in 100% of cases, and provides reduced windows for objections and obtaining meter readings constantly rather than when required for bank holidays.

This will result in more transfer reads being estimated due to the customer not having their transfer date confirmed well in advance of the actual date on more occasions and greater numbers of erroneous transfers, due to the inability to inform the customer they will be leaving their supplier before the objection window has closed

This modification will also take longer to implement due to the complexity of shortening both the objection window and the confirmation window and will cost both ourselves and xoserve more money in doing so. It is also noted that there could be further costs revealed during implementation as xoserve have not done a full impact assessment on reducing the confirmation window.

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

This modification does not achieve licence compliance 100% of the time

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

g) compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators

We believe the modification meets the relevant objective above but not relevant objective (d)

Impacts and Costs:

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

This modification has greater costs for xoserve than that of modification 0403. It is indicated that additional costs may also be identified. Shortening both the objection window and the confirmation maximises the systems and processes impacted both for ourselves and xoserve.

We believe that the impact of operating reduced timescales for both windows throughout the year will have a detrimental impact on customer service. This will also happen with modification 0403 for a low number of occurrences around bank holidays, but infrequent instances can be planned for and managed to reduce the impact on the customer experience.

Nexus delivery and the aspirations for registrations systems going into the new central body in the early stages of the Smart rollout lead us to see this as an interim solution before registration systems can be addressed properly in conjunction with the electricity industry. For that reason we would want to see a less complex system solution delivered at a lower cost.

Registration systems are central to the gas switching process and we would wish to reduce the risk of problems becoming apparent to customers to ensure that the reputation of the Industry and ourselves is not impacted by this modification. We believe this can be achieved through reduced system changes and complexity which this modification does not offer.

It is acknowledged that the nomination process is not included but recognised that nominations can be obtained during the cooling off period, where applicable, or during the pricing and negotiation period prior to contract signature.

Implementation:

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

We would wish to see implementation twelve months from the date of implementation, which we believe fits with xoserve's assessment of when their changes can be delivered.

Legal Text:

Are you satisfied that the legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the 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.