

Representation

Draft Modification Report

0429: Customer Settlement Error Claims Process

Consultation close out date: 07 June 2013
Respond to: enquiries@gasgovernance.co.uk
Organisation: E.ON
Representative: Colette Baldwin
Date of Representation: 07 June 2013

Do you support or oppose implementation?

Support

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

We consider the proposed process allows Shippers to claim for material settlement inaccuracies that cover the period between the closeout of reconciliation and the Limitations Act, which will reduce risk to Shippers and costs to the industry overall, and will therefore benefit competition. The process is similar in concept to the GVC correction process used in the electricity to correct errors in the crystallised period.

In the same way that new audit requirements are being introduced for the use of GVC by BSC CP1360, it would be sensible to mirror the same audit requirements for the gas industry and for performance reporting to be provided to the UNCC & Ofgem to give confidence that the adjustments are being made in a balanced and fair manner. Performance Assurance development work currently being progressed can address this.

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?

D: This modification allows for costs to be reflective of actual consumption (and corrected billing) by allowing the erroneous energy and transportation charges to be adjusted where there are material errors. If shippers were unable to correct these costs back to the settlements process shippers would have to absorb excess costs whilst the remaining shippers would continue to benefit from the under-allocation of energy and transportation charges.

Impacts and Costs:

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

None unless claims are progressed

Implementation:

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

We are happy with the implementation timescales proposed in the Mod

Legal Text:

0429

Representation

07 June 2013

Version 1.0

Page 1 of 2

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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.

No