

Representation

Draft Modification Report

0441: Continuation of Daily Metered (Voluntary) service until the implementation of Project Nexus

Consultation close out date: 07 June 2013

Respond to: enquiries@gasgovernance.co.uk

Organisation: WINGAS UK Ltd

Representative: Rob Johnson

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.

The Daily Metered Voluntary (DMV) services is currently due to be decommissioned as of 1 April 2014 as per the changes introduced by UNC Modification 0345 (Removal of Daily Metered Voluntary regime).

Project Nexus was anticipated to be complete or close to completion in order to provide a new daily read service in time for when UNC Mod 0345 was implemented. As project Nexus is not due for imminent implementation, it is clear that the timescales described by Mod 0345 for the removal of the DMV regime are no longer appropriate as there is the risk that many sites capable of providing daily reads are forced to switch to a Non-Daily Metered service and subsequently be settled on estimates.

It would be much more advantageous if there were to be a transition between the DMV regime and the new product categories due to be introduced by Project Nexus without a retrograde step in the interim period which would otherwise be unavoidable without implementation of UNC Modification 0441.

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

No.

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Version 1.0

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Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

WINGAS UK Ltd believes that modification 0441 will provide continuity of effective competition between Shippers by allowing the current levels of daily metering services without interruption in service for a longer period. There are currently no viable alternative daily metering services available that are imminently expected to be available prior to delivery of the changes brought about by Project Nexus.

We also believe that the precision of allocations will be impacted if this modification is not implemented. By ensuring sites can continue to be settled on a daily basis over standard NDM settlement methods we can avoid this reduction in accuracy of billing and reconciliation activities.

Implementation will improve data accuracy and frequency. This will lead to more accurate allocations of costs between Shippers and so meet one of the fundamental objectives of a competitive market. Improved data accuracy and frequency will also increase the potential for competition and therefore encourage efficiency improvements.

Implementation:

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

WINGAS UK Ltd sees no reason why this modification should not be implemented as soon as possible.

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 you believe should be taken into account or you wish to emphasise.

No.