

Representation

Draft Modification Report

0507 - Changing The Effective Date of 0451AV (Individual Settlements For Pre-Payment & Smart Meters)

Consultation close out date: 08 September 2014
Respond to: enquiries@gasgovernance.co.uk
Organisation: EDF Energy
Representative: Jonathan Kiddle
Date of Representation: 08 September 2014

Do you support or oppose implementation?

Oppose

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

EDF Energy opposes implementation of UNC 0507 which seeks to delay or prevent the implementation of UNC 0451AV. The proposer has not provided any evidence or analysis that demonstrates that UNC 0507 will better the Relevant Objectives. Whilst it would have been preferable for the pre-payment profile to have been in place when UNC 0451AV was implemented in February 2014; all industry participants were made aware that a pre-payment profile would be developed and it was understood that invoices would apply from that date once the profile was agreed.

Evidence that has been provided to DESC indicates that pre payment meters in EUC1 may have a different profile to other EUC1 customers. The profile of a pre-payment customer is flatter than that of a standard domestic credit meter customer which effectively results in an over allocation of gas during the winter period and under allocation of gas during the summer period for this sector of the market. Therefore if the current profile creates a cross subsidy in allocation between credit and pre payment customers, this situation should be rectified at the earliest date.

Significant time has been spent in industry workgroups developing the profile and at the very least UNC 0507 will reduce the period of correction, in the worst case scenario where implementation of UNC 0507 is after 1st January 2015 the industry will not receive any benefits whilst incurring significant sunk costs.

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

None.

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Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

EDF Energy believes that Modification 0507 will have a negative impact on relevant objects d) and f).

Impacts and Costs:

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

We do not envisage any additional costs if this modification is implemented.

Implementation:

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

We do not support implementation of this modification.

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.

None