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National Gas Emergency Service - 0800 111 999* (24hrs)
*calls will be recorded and may be monitored

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9th January 2015
Your Reference:UNC Modification Proposal 0515S

UNC Modification Proposal 0515S - Resolution timescales for SRVs and USRVs following Project Nexus Implementation

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal for which, as proposer, National Grid Gas Distribution (NGD) would like to support.

Do you support or oppose implementation?

Support

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

This Modification Proposal facilitates a measured and orderly elimination of Suppressed Reconciliation Values (SRVs) and User Suppressed Reconciliation Values (USRVs) following the implementation of Project Nexus on 1st October 2015.

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

We have not identified any such issues.

Self Governance Statement:

We agree that this Modification Proposal should be subject to self-governance procedures given that it is not expected to have a material effect on consumers.

Relevant Objectives:

Relevant Objective f) Promotion of efficiency in the implementation and administration of the Code.

The Suppressed Reconciliation arrangements presently contained within UNC TPD Section E8 are due to become redundant under the 'Project Nexus' commercial regime to be implemented under UNC Modification 0432 on 1st October 2015.

NGD believes that the measures identified within this 'transitional' UNC Modification Proposal would facilitate an orderly elimination of outstanding reconciliation charge 'filter failures' within a reasonable period following Project Nexus implementation.

Impacts and Costs:

We concur with the statement in the Draft Modification Report concerning the funding of this Modification Proposal and we have no further comment in this respect.

Implementation:

This Modification Proposal can be implemented with effect from 1st October 2015.

Legal Text:

NGD is satisfied that the drafting and text commentary as published by the Joint Office within the Draft Modification Report meets the requirements of the Modification Proposal.

Is there anything further you wish to be taken into account?

For the avoidance of doubt, with respect to USRVs, upon expiry of the initial 6 months period following the Project Nexus Implementation Date, the Transporters agent Xoserve would seek to resolve these in all cases. Following investigation, where sufficient information is found to exist, the USRV would be approved or adjusted to reflect the true reconciliation value, invoice values calculated and issued for the relevant reconciliation billing period based on the approved or adjusted value. Where there is insufficient information available, the USRV cannot be approved or adjusted and as such, to enable resolution, a 'neutral' reconciliation would take place whereby the relevant reconciliation billing period is reconciled based on the gas allocation and therefore would be invoiced as allocated. This represents no change to the present arrangements which are set out in UNC TPD Section E8.4.5.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 01926 653541 (chris.warner@nationalgrid.com) should you require any further information.

Yours sincerely,

Chris Warner
Stakeholder Implementation Manager, Distribution